6/13/12

Shareholder update:

Recently, it has become apparent that our stock has come under attack of manipulation, possibly by a group of individuals.

At this time, we are investigating this for possible criminal activity.

If this is an individual that is buying and selling on their own account, then that is perfectly legal. If however, it is a group of individuals that are working together to control and manipulate a publicly traded stock, then there are potential criminal consequences.

We have been watching the NOBO list, a list that detail shareholders by name and the number of shares that they own. We can see who is and who isn't selling. I can say that as of the most recent report, there are only 5 individuals that own more than 30 million shares. Based on this, it is our belief that this is a group that is working together.

If this apparent manipulation continues, we will begin to subpoena records to find out the level of this manipulation and to discover the parties involved and the way in which they are communicating. Once this information is complete, we will subpoena records, as appropriate for possible criminal prosecution.

As an additional point of clarification, to the best of our knowledge, based upon the information that we have, this is not a preferred shareholder that has converted. Our preferred shareholders are limited to the amount they can convert to insure that this situation that we are currently experiencing does not happen. Further, to our knowledge, when a preferred converts, they are given paper certificates and Etrade will not accept these paper certificates for conversion to the electronic trading format.

I appreciate our shareholders and work very hard everyday to build a solid company and it is a tragedy when a group is able to artificially control our stock through potentially illegal manipulation.

Dustin Secor
www.Action-App.com