Stock Board Assets
Wealth Management
Baltimore Division
2012

“Revolutionizing DD for the common investor”

STRATA 7 Solutions, Inc. (BEAC)

New Investor Relations Contact (very open to shareholder communication):
Bryan Kobel: bkobel@laidlawltd.com
Focus Fiber website:
http://focusfiber.com/index.html
Jus-Com Focus Venture subsidiary:
http://www.jus-com.com/about_us.html

Summary of what is going on:

BEAC was an investment firm trading up to $2 with current SS (pre RS) that ran a great and profitable business until an unexpected revenue shortfall caused revenue to drop over 50%. Here is the explanation from the CEO:

"The Company experienced an unforeseen and significant revenue shortfall for the second fiscal quarter ending March 31, 2012 of approximately 50% or $3.0 million versus the previous fiscal quarter due to its major customer indefinitely suspending two large global projects that accounted for approximately 50% of the Company's annual revenue. This revenue shortfall resulted in negative operating income and an inability to service contractors and creditors."

The company needed $3 million to stabilize the company from such an unexpected hit, but was not able to successfully raise it. Fortunately for the employees, a third party stepped in.

"On August 29th, the company received an unsolicited offer to purchase the operating assets of the Company from MDT Labor d/b/a/ MDT Technical in exchange for approximately $2.2 million in cash to bring contractors of our major customers current; an earn-out payment not to exceed $3.5 million, and; certain other assumed liabilities associated with, among other things, liabilities related to employees transferring to MDT. Given the status of the refinancing efforts and state of the contractor and other vendor payables, the only viable option for the Company to meet its financial obligations and remain in business and avoid seeking protection under the bankruptcy code at the time was to agree to the Asset Purchase Agreement between the Company and MDT Labor, LLC. As a result of this transaction, the Company ceased business operations and is exploring options including mergers, acquisitions, and new business ventures."

This allowed most of the employees to keep their jobs with MDT, **and for BEAC to survive as a public** (worthless) **shell**. All business and forward actions actions conducted by MDT with the company were done privately, and the shell sat in the depths of sub penny land, forgotten as it should. Then, out of the blue, a letter of intent for a reverse merger appeared. Focus Venture Partners, and their subsidiary Jus-Com, who had previously tried to go public with a S-1 approach unsuccessfully (too complex, lengthy, costly), was the main entity behind this. While letters of intent are non-binding and often don't end up gaining approval, the market reacted with speculators driving the PPS from sub pennies up to over 6 cents a share. Since Focus had previously tried to go public to NASDAQ with a S-1, their financials are public, which is a rare (and in my time unprecedented) opportunity to see who the private company behind the reverse merger really is. *"A Public Offering Form S-1 requires companies to provide information on the planned use of capital proceeds, detail the current business model and competition, as well provide a brief prospectus of the planned security itself, offering price methodology, and any dilution that will occur to other listed securities."* Feel free to check out their balance sheet in the link below, but to sum it up:

<u>9 Months Statement, period ended December 2012:</u>

Revenue: $31,556,374 (+50% from 2011)
Gross Profit: $7,123,897 (+ almost 50% from 2011)
Translate that to a yearly statement and it = $42 million annual revenue and $9.5 million annual gross profit with a rapidly growing company eager to go public. If you read the S-1, you will see they are not only regaining the profitable business that has since recovered from the unexpected 50% revenue shortfall through MDT, but also two other entities in Focus Fiber and Jus-Com. Keep in mind, the company who had its assets bought by MDT and kept BEAC as a shell was trading **as high as $2** before the gut shot. Now we not only have them back and in action, but also two more thanks to Focus Venture Partners.

As I mentioned, the market was ecstatic at this potential, and the share price of the (still at the time worthless) shell climbed to over 6 cents over nothing more than a non-binding Letter of Intent. When it came to the date of ratification, an 8k was released after hours. **<u>The reverse merger was ratified, confirming the market's speculation</u>** but there was also a 20:1 reverse split announced and a proposed raise in the AS from 70 million to 100 million. As is always the case in penny land, the market was scared of the reverse split announcement, and a sell off occurred... the PPS dropped below 2 cents, even though the speculation of a huge reverse merger was confirmed. Reverse Splits do not change the actual valuation of the shares you own, i.e., the market cap/value stays the same, it simply decreases the number of shares you own and effectively raises the PPS. The new share structure, with raised A/S, will provide the company with more room for acquisitions and funding if needed (dilution), but management went on record as of July 12th saying they don't foresee any need for this in the near future. This creates a great opportunity for smart money to jump in and accumulate the shares, which are still slightly above the value of the worthless shell, before the split and merger go through. **While I author this, the market cap at .018 is $650,000 for a company that overnight gained $40 million in annual revenue and $9.5 million profit.** To the best of my DD, when the financials are released in September and all is said in done, this should be good for a multi 100%, possibly 1,000%+ gainer. The merger ratification occurred in the midst of the panic sell off, and created an even better discounted share buying opportunity, with much less risk than investing into a Letter of Intent. A definitive merger agreement has been signed and now it is just a matter of time until the market notices BEAC once again.

However, believe it or not, there is even more going on with this frantic, expedited, reverse merger public offering than meets the eye. On July 1st, 2013, a Mutual Fund Summary Prospectus 497K was filed via SEC Form N-1A. Translation for your average joe: mutual funds entered the equation, lead by some entity that must really believe in the business plan of Focus Fiber to gamble at such a low PPS. *"A*

Form N-1A is a registration statement used by investment companies ***to create new open-end mutual funds****. A company must file this form with the Securities and Exchange Commission's EDGAR filing system."*

There is also a lot more going on, and I suggest anyone to read ALL OF THE FILINGS before considering investing. This is not your typical penny stock play where all you have to do is hope for a good PR or two.... this is one where you need to dig deep into the long and boring SEC filings and really try to comprehend what is going on behind this large scaled reverse merger. The PRs and updates from our new management will come, but not until the merger and split are complete. This is truly, in our opinion, a great opportunity to be ahead of the curve.

Relevant links to the aforementioned summary:
Letter to shareholders explaining what caused BEAC to become a shell:
http://ih.advfn.com/p.php?pid=nmona&article=54266656
Most recent filing (7/12/13) explaining merger, RS, subsidiaries:
http://www.otcmarkets.com/edgar/GetFilingHtml?FilingID=9397666
Focus Venture financials thanks to S-1 public offering attempt (which failed and is why this reverse merger with BEAC is happening):
http://www.nasdaq.com/markets/ipos/filing.ashx?filingid=8672780
Definitive merger agreement:
http://www.sec.gov/Archives/edgar/data/1122063/000114420413036537/v348552_8k.htm
Mutual Fund Prospectus:
http://ih.advfn.com/p.php?pid=nmona&article=58242838

Other Notable Information

- **Upcoming Catalyst: Financials to be released by August 30th per 6/25/13 8k**

Item 9.01	**Financial Statements and Exhibits.**

	(a)	**Financial statements of business acquired**

The financial statements of Focus will be filed within 71 calendar days of this Current Report on Form 8-K.

	(b)	**Pro forma financial information**

The pro forma financial information showing the effects of the acquisition of Focus will be filed within 71

calendar days of this Current Report on Form 8-K.

- **BEAC is changing name and CUSIP number, on top of everything else, from Beacon Enterprise Solutions to Strata 7 Solutions, Inc.**
  - *"After the Effective Time, our Common Stock will have new Committee on Uniform Securities Identification Procedures (CUSIP) number, which is a number used to identify our equity securities, and stock certificates with the older CUSIP number will need to be exchanged for stock certificates with the new CUSIP number by following the procedures described below. After the name change, we will continue to be subject to the periodic reporting and other requirements of the Securities Exchange Act of 1934, as amended. Our Common Stock will continue to be quoted on the OTC Pink Sheets, subject to any decision of our Board of Directors to list our securities on a stock exchange. As a result of the name change, it is possible that our ticker symbol will be changed."*
- **Shareholders of Record:** It is important to note that management, and the big parties involved, are all major shareholders of common shares, which is why the threat of dilution is not one that we are too worried about. They currently own 80.11% of the common shares in the market so the only logical reason Authorized Shares would enter the float would be to raise capital for a new, profitable investment or acquisition. Diluting the common shares would hurt the investments made by everyone seen below, including the CEO.

Name of Beneficial Owner (1)	Common Stock Beneficially Owned	Percentage of Common Stock
Bruce Widener (2)	3,254,167	7.96%
Richard Coyle (3)	492,857	*
All Executive Officers and Directors as a group (2 people)	3,747,024	9.06%
5% Shareholders		
John D. Rhodes III (4)	2,393,829	5.67%
TBK 327 Partners, LLC (5)	6,129,821	13.23%
TLP Investments, LLC (6)	5,129,821	11.31%
5G Investments, LLC (7)	7,500,000	15.72%
Charles Glasgow	4,000,000	9.95%
Atalaya Special Opportunities Fund IV LP (8)	3,125,000	7.21%

* Less than 1%.

- **Background and Reasons for the Reverse Split; Potential Consequences of the Reverse Split**

"The Board of Directors would effectuate a reverse split with the primary intent of increasing the market price of our Common Stock to make it more attractive to a broader range of institutional and other investors. In addition to potentially increasing the market price of our Common Stock, the reverse split would also reduce certain

costs, as discussed below. Accordingly, for these and other reasons discussed below, we believe that effectuating the reverse split is in our and our shareholders' best interests.

The Board of Directors believes that an increased stock price may encourage investor interest and improve the marketability of our Common Stock to a broader range of investors, and thus enhance liquidity*. Because of the trading volatility often associated with low-priced stocks, many brokerage firms and institutional investors have internal policies and practices that either prohibit them from investing in low-priced stocks or tend to discourage individual brokers from recommending low-priced stocks to their customers. Additionally, because brokers' commissions on lower-priced stocks generally represent a higher percentage of the stock price than commissions on higher-priced stocks, the current share price of our Common Stock can result in an individual stockholder paying transaction costs that represent a higher percentage of total share value than would be the case if the share price of our Common Stock were substantially higher. This factor may also limit the willingness of institutions to purchase our Common Stock.* ***The Board of Directors believes that the anticipated higher market price resulting from the reverse split could enable institutional investors and brokerage firms with such policies and practices to invest in our Common Stock.***

Although we expect the reverse split will result in an increase in the market price of our Common Stock, the reverse split may not increase the market price of our Common Stock in proportion to the reduction in the number of shares of our Common Stock outstanding or result in a permanent increase in the market price, which is dependent upon many factors, including our performance, prospects and other factors detailed from time to time in our reports filed with the SEC. The history of similar reverse stock splits for companies in like circumstances is varied. If the reverse split is effected and the market price of our Common Stock declines, the percentage decline as an absolute number and as a percentage of our overall market capitalization may be greater than would occur in the absence of a reverse split.

When the reverse split is effectuated, it would increase our authorized but unissued shares of Common Stock by approximately 38,207,017, based on our number of such shares issued and outstanding as of July __ 2013. ***Pursuant to the terms of the Merger Agreement, which was disclosed on a Current Report filed with the SEC on June 25, 2013, all Series D Shares would automatically be converted into shares of our Common Stock ***SEE EXPLANATION BELOW****** *upon the effectuation of the reverse split, resulting in a post-conversion increase in our authorized but unissued shares of Common Stock of approximately 13,070,017. As discussed under Proposal No. 3, we are also seeking approval to increase our authorized shares of Common Stock to 100,000,000 from 70,000,000.* ***Other than the foregoing, the***

Company presently has no plans to issue any shares that would become available for issuance as a result of a reverse split of its Common Stock but reserves the right to develop and act upon any such plans should it determine to do so (translation- we don't see any need for dilution... FILED WITH THE SEC)."

- **<u>*Note about the Series D Shares converting to common with RS:</u>** There are 2,000,000 Series D, which have a stated value of $4.00. These will be new shares after the reverse split, but cost $4 for those holding them. If the reverse split occurred today, at .018, the new PPS would be $.36. This is another reason we are not worried about dilution in the foreseeable future... **if these new common shares were sold into the market upon conversion (at current PPS... who knows what it will be when the RS actually happens) it would be for a 90% loss. The people behind this restructuring clearly foresee a HUGE increase in the PPS based off this valuation/conversion disclosure.**
    - ***"Series D Preferred Stock***

      Each share of Series D Preferred Stock is automatically convertible into Common Stock on a 1 for 20 basis upon the filing of an amendment of the Company's articles of incorporation implementing a proposed reverse stock split. In addition, the holders of the shares of Series D Preferred Stock shall be entitled to notice of stockholders' meetings and to vote as a single class with the holders of the Common Stock upon any matter submitted to the stockholders for a vote, and shall be entitled to such number of votes as shall equal the number of shares of Common Stock into which the shares of Series D Preferred Stock are convertible into on the record date of such vote. Each share of Series D Preferred Stock has various rights, privileges and preferences, including: ***(i) a stated value of $4.00 per share****, and (ii) a liquidation preference in the amount of the stated value"*

- **Statement from Focus Inc. CEO, our new leader:**

Chris Ferguson, CEO of Optos, commented, "Optos has built its reputation and business around major, Fortune 500 corporate customers. It has grown rapidly since inception and has maintained that momentum in the first quarter of 2013. **In 2011, we were able to generate more than $11 million in sales and grew that volume organically to north of $40 million in sales in 2012**. We are excited about becoming a publicly traded company through the transaction with Beacon. We will now accelerate our growth with better access to capital and accretive add-on acquisitions. The market perceives the dramatic growth for capacity on communications networks by data, video, streaming, social media, mobile commerce and smart technology, and our profile as a public company is anticipated to enhance our prospects in the marketplace."

- ***Richard Coyle***.

Mr. Coyle is an accomplished COO with a successful track record in transitioning poorly-performing business units into profitable ventures in both fiber optic communications and electric utilities industries. Mr. Coyle's background spans over twenty years and has been focused on improving the operational, financial and market position of businesses. He has launched and managed innovative start-ups through grass roots approach as well as divesting/rationalizing various segments of the business to ensure shareholder growth/return. Cultivate strategic partnerships in Fortune 500 environments to maximize bottom line profitability and organizational performance in short time frames. Established and lead enterprise risk management functions through key initiatives along with overseeing the financial planning and budgeting departments of the fastest growing electric utility in the US. Mr. Coyle is also a community-involved leader and dedicates time to charitable causes.

- **Potential ARRA increased revenue (identified cautiously since it is filed with SEC) as a new source to continue expanding revenue:**

"The American Recovery and Reinvestment Act of 2009 ("ARRA") originally allocated $7.2 billion in funding to accelerate broadband deployment in rural areas of the country that have been without high-speed infrastructure. However, Focus cannot predict the actual benefits to it from the implementation of ARRA programs. For example, significant additional contracts resulting from investments for rural broadband deployment under the ARRA may not be awarded to Focus"