

# PROTON LABORATORIES, INC

## Initial Company Information and Disclosure Statement (Unaudited)

**December 31, 2012**

*All information in this information and disclosure Statement has been compiled to fulfill the disclosure requirements of Rule 15c2-11(a)(5) promulgated under the Securities and Exchange Act of 1934, as amended. The enumerated captions contained herein correspond to the sequential format set forth in the rule.*

*No dealer, salesman or any other person has been authorized to give any information, or to make any representations, not contained herein in connection with the issuer. Such information or representations, if made, must not be relied upon as having been authorized by the issuer, and:*

*Delivery of this information file does not at any time imply that the information contained herein is correct as of any time subsequent to the date first written above.*

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### Contents

## **Part A. GENERAL COMPANY INFORMATION**

### **Item I. The exact name of the issuer and its predecessor (if any):**

The exact name of the issuer is: Proton Laboratories, Inc.

Historical names:

Original incorporation March 14, 2000 as BentleyCapitalCorp.com, Inc.

Amended Articles March 16, 2004 name change to Proton Laboratories,

Inc.

Amended Articles May 13, 2010 name change to Regenobody Holdings,

Inc.

Amended Articles April 23, 2011 name change to Proton Laboratories Inc.

### **Item II. The address of the issuer's principal executive offices.**

Proton Laboratories, Inc.

100 Seaview Ave 4-8b

Monmouth Beach, NJ 07750

Telephone: (732) 675-6360

Facsimile: (732) 728-0314

### **Item III. The jurisdiction(s) and date of the issuer's incorporation or organization.**

The issuer was organized under the laws of the State of Washington on March 14, 2000.

## **Part B. SHARE STRUCTURE**

### **Item IV The exact title and class of securities outstanding.**

Class: Common Stock  
CUSIP: 743729105  
Trading Symbol: PLBI.PK

Class: Preferred Stock  
CUSIP: None

**Item V Par or stated value and description of the security.**

**A. Par or Stated Value.**

Common Stock, par value \$0.0001 per share  
Preferred Stock, par value \$0.0001 per share

**B. Description of Securities**

1. Common Stock:

Dividend Rights: There is no fixed dividend policy; no dividends have been paid since the Company's inception. Dividends may be declared by the Board of Directors at any regular or special meeting and paid in cash, securities, property or otherwise.

Voting Rights: Each share of Common Stock is entitled to one vote.

Preemption Rights: None

2. Preferred Stock: 20,000,000 authorized.

Series "A": 400,000 designated and authorized with stated value of \$10.00 per share; 8,000 issued and outstanding.

Dividend Rights: 8% per year in cash, cumulative from funds legally available therefore.

Voting Rights: None

Pre-emption Rights: None

to 5  
dividing the dollar  
unpaid by a multiple of

Conversion to Common: 1 share of Series "A" Preferred converts shares of common stock, unpaid dividends convert by amount of the sum of all dividends accrued and two (2).  
unpaid by a multiple of

outstanding.

Series "B": 19,600,000 shares authorized; none issued and

3. There are no other material rights of stockholders.

delay or

4. There are no provisions in the issuer's charter or by-laws that would prevent a change in control of the issuer.

**Item VI. The number of shares or total amount of the securities outstanding for each class of securities authorized.**

*As of December 31, 2012:*

Common Stock Authorized:	7,000,000,000 (Seven Billion)
Common Stock Outstanding:	474,478,380
Public Float:	174,478,380
Number of Shareholders of Record:	469
Preferred Stock Authorized:	20,000,000 (Twenty Million)
Preferred Stock Outstanding:	8,000
Public Float:	0 (None)
Number of Shareholders of Record:	1
Number of Beneficial Shareholders:	1

*As of December 31, 2011:*

Common Stock Authorized:	2,500,000,000 (2.5 Billion)
Common Stock Outstanding:	474,478,380
Public Float:	174,478,380
Number of Shareholders of Record:	469
Preferred Stock Authorized:	20,000,000 (Twenty Million)
Preferred Stock Outstanding:	8,000
Public Float:	0 (None)
Number of Shareholders of Record:	1
Number of Beneficial Shareholders:	1

Preferred Stock Authorized:	20,000,000 (Twenty Million)
Preferred Stock Outstanding:	8,000
Public Float:	0 (None)
Number of Shareholders of Record:	1
Number of Beneficial Shareholders:	1

## **Part C                    BUSINESS INFORMATION**

### **Item VII            Name, address and telephone number of the transfer agent**

Olde Monmouth Stock Transfer Co., Inc.  
200 Memorial Parkway  
Atlantic Highlands, NJ 07716  
Telephone: (732) 872-2727  
Facsimile: (732) 872-2728  
Website: [www.oldemonmouth.com](http://www.oldemonmouth.com)

The Transfer Agent is registered under the Exchange Act and is regulated by the Securities and Exchange Commission.

### **Item VIII            The nature of the issuer's business.**

#### **A.            Business Development**

The Company has been engaged in the manufacturing and marketing "functional water system". Functional water is water that has been processed through electrolytic ion separation which gives the water a wide array of functional properties and unique characteristics. Management believed that functional water would have a role in a variety of markets ranging from agriculture, beverage, and medical to environmental clean-up.

In December 2009, management decided to seek a merger candidate because it had been unable to generate meaningful on going revenue marketing its water. It completed a reverse merger with Regenbody S.A., a Dominican Republic corporation engaged in stem cell research. The Company changed its name to Regenbody S.A. However, it continued to develop its Function water technology.

Subsequently in March of 2011, this merger was rescinded due to a material breach of warranties by the Company, and it has continued pursue its business and marketing plan revolving around "Functional Water". In April of 2011, the Company amended its articles to again use the name Proton Laboratories.

**1. The form of organization of the issuer (e.g. corporation, partnership, limited liability company).**

The organizational form of the issuer is a Corporation.

**2. The year that the issuer (or any predecessor) was organized.**

The issuer was organized in 2000, originally as BentlyCapitalCorp.com, Inc.

**3. The issuer's fiscal year end date**

The issuer's fiscal year end date is December 31

**4. Whether the issuer has been in bankruptcy, receivership or any similar proceeding**

The issuer has never been in bankruptcy, receivership or any similar proceeding.

**5. Any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets.**

In January 2010, the Company completed a reverse merger with Regenonbody S. A. in January 2010. The merger is reflected on the accompanying balance sheet as a purchase of the net assets of Regenonbody S.A, in exchange for stock in the Company. The Company issued 300,000,000 shares of common stock and 19,600,000 shares of Series B Preferred stock were issued to the then shareholders of Regenonbody in exchange for 100% of the stock of that company. The net assets consist primarily of property equipment and certain valuable licenses less notes payable and other liabilities. This resulted in a change of control.

Subsequently in March of 2011, this merger was rescinded due to a material breach of warranties by the Company. The foregoing description of the merger transaction and its subsequent rescission is qualified in its entirety by reference to the full text of the Merger Agreement and the Company's press release dated March 17, 2011 announcing the rescission of the Agreement, which are attached to this Initial Issuer Statement as Exhibits and are incorporated herein by reference.

**6. Any default of the terms of any note, loan, lease, or other indebtedness or financing arrangement requiring the issuer to make payments.**

There has not been a default of any note, loan, lease or indebtedness or financing agreement requiring the issuer to make payments.

## **7. Any change of control.**

In January 2010, the Company completed a reverse merger with Regenonbody S. A. in.

The merger is reflected on the accompanying balance sheet as a purchase of the net assets of Regenonbody S.A, in exchange for stock in the Company. The Company issued 300,000,000 shares of common stock and 19,600,000 shares of Series B Preferred stock were issued to the then shareholders of Regenonbody in exchange for 100% of the stock of that company.

On April 4, 2012 Jim Wheeler resigned as Sole director and Scott Smith was appointed the new sole board member and officer which resulted in a change of control of the business.

## **8. Any increase of 10% or more of the same class of outstanding equity securities.**

NONE.

## **9. Any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization.**

There are no past, pending or anticipated stock splits, stock dividends, recapitalizations, mergers, acquisitions, spin-offs, or reorganizations.

## **10. Any delisting of the issuer's securities by any securities exchange or deletion from the OTC Bulletin Board**

The Company filed a Form 15-12g on February 17, 2010 to deregister its securities under the Securities Exchange Act of 1934, and was subsequently de-listed from the OTC Bulletin Board.

## **11. Any current, past, pending or threatened legal proceedings or administrative actions either by or against the issuer that could have a material effect on the issuer's business, financial condition, or operations and any current, past or pending trading suspensions by a securities regulator. State the names of the principal parties, the nature and current status of the matters and the amounts involved.**

To the best of managements knowledge there are no current, past, pending or threatened legal proceedings or administrative actions either by or against the issuer

that could have a material effect on the issuer's business, financial condition, or operations, and there are no current, past or pending trading suspensions by a securities regulator.

## **B. Business of Issuer**

The Company is a "development stage" company as defined in Rule 405 as defined in Item 1101(B) of Regulation S-K of the Securities and Exchange. The Company has a well-defined Business Plan and while to date it has little or no revenues it is the process of developing its healthy water products and focusing its attention on the establishment of its entry into the bottled water market.

### **1. The issuer's primary and secondary SIC codes.**

Primary SIC [NAICS] code: 312112  
Secondary SIC [NAICS] code: 33318

### **2. If the issuer has never conducted operations, is in the development stage or conducting operations. Whether the issuer is or has at any time been a "shell company".**

The Company is in the "development stage" and has never been a "Shell Company".

### **3. Names of any parent, subsidiary, or affiliate of the issuer and its business purpose, method of operation, its ownership, and whether it is included in the financial statements attached hereto.**

There are none of the entities described above.

### **4. Effect of existing or probable government regulation on the business.**

The Food and Drug Administration ("FDA") regulates the packaging, processing and transportation of bottled water as well as establishing testing and analysis criteria, under Title 21 CFR 129 (A-F) and CFR 165 (b) §165.110. Additionally, 40 States regulate the manufacture of bottled water. However, until the Company begins operating activity it is not able to assess the effect of state regulation.

Management has accounted for these regulations in its operational planning and is confident that they will have no material adverse effect on its operations.



**5. An estimate of the amount spent on research and development activities during the last two (2) fiscal years, and the extent those costs will be borne directly by its customers.**

The Company has not expended any funds in research and development that would be borne by its customers.

**6. Costs and effects with environmental laws (federal, state and local)**

The Environmental Protection Agency (“EPA”) does not issue standards for manufacturers of bottled water. The FDA is responsible for those standards as discussed hereinabove. Currently, no environmental laws impact the Company.

**Item IX. The nature of products or services offered.**

Manufacturing, processing, marketing and distribution of “Functional Water”. That is water that has been processed by electrolytic ion separation to induce a wide array of unique characteristics that restructure water. This allows the Company to enhance the water making it a healthy beverage choice. It also provides restructured water that has many different applications ranging from agricultural to pharmaceutical.

The Company in its development stage has elected to focus on the beverage market by producing a nutrient rich bottled water product.

**A. Principal products or services, and their markets**

The global bottled water industry is nearly \$99 Billion dollars<sup>1</sup> and is expected to grow at a rate of approximately 27% in the five (5) year period ending 2015<sup>2</sup>. The bottled water market consists of the sparkling flavored water, sparkling unflavored water and still unflavored and flavored water. The EU makes up 50% of the bottled water market. While the remaining 50% of the market is global, the United States makes up nearly 65% of that residual market.<sup>3</sup>

Management anticipates that will begin operations, including the marketing and distribution of its enhanced water product in mid to late fiscal year 2013.

**B. Distribution methods of the products and services;**

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1 “Bottled Water Industry: Market Research, Statistics and Analysis” MarketLine. 2010

2 *ibid*

3 *ibid*

At the time the Company establishes operations it plans to use traditional channels of distribution, including, but not limited, to those channels specializing in retail food and beverage distribution.

**C. Status of any publicly announced new product or service;**

There have been no publicly announced new products.

**D. Competitive business conditions, the issuer's competitive position in the industry and methods of competition.**

This is a highly competitive market which management believes is brand and image driven. Water is an easily obtainable commodity from innumerable competitors ranging from municipality tap water system, very large and well-funded distributors such as Coca Cola and Pepsi to small local and regional bottlers.

The Company, once it begins operations, will be a second tier producer which will present a number of challenges, such as price point, and shelf positioning. Management plans to develop a marketing strategy that will rely first and foremost on its unique ability to create structured waters, but also on private labeling, targeted marketing activity and price point. Management believes careful marketing planning will allow it to target regional and local markets to capture small market share of this 100 Billion dollar industry.

**E. Sources of availability of raw materials and names of principal suppliers;**

The Company has yet to begin operations; however, it anticipates sufficient availability of raw materials required to complete its business plan.

**F. Dependence on one or a few major customers;**

The bottled water market is vast and the Company does foresee a dependence on one or a few major customers.

**G. Patents, trademarks, licenses, concessions, royalties, contracts, including their duration**

The Company holds a sub-license from Edward Alexander for Super Reduced Water technology which is licensed by MIZ Corporation of Japan. The sub-license agreement is at a no-cost, no-royalty basis to the Company. The License Agreement is attached as an Exhibit and incorporated by reference hereto.

## **H. The need for any governmental approval for principal products or services, and the status of any requested government approvals;**

There are no requirements for governmental approvals for the Company's principal products at this time.

### **Item X Nature and extent of the issuer's facilities**

## **Part D. MANAGEMENT STRUCTURE AND FINANCIAL INFORMATION**

### **Item XI. Name of chief executive officer, members of the Board of Directors as well as control persons.**

#### **A. Officers and Directors**

Scott Smith, Age: 41  
COB, CFO, CEO and Secretary  
100 Seaview Ave 4-8b  
Monmouth Beach, NJ 07750

Beneficial Shares Owned:	300,000,000
Compensation:	\$
Other Affiliations/BOD Memberships:	Independent Director Cono Italiano, Inc.

Mr. Smith is the sole officer and board member of the Company. His previous employment. Mr. Smith holds a B.S. in Business Administration from Monmouth University, in Long Branch, New Jersey where he was graduated in 1993. His recent employment includes S.J. Smith Distributors, Inc. in Bordentown, New Jersey. Mr. Smith is the founder and owner of this manufacturer's representative where he has been employed since 1997. S.J. Smith Distributors sells and distributes a wide range of product lines. Since April 2002 he has also been employed by Ray Catena Motor Car of Edison, New Jersey where he serves as Corporate Sales Manager. He is an outside independent of member of the board of directors of Cono Italiano, Inc.

#### **B. Legal and Disciplinary History**

In the past five (5) years, none of the foregoing persons have:

1. Been convicted in a criminal proceeding or named as a defendant in a pending criminal proceeding;
2. Has been the subject of an order, judgment or decree, not subsequently reversed, or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, suspended, barred or otherwise limited such person's involvement in any type of business, securities, commodities or branding activities.
3. Has been the subject of a finding or judgment which has not been reversed, suspended or vacated.
4. Has been the subject of an entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such persons involvement in any type of business or securities activities.

### **C. Disclosure of Family Relationships**

There are no family relationships existing among any and between any officers, directors and shareholders, except to point out the Mr. Smith is the sole officer, and director of the Company.

### **D. Disclosure of Conflict of Interest**

There are no conflicts of interest.

## **Item XII. Financial information**

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**PROTON LABORATORIES INC.**  
**(A Development-Stage Company)**

For the three month period ended 31-March-2013; and  
the fiscal years ended 31-Dec-2012 and 31-Dec- 2011

**BALANCE SHEETS**  
**(UNAUDITED)**

	For the three months		For the twelve months ended		
	ended		31-March-2013	31-Dec-12	31-Dec-11
<b>ASSETS</b>					
Cash and cash equivalents	\$	7,570	\$	\$	-
<b>Total current assets</b>		7,570			
<b>Fixed Assets</b>					
<b>Total fixed assets</b>					
<b>Other Assets</b>					
Prepaid expenses					45,250
<b>Total Assets</b>	\$	7,570	\$	-	\$ 45,250
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>					
Accounts payable and accrued liabilities		11,383	113,883		29,383
Accrued interest		11,346	111,460		83,460
Convertible notes payable		35,000	350,000		350,000
Series A preferred dividends payable		6,000	54,400		48,000
Short term notes payable		2,182			
<b>Total Liabilities</b>		65,963	629,743		510,843

<b>Stockholders' Equity</b>			
<b>Series A preferred shares, \$0.0001 par value; 400,000 shares authorized, 8,8000 shares with liquidation value of \$10.00 issued and outstanding as of March 31, 2013, December 31, 2012 and December 31, 2011, respectively</b>	80,000	80,000	80,000
<b>Common stock, \$0.0001 par value; 7,000,000,000 shares authorized; 474,478,380 issued and outstanding as of March 31, 2013, December 31, 2012 and December 31, 2011, respectively</b>	47,449	47,449	47,449
<b>Additional paid-in capital</b>	6,012,980	6,012,980	6,012,980
<b>Accumulated deficit</b>	(6,792,822)	(6,770,172)	(6,606,022)
<b>Total Stockholders' Equity</b>	(652,393)	(629,743)	(465,593)
<b>Total Liabilities and Stockholders' Deficit</b>	\$ 7,570	\$ -	\$ 45,250

The accompanying notes are an integral part of the financial statements

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**PROTON LABORATORIES INC.**  
**(A Development-Stage Company)**

**STATEMENTS OF OPERATIONS**

For the three month period ended 31-March-2013; and  
the fiscal years ended 31-Dec-2012 and 31-Dec- 2011  
**(Unaudited)**

	<b>For the three months ended</b>	<b>For twelve months ended</b>	
	31-March-13	31-Dec-12	31-Dec-11
<b>Revenues</b>	\$ -	\$ -	\$ -
<b>Operating expenses</b>			
<b>Sales and general administrative</b>	14,25 0	129,7 50	117,6 51
<b>Earnings before Tax, depreciation and amortization</b>	(14,25 0)	(129,75 0)	(117,65 1)
<b>Interest expense</b>	(2,00 0)	(28,00 0)	(32,00 0)
<b>Operating income</b>	(16,25 0)	(157,75 0)	(149,65 1)
<b>Net profit (loss)</b>	(16,25 0)	(157,75 0)	(149,65 1)

Series A preferred dividends	(6,400)	(6,400)	(6,400)
Net profit (loss) attributable to common stockholders	(22,650)	(164,150)	(156,051)
Net loss per share-basic and diluted	\$0.00	\$0.00	\$0.00
Weighted average shares outstanding			
Basic and diluted	47,478,380	47,478,380	47,478,380

The accompanying notes are an integral part of the financial statements

**PROTON LABORATORIES INC.**  
(A Development-Stage Company)

**STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT) AND OTHER  
COMPREHENSIVE LOSS**

For the periods 31-Dec-09 through 31-Dec-2012  
(Unaudited)

	Preferred Shares		Common stock issued		Additional	Accumulated	Total
	Total Shares	Total Amount	Shares	Amount	paid-in Capital	Deficit	
Balance at December 31, 2009	400,000	\$80,000	91,770,523	\$9,179	\$5,822,802	\$(6,337,662)	\$(425,681)
Common stock issued as payment of payables			51,633,486	5,163	55,634		60,797
Beneficial Conversion Feature on Convertible notes payable					100,000		100,000
Dividends on Series A preferred						(6,400)	(6,400)
Net operating loss for the period						(105,909)	(105,909)
Balance at December 31, 2010	400,000	\$80,000	143,404,009	\$14,342	\$5,978,436	\$(6,449,971)	\$(377,193)
Common stock issued as payment of payables			31,074,371	3,107	14,544		17,651

Proton Laboratories, Inc.  
Initial Disclosure  
Period: December 31, 2012  
Unaudited



<b>Common stock issued on conversion of debt</b>			300,000,000	30,000	20,000		50,000
<b>Dividends on Series A preferred</b>						(6,400)	(6,400)
<b>Net operating loss for the period</b>						(149,651)	(149,651)
Balance at December 31, 2011	<b>400,000</b>	<b>\$80,000</b>	<b>474,478,380</b>	<b>\$47,449</b>	<b>\$6,012,980</b>	<b>\$(6,606,022)</b>	<b>\$(465,593)</b>
<b>Dividends on Series A preferred</b>						(6,400)	(6,400)
<b>Net operating loss for the period</b>						(157,750)	(157,750)
Balance at December 31, 2012	<b>400,000</b>	<b>\$80,000</b>	<b>474,478,380</b>	<b>\$47,449</b>	<b>\$6,012,980</b>	<b>\$(6,770,172)</b>	<b>\$(629,743)</b>
<b>Dividends on Series A preferred</b>						(6,400)	(6,400)
<b>Net operating loss for the period</b>						(22,650)	(22,650)
Balance at December 31, 2012	<b>400,000</b>	<b>\$80,000</b>	<b>474,478,380</b>	<b>\$47,449</b>	<b>\$6,012,980</b>	<b>\$(6,792,822)</b>	<b>\$(652,393)</b>

The accompanying notes are an integral part of the financial statements

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**PROTON LABORATORIES INC**  
**(A Development-Stage Company)**

**STATEMENTS OF CASH FLOW**

For the three month period ended 31-March-2013; and  
the fiscal years ended 31-Dec-2012 and 31-Dec- 2011  
**(Unaudited)**

	For the three	For twelve	
	months ended	months	
	31-March-13	31-Dec-12	31-Dec-11
<b>Cash provided (used) in operations</b>			
Net loss for the period	\$ (22,650)	\$ (157,750)	\$ (149,651)
<b>Adjustments to reconcile net loss to net cash in operations</b>			
Depreciation			
Beneficial conversion feature convertible debt			
<b>Changes in assets and liabilities, net of acquisition and disposals</b>			
Prepaid expenses		45,250	100,000
Accounts payable & accrued liabilities		84,500	17,651
Accrued interest	8,400	28,000	32,000
<b>Net cash provided (used) in operations</b>	<b>(14,250)</b>	<b>(45,250)</b>	<b>(100,000)</b>

<b>Cash flows from financing activities</b>			
<b>Proceeds from Short Term Notes</b>	21,8		
	20		
<b>Net cash provided (used) in financing activities</b>	21,8		
	20		
<b>Net increase (decrease) in cash</b>	7,5	(45,25	(100,000
	70	0)	)
<b>Cash at beginning of period</b>	0	0	0
<b>Cash at end of period</b>	7,5	(45,25	(100,000
	70	0)	)
<b>SUPPLEMENTAL DISCLOSUR OF NONCASH ACTIVITIES</b>			
<b>Common stock issued for settlement of payables</b>	\$	-	\$ -
			\$ -
<b>Cash paid for taxes</b>	\$	-	\$ -
			\$ -
<b>Common stock issued on conversion of debt</b>	\$		\$ -
	-	-	-

The accompanying notes are an integral part of the financial statements  
**PROTON LABORATORIES INC.**  
**(A Development-Stage Company)**

**Notes to Financial Statements**  
**(Unaudited)**

**1. Organization and Formation**

Proton Laboratories, Inc. (The "Company", "Proton") is a Washington corporation organized on March 14, 2000. Previously the Company was known as Bentleycapitalcorp.com, Inc. Its name was changed during 2004.

Proton Laboratories, Inc. engages in design, manufacture, marketing, and sale of functional water systems in the United States. It offers residential water systems that are used to produce a health-beneficial, alkaline-concentrated drinking water and commercial-grade water systems that are used in applications ranging from food preparation to hospital disinfection. The Company also formulates intellectual properties under licensing agreements; supplies consumer products; consults on projects utilizing functional water; and acts as educators on the benefits of functional electrolyzed water. Its products are used in various industries, including corporate agriculture, organic agriculture, food processing, medicine and dentistry, dermatology, heavy industry,

mining, environmental clean-up, product formulations, and beverages. Proton Laboratories, Inc. was founded in 2000 and is based in Alameda, California.

On January 10, 2010 the Company completed a reverse merger with Regenobody S.A, a Dominican Republic company. Subsequently in March of 2011, this merger was rescinded due to a material breach of warranties by the Company. The foregoing description of the merger transaction and its subsequent rescission is qualified in its entirety by reference to the full text of the Merger Agreement and the Company's press release dated March 17, 2011 announcing the rescission of the Agreement, which are attached to this Initial Issuer Statement as Exhibits and are incorporated herein by reference.

Therefore, the accounts contained in this report have been prepared as if the merger had never taken place and the Preferred shares and common shares issued in consideration for the merger have been returned and subsequently cancelled by the Company.

The Company has elected a calendar accounting period beginning on January 1 and ending on December 31 of each year.

## **2. Basis of Presentation**

The accompanying financial statements have been prepared by us, without audit and in accordance with US GAAP. The balance sheet of Proton Laboratories, Inc. has been prepared on the accrual basis of accounting. Under this method, certain revenues are recognized when earned and certain expenses and purchases of assets are recognized when the obligation is incurred. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

On January 2, 2010 the Company completed a reverse merger with Regenobody S.A, a Dominican Republic company that had been licensed by the Dominican Republic to conduct research and development in the field of stem cells. Subsequently in March of 2011, this merger was rescinded due to a material breach of warrants by the Company. The foregoing description of the merger transaction and its subsequent rescission is qualified in its entirety by reference to the full text of the Merger Agreement and the Company's press release dated March 17, 2011 announcing the rescission of the Agreement, which are attached to this Initial Issuer Statement as Exhibits and are incorporated herein by reference.

Therefore, the accounts contained in this report have been prepared as if the merger had never taken place and the Preferred shares and common shares issued in consideration for the merger have been returned and subsequently cancelled by the Company.

### *Development-Stage Company*

The Company is considered a development-stage company in accordance with Accounting Standards Codification (“ASC”) 915 “Development-Stage Entities.” Management expects to sustain losses from operations until such time it can generate revenues sufficient to meet its anticipated cost structure. Upon distribution of the Company’s products, it will exit the development stage. The nature of our operations is highly speculative, and there is consequently a risk of loss of your investment. The success of our plan of operation will depend to a great extent on the operations, financial condition, and management of the identified business opportunity.

### **3. Going Concern**

The financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of our business. As reflected in the accompanying financial statements, Proton had a net loss of \$22,650 for the three (3) months ended March 31, 2013 and \$157,750 and \$149,651 for the twelve months ended December 31, 2012 and 2011, respectively. As of March 31, 2013 there was an accumulated stockholder’s deficit of \$6,792,822 and a working capital deficit of \$652,393. Also, as of March 31, 2013, we had very limited liquid and capital resources and rely heavily on the continuing services of our CEO who is deferring salary and fees due to pursue the activities of the business. We are currently highly dependent upon obtaining sufficient short and long term financing in order to continue running operations and there can be no guarantee that such financing will become available.

THE FOREGOING FACTORS RAISE SUBSTANTIAL DOUBT ABOUT OUR ABILITY TO CONTINUE AS A GOING CONCERN. ULTIMATELY, OUR ABILITY TO CONTINUE AS A GOING CONCERN IS DEPENDENT UPON OUR ABILITY TO ATTRACT NEW SOURCES OF CAPITAL, TO ATTAIN A REASONABLE THRESHOLD OF OPERATING EFFICIENCY AND ACHIEVE SUSTAINABLE PROFITABLE OPERATIONS. THIS CANNOT BE GUARANTEED GIVEN THE CURRENT LACK OF OPERATING CAPITAL. THE FINANCIAL STATEMENTS DO NOT INCLUDE ANY ADJUSTMENTS THAT MIGHT BE NECESSARY IF WE ARE UNABLE TO CONTINUE AS A GOING CONCERN.

GIVEN OUR LACK OF OPERATING CAPITAL AND CURRENT INABILITY TO ISSUE ADDITIONAL SHARES, NO GUARANTEE CAN BE GIVEN THAT WE WILL REACH ANY SUCCESSFUL CONCLUSION WITH OUR DEBT HOLDERS.

### **4. Acquisition of Regenobody S.A. and its Subsequent Rescission**

In January 2010, the Company completed a reverse merger with Regenonbody S. A. a Dominican Republic company that has been licensed by the Dominican Republic to conduct research and development in the field of stem cells. The merger was originally

reflected on the Company's balance sheet as a purchase of the net assets of Regenonbody S.A, in exchange for stock in the Company. The Company issued 300,000,000 shares of common stock and 19,600,000 shares of Series B Preferred stock to the then shareholders of Regenobody in exchange for 100% of the stock of Regenobody. The net assets consist primarily of property equipment and certain valuable licenses less notes payable and other liabilities.

Subsequently in March of 2011, this merger was rescinded due to a material breach of warranties by the Company. The foregoing description of the merger transaction and its subsequent rescission is qualified in its entirety by reference to the full text of the Merger Agreement and the Company's press release dated March 17, 2011 announcing the rescission of the Agreement, which are attached to this Initial Issuer Statement as Exhibits and are incorporated herein by reference.

Therefore, the accounts contained in this report have been prepared as if the merger had never taken place and the Preferred shares and common shares issued in consideration for the merger have been returned and subsequently cancelled by the Company.

## **5. Accounts Payable**

Accounts payable did not change during the first quarter and remained steady at December 31, 2012 levels which were \$113,883. Four vendors accounted for 100% of the payables at December 31, 2012, the largest of which, our current Chief Executive Officer accounts for 76% of the payables.

Accounts payable at June 30, 2011 were \$29,383. Four vendors accounted for 100% of the payables at December 31, 2011, the largest of which 1 accounted for 41% of the payables.

Although we believe that we have adequate alternative vendors to purchase services and products, there can be no assurance of comparability, which could have a detrimental effect on the business.

## **6. Convertible Promissory Notes**

### **Twelve months ended December 31, 2012 and 2011**

In June 2007, Legacy Media, LLC was issued a convertible loan note by the Company in the amount of \$250,000 repayable at 8% interest for cash received of \$160,000 and \$90,000 in investor relations activities to be provided by Legacy. Legacy Media, LLC has the option to convert this note into restricted voting common stock of the Company, at the lesser of (i) 50% of the lowest closing bid price during the fifteen (15) days of full trading, defined as standard market hours from 9:30 AM to 4:00 PM EST, partial trading days will not be counted for calculation purposes only ("Trading Days") prior to the Conversion Date or (ii) 100% of the average of the five lowest closing bid prices for the

thirty (30) Trading Days immediately following the first reverse split in the stock price (no reverse stock split is contemplated). However, Legacy's total beneficial ownership at any single time is limited to 4.99% of our outstanding shares pursuant to the debenture. As part of the Regenobody acquisition, the Company entered into agreements with its Legacy Media, the Company will be obligated to issue up to 260,000,000 additional shares subject to a limitation that no debt conversion will be permitted that allows the holder to cumulatively hold more than 9.9% of the then issued and outstanding shares. As at December 31, 2012, the note remains outstanding and no conversion requests have been received or processed in relation to this note.

During August, 2009 the Company entered into two Convertible Promissory Notes with a third party for a cumulative of \$50,000 cash received. The notes carry an annual interest rate of 8% and are convertible into common stock at a variable conversion rate. The variable conversion rate is 75% of the lowest closing price for the Company's common stock during the previous 10 trading days from the notice of conversion. The note holder agrees that they will not submit conversion notices or enforce conversion rights requiring the Company to issue a number of common shares which exceeds the unissued authorized common shares of the Company. The Company has evaluated the conversion feature of the notes and determined that there was a \$50,000 beneficial conversion feature on these notes as the conversion price was less than the fair value of the common stock at the time of issuance. The beneficial conversion feature was recorded as a debt discount on the accompanying balance sheet. The convertible promissory notes have a maturity date of September 1, 2013 and remain outstanding at December 31, 2012.

In October 2010 the Company entered into two Convertible Promissory Notes with a third party for \$50,000 cash received and \$50,000 pursuant to a consultant agreement. The notes carry an annual interest rate of 8% and are convertible into common stock at a variable conversion rate. The variable conversion rate is 75% of the lowest closing price for the Company's common stock during the previous 10 trading days from the notice of conversion. The note holder agrees that they will not submit conversion notices or enforce conversion rights requiring the Company to issue a number of common shares which exceeds the unissued authorized common shares of the Company. The Company has evaluated the conversion feature of the notes and determined that there was a \$100,000 beneficial conversion feature on these notes as the conversion price was less than the fair value of the common stock at the time of issuance. The beneficial conversion feature was recorded as a debt discount on the accompanying balance sheet. Subsequently, on March 17, 2011, the Company amended the terms of the notes to convert \$50,000 into 300,000,000 common shares. The remaining convertible promissory notes have a maturity date of September 1, 2013 and remain outstanding at December 31, 2012.

As of December 31, 2012, we had (taking into consideration the calculation of debt discounts) \$350,000 of total principal owed under convertible promissory notes. As of

December 31, 2011, we had (taking into consideration the calculation of debt discounts) \$350,000 of total principal owed under convertible promissory notes.

**Debt Schedule:**

The following table sets forth the summary schedule of the cash payments required to be made by us, broken down by the type of loan:

	<b>Total</b>	<b>Curren t</b>	<b>Long Term 1-3 years</b>
Convertible notes payable, third party - net of discount	350,000	350,000	-
		350,000	
Total	350,000	0	-

**7. Commitments and Contingencies**

We are a not party to any legal proceedings.

**8. Stockholder’s Equity**

**Common Stock:**

As of March 31, 2013, 7,000,000,000 total shares of common stock, par value \$0.0001 per share, were authorized and 474,478,380 were issued and outstanding. There are no special voting or economic rights or privileges.

As of December 31, 2011, we had 2,500,000,000, par value \$0.0001, total shares of common stock authorized and 474,478,380 shares were issued and outstanding. There were no special voting or economic rights or privileges.

**Preferred Stock:**

As of March 31, 2013, 20,000,000 total shares of preferred stock, par value \$0.0001, were authorized, including 400,000 Series A Preferred and 19,600,000 of Series B preferred stock.

Series A Preferred Stock:

The Company has authorized 400,000 shares of Series A convertible preferred stock with \$.001 par value of which 8,000 are issued. The holders of Series A convertible preferred stock are entitled to a cumulative dividend of 8% per year in cash payable in arrears. The holders may convert any or all of their shares plus all accrued dividends into common stock at any time. Each share of Series A preferred stock may be



converted into five shares of common stock. The holder will also receive one share of common stock for each \$2 of accrued dividends.

Upon the liquidation, dissolution or winding up on the Company, holders of Series A preferred stock are entitled to receive, out of legally available assets, a liquidation preference of \$10 per share, plus an amount equal to any unpaid dividends through the payment date, before any payment or distribution is made to the holders of common stock.

At March 31, 2013, December 31, 2012 and 2011, dividends payable was \$60,800, \$54,000 and \$48,000, respectively.

#### Series B Preferred Stock:

The Company has authorized 19,600,000 shares of Series B convertible preferred stock with \$.0001 par value of which 19,600,000 were issued as part of the consideration for the acquisition of Regenobody S.A. See Note 4 for details. The holders of the Company may convert any or all of their shares into common stock at any time. Each share of Series B preferred stock may be converted into 1,000 shares of common stock subject to a maximum conversion of 55% of total issued capital when added to the total common shares held by the owners of the Series B shares.

Upon the liquidation, dissolution or winding up on the Company, holders of Series E preferred stock are entitled to receive, out of legally available assets, a liquidation preference of \$0.0001 per share after the Series A liquidation has been met and before distributions to any other shareholders ranking junior to Series B shareholders.

During March of 2011, the merger with Regenobody S.A was rescinded and the Series B preferred stock was returned to the company and cancelled. As at December 31, 2012 there are no Series B preferred shares issued.

#### **Warrants:**

As of March 31, 2013, December 31, 2012 and 2011 respectively, the Company had no outstanding warrants of active stock plans allowing employees or other individuals or groups to purchase common shares.

### **9. Earnings (Loss) Per Share**

We report Basic and Diluted Earnings per Share (EPS) as follows: Basic EPS is computed as net income (loss) divided by the weighted average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur from common shares issuable through stock options, warrants and other convertible securities. Common equivalent shares are excluded from the computation of net loss per share if their effect is anti-dilutive.

Since we incurred a net loss for the twelve months ended December 31, 2012, 260,000,000 potential shares were excluded from the shares used to calculate diluted EPS as their effect is anti-dilutive. Since we incurred a net loss for the year ended December 31, 2011, 260,000,000 potential shares were excluded from the shares used to calculate diluted EPS as their effect is anti-dilutive.

## **10. Related Party Transactions**

In March of 2011, the reverse merger between the Company and Regenobody S.A. was rescinded. At the time, Mr. Armando Casciati controlled both companies. Mr. Casciati was the majority shareholder, sole officer and director of both Proton Laboratories and Regenobody S.A. See Note 4 for more details on this transaction.

As at December 31, 2012 Mr. Scott Smith our current CEO is holds 300,000,000 Common shares and is due \$70,000 in unpaid fees that are reported as current liabilities in the Balance Sheet at December 31, 2012.

## **11. Management and Board of Directors Changes**

Effective January 8, 2010, Jim Wheeler resigned as CEO and as a director, and Armando Casciati was appointed Chairman of the Board, CEO, President, Secretary and Treasurer.

Effective March 17, 2011, Armando Casciati resigned from all of his director and officer positions with the Company and Scott Smith was appointed as Chairman of the Board, CEO, CFO, President and Secretary.

## **12. Change of Control**

On April 4, 2012 Jim Wheeler resigned as Sole director and Scott Smith was appointed the new sole board member and officer which resulted in a change of control of the business.

## **13. Subsequent Events**

We have evaluated subsequent events through January 4, 2013 that is the date the financial statements were available to be issued, and no subsequent events are required to be disclosed.

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**Item XIV. Beneficial Owners**

Scott Smith	300,000,000 common shares	63%
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**Item XV. Names and address, telephone number and e-mail address of each of the following outside providers that advise the issuer on matters relating to operations, business development and disclosure.**

- 1. Investment Banker:** None
- 2. Promoters:** None
- 3. Attorney**

Sayid and Associates, LLP  
M. David Sayid, Esq. Managing Partner  
408 West 57<sup>th</sup> Street, Suite 8E  
New York, New York 10019  
Telephone: (212) 262-1166  
Facsimile: (212) 247-7535  
E- Mail: [sayidlaw@aol.com](mailto:sayidlaw@aol.com)

**4. Accountant or Auditor:**

Andre M da Parma, CPA  
Executive Support and Services Group, Corp  
43855 W. Elizabeth Ave  
Maricopa, AZ 85138  
Telephone: (917) 214-8918  
Facsimile: (347) 710-1183  
E-mail: info@essgcorp.net

- 5. Public Relations Consultant:** None
- 6. Investor Relations Consultant:** None
- 7. Other advisor that assisted with respect to this disclosure statement**

Executive Support and Services Group, Corp.  
Edward J. da Parma, Esq. President  
43855 W. Elizabeth Ave  
Maricopa, AZ 85138  
Telephone: (917) 214-8918  
Facsimile: (347) 710-1183  
E-mail: info@essgcorp.net

## **Item XVI. Management's Discussion and Analysis or Plan of Operation**

*This report contains forward-looking statements. For this purpose, any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. These statements relate to future events or to our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of such terms or other comparable terminology. These statements are only predictions. Actual events or results may differ materially. There are a number of factors that could cause our actual results to differ materially from those indicated by such forward-looking statements.*

*Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. Moreover, we do not assume responsibility for the accuracy and completeness of such forward-looking statements. We are under no duty to update any of the forward-looking statements after the date of this report to conform such statements to actual results.*

*The following discussion should be read along with our financial statements as of December 31 2012 and 2011, which is included in Item xv of this document. This discussion contains forward-looking statements about our expectations for our business*

*and financial needs. These expectations are subject to a variety of uncertainties and risks that may cause actual results to vary significantly from our expectations. The cautionary statements made in this report should be read as applying to all forward-looking statements in any part of this report.*

## **A. Plan of Operation**

The Company: Manufacturing, marketing and distribution of “functional water” which is processed through an electrolytic ion separation process and has a wide array of functional properties due to its unique characteristics. The Company’s process restructures tap water into water with both alkaline and acidic concentrations. These restructured waters have applications in a number of industries, agriculture, food processing, pharmacologic, heavy industry and the formulation of beverages, to name a few.

The Company has elected to begin its operations in the beverage formulation platform. Management believes it is here the Company has the best chance for growth and expansion in the near future. The reason management has selected this area stems from the unique functional properties of its water. Water, with smaller clusters of molecules, has a lower surface tension, which is believed to improve hydration, permeating and solubility properties. The functionality of alkaline enhanced water makes an excellent drinking water because of its improved hydration. This functionality provides the Company an excellent drinking water product whether it is flavored or unflavored, sparkling or non-sparkling and its increased solubility makes the water a good platform for the introduction of enhancements such as vitamins and fiber.

## **B. Management’s Discussion and Analysis of Financial Condition and Results of Operations.**

*Management’s discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. Our significant accounting policies are summarized in the Notes to our financial statements contained herein. Financial statement preparation also involves the use of estimates. We believe the following to be the most critical of our significant accounting policies and our estimates in the preparation of our financial statements.*

The Company had a net loss of \$22,650 for the three months ended March 31, 2013 and of \$ 157,750 and \$ 149,651 for the twelve months ended December 31, 2012 and December 31, 2011, respectively; accumulated stockholders’ deficit from inception of \$ 6,792,822 as of the quarter ended March 31, 2013. The Company also finished the quarter with a working capital deficit of \$652,393 as compared to fiscal 2012, working

capital deficit of \$629,743. The Company had operating expenses for the quarter of \$ 14,250 and of \$ 157,750 in fiscal 2012 as compared to \$149,651 for the year ended December 31, 2011, and an overall loss attributable to common shareholders as of March 31, 2013 of \$ 22,650 and of \$ 163,150 December 31, 2012 as compared to an overall loss to common shareholders of \$156,051 for year ended December 31, 2011.

**Liquidity:** The Company is highly dependent upon obtaining sufficient and long and short term financing to continue to develop its plan of operations and there is no guarantee that such financing will become available. The foregoing raises substantial doubt about the Company's ability to continue as a going concern absent this financing.

**Net cash (used in) provided by Operating Activities:** For the period ended March 31, 2013, December 31, 2012 and December 31, 2011 the Company failed to provide any net cash, nor did use any net cash in its operations for both year end.

**Net cash (used in) provided by Financing Activities:** The Company received short term notes, totaling \$21,820 during the first quarter ended March 31, 2013. The Company had no investment or financing activities during fiscal 2012 and 2011. However, the Company issued \$17,651 shares of common stock in settlement of accounts payable and \$50,000 of common stock on the conversion of debt, respectively in 2011.

**Interim periods:** Not applicable

### **C. Off-Balance sheet arrangements**

There are no off-balance sheet arrangements.

## **Part E ISSUANCE HISTORY**

### **Item XVII. List of securities offerings and shares issued for services in the past two (2) years.**

The Company has not offered any securities for sale over the past two (2) fiscal years nor has it issued shares for services over the same period. There are no events to report that resulted in changes in the total of shares outstanding by issuer (i) within the two (2) year period ending December 31, 2012, and, (ii) since the last day of issuer's most recent fiscal year ended December 31, 2012.

## **Part F. EXHIBITS**

## Item XVIII. Material Contracts

### Exhibit 18.1

#### LICENSE AGREEMENT

THIS LICENSE AGREEMENT ("Agreement") is made and effective as of \_\_\_\_\_, 2000 by and between Vitamineralherb.com Corp., a Nevada Corporation ("Grantor"), and Michael Kirsh ("Licensee"), with reference to the following facts:

1. Grantor owns and operates an Internet marketing system for vitamins, minerals, nutritional supplements, and other health and fitness products (the "Products") in which Grantor offers Products for sale from various suppliers on Grantor's Web Site.
2. Licensee desires to market the Products to medical professionals, alternative health professionals, martial arts studios and instructors, sports and fitness trainers, other health and fitness practitioners, school and other fund raising programs and other similar types of customers ("Customer(s)") in the Territory, as hereinafter defined. Customers will be able to buy the Products on a continuing basis through Grantor's Web Site.

NOW THEREFORE, in consideration of the mutual promises, warranties and covenants herein contained, the parties hereby agree as follows:

1. **Scope of Agreement.** This Agreement shall govern all Products sold through Grantor's Web Site to Customer(s). Exhibit A contains detailed information regarding specifications, quality control, pricing and other terms relating to the Product(s) to be ordered through Grantor's Web Site. The parties agree that Exhibit A will be amended to include similar information with respect to any future orders of the same product or any future Product ordered by Licensee or Customers. Pricing may be amended from time to time on the Web Site, and in the event of a conflict between the pricing on the Web Site and the pricing in Exhibit A, the price posted on the Web Site at the time of order shall obtain. **IN THE EVENT OF ANY CONFLICT BETWEEN THE TERMS OF THIS AGREEMENT AND ANY PURCHASE ORDER SUBMITTED BY CUSTOMER, THE TERMS OF THIS AGREEMENT WILL CONTROL.**

2. **Grant of License; Territory.** Territory shall be the state of British Columbia. Grantor grants to Licensee the exclusive rights to market the Products in the Territory through the Web Site.

3. **Consideration.** The parties acknowledge that this License is granted in consideration for the mutual promises, warranties and covenants contained in that certain Settlement Agreement by and between the parties and others, dated \_\_\_\_\_.

4. **Manufacture of Products.** All Products marketed through Grantor's Web Site shall be manufactured, packaged, prepared, and shipped in accordance with the specifications and requirements described on Exhibit A hereto as it may be modified from time to time. Quality control standards relating to the Product's weight, color, consistency, micro-biological content, labeling and packaging are also set forth on Exhibit A. In the event that Exhibit A is incomplete, Products shall be manufactured and shipped in accordance with industry standards.

5. **Labeling; Packaging.** Products shall be labeled with Standard Labels, except for Private Label

Products, as described herein. Standard labels shall contain all information necessary to conform to regulatory and industry requirements.

6. Private Label Products. Vitamins, minerals, herbs, and nutritional supplement products may be available for sale with labels customized for the Customer ("Private Label Products"). Grantor shall cause supplier to affix to Private Label Products labels furnished by Customer which are consistent with supplier's labeling equipment and meet all federal and/or state labeling requirements for the Product(s) ordered. Pricing for Private Label Products shall be as determined by supplier and posted on the Web Site by Grantor, and the price posted on the Web Site at time of order shall obtain.

7. Shipping. Shipping shall be by UPS ground unless Customer requests and pays for overnight shipping by UPS. Grantor will post shipping and handling fees for overnight shipping on the Web Site. The price posted at the time of order shall obtain. All orders from supplier's stock shall be shipped within seventy-two (72) hours of receipt of the order. Items not in stock (back orders) shall be shipped on a timely basis, but not later than four to six weeks from time of order.

8. Products and Pricing. The initial pricing for the Product(s) is set forth on Exhibit A. The price may be amended from time to time, and such amendments will be posted on the Web Site. The price posted at the time of order shall obtain. Terms are payment by credit card or electronic funds transfer at time of purchase.

9. Minimum Order Quantities for Vitamin, Mineral, and/or Nutritional

Supplements. The minimum order quantity is 100 bottles per formulation for standard Products. Customer Formulas, as defined herein, shall have minimum order quantities of 5,000 units.

10. Web Site Maintenance; Fees. Grantor shall maintain Grantor's Web Site (the "Web Site"). The Web Site shall post current prices for all Products. Customers will be able to obtain unique identification codes ("Userid(s)") and select passwords on the Web Site. Grantor shall maintain the Web Site in a manner that ensures secure Internet financial transactions. Licensee shall pay Grantor a maintenance fee of \$500 yearly, beginning on the anniversary date of this Agreement, for maintenance of the Web Site.

11. Orders. All Products shall be ordered through the Web Site. In jurisdictions in which sales tax would be collected on retail sales of the Products, Licensee shall ensure that each Customer provides a sales tax ID number for exemption from sales tax. Licensee shall assist its Customer to register on the Web Site. Each Customer shall be issued a Userid and shall select a password upon registration. Upon ordering, Customer must pay for Product by credit card, debit card, or by electronic funds transfer ("e- check") and all funds will be remitted to Grantor. Upon receipt of order, Grantor will email the supplier to purchase the Product(s) ordered. Supplier will drop-ship the order directly to the Customer in accordance with Section 7, "Shipping."

12. Sharing of Profits; Sales Reports. Licensee and Grantor shall each receive one-half of the profit on all sales made through the Web Site by Licensee. Grantor agrees to pay supplier for the



Product purchased upon receipt of cleared funds. Grantor will retain its one-half share of the profit and will remit the balance to Licensee by the tenth day of the month following sales. Grantor further agrees to provide Licensee with a Monthly Sales Report of all sales made by Licensee through the Web Site detailing the purchases from each Customer. Grantor will e-mail the Monthly Sales Report to Licensee by the tenth day of the month following such sales.

13. Warranties and Indemnification. Grantor warrants that all Products, including Joint Formula Products but not including Customer Formula Products, shall be fit for the purpose for which produced and shall be in full and complete compliance with all local, state, and federal laws applicable thereto. Grantor warrants that all Custom Products shall be manufactured in accordance with Customer's specifications. Grantor warrants that all non-Private Label Products shall be correctly and accurately described on each label affixed thereto, and that all labeling affixed thereto shall be in full and complete compliance with all local, state, and federal laws applicable thereto. Grantor warrants, covenants and certifies that its supplier(s)' manufacturing facilities comply with applicable federal, state, city, county, and municipal laws, rules, regulations, ordinances, and codes in all material respects. Grantor hereby agrees to indemnify, hold harmless and defend Licensee, its Customers, Buyers, affiliates, directors, officers, agents and representatives from and against any loss, claim, and expense (including attorneys fees and costs, and costs of a recall of Product) incurred or suffered as a consequence of Grantor's breach of its product warranties as set forth herein.

14. Nature of Relationship. (a) This Agreement does not constitute nor empower the Licensee as the agent or legal representative of Grantor for any purpose whatsoever. Licensee is and will continue to be an independent contractor.

(b) The arrangement created by this Agreement is not, and is not intended to be, a franchise or business opportunity under the United States' Federal Trade Commission Rule: Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures and is not a franchise, business opportunity or seller assisted marketing plan or similar arrangement under any other federal, state, local or foreign law, rule or regulation.

(c) Licensee is not prohibited by this Agreement from pursuing other business opportunities or other employment.

15. Rights in Formulas.

(a) Customer Formulas. Any formula provided exclusively by Licensee's Customer shall be owned by Customer ("Customer Formula"), provided that such Customer Formula does not substantially duplicate an existing Grantor formula. Grantor agrees not to sell products to other customers using any Customer Formula during the period in which Customer is ordering products containing the formula and for so long as Customer continues to purchase products containing the Customer Formula.

(c) Joint Formulas. If Grantor and Customer jointly create a formula ("Joint Formula"), such Joint Formula will be jointly owned by the parties. Grantor agrees not to sell products to other customers using the Joint Formula during the period in which Customer is ordering products containing the Joint Formula from Grantor without written permission from Customer. In the event that Customer fails to order a specific Joint Formula Product for a period of 3 months, Grantor shall be free to sell products containing the Joint Formula to other customers.

16. Term of Agreement; Breach of Agreement. This Agreement shall continue for three (3) years, and shall be automatically renewed unless one of the parties provides ninety (90) days written notice of termination to the other party. Licensee may terminate this Agreement for any reason at any time upon ninety (90) days written notice to Grantor. In the event of a material breach of this Agreement, the non-breaching party may provide written notice of breach. Upon notice from the non-breaching party, the breaching party shall have fourteen (14) days to cure the breach, after which period, if not cured, the Agreement shall be automatically terminated. In no event shall Grantor be required to accept or deliver product under any purchase order if Grantor has not received the outstanding balance due on any previous purchase order in a timely manner. Failure to so perform shall not be deemed a breach of this Agreement by Grantor.

17. Trade Secrets. Grantor and Licensee(s) are the owners of certain products, technology, information, customer lists, services, processes, financial information, pending or prospective transactions/proposals, operating and marketing plans and procedures, designs, product formulas, specifications, manufacturing methods, ideas, prototypes, software, patent, trademark and copyright applications or registrations and other similar data relating to each party's business which data is not publicly known and derives economic value from not being publicly known (collectively "Trade Secrets"). Each party agrees that it will not use or disclose to third parties any Trade Secret it receives from the other, except as may be contemplated by this Agreement. Each party agrees that it will take all reasonable precautions to assure that no Trade Secret is conveyed to any officer, employee, agent, manufacturer or other third party who does not have a need to know such Trade Secret. The obligations created by this Section 10 shall survive the termination of this Agreement or any business relationship between the parties. Any Trade Secret contained in any writing will be returned to the other party promptly upon written request, together with any reproductions thereof.

18. Governing Law; Dispute Resolution. This Agreement shall be governed by Washington law in accordance with the Dispute Resolution Agreement attached hereto as Exhibit B.

19. Miscellaneous Provisions. This Agreement constitutes the entire Agreement between the parties and supersedes any prior or contemporaneous agreements, oral or written. This Agreement may only be amended by a writing signed by both parties. Any notice required or permitted to be given under this Agreement shall be in writing and sent by telecopy, personal delivery or certified mail, return receipt requested, as follows:

If to Vitamineralherb.Com, Inc.: Mr. J. P. Beehner 3030 FM 518 Apt 221 Pearland TX 77584-7817

If to Licensee: Cambridge Creek, Inc.

Notice shall be deemed effective upon receipt if made by confirmed telecopy, personal delivery or 48 hours after deposit in the United States mail with the required postage.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

**MICHAEL KIRSH VITAMINERALHERB.COM CORP.**  
**A NEVADA CORPORATION**

By: \_\_\_\_\_  
J.P. Beehner, President

## **Item XIX. Articles of Incorporation and by-laws**

### **Exhibit 19.1**

#### **ARTICLES OF INCORPORATION OF BENTLEYCAPITALCORP.COM INC.**

The undersigned, for the purpose of forming a corporation under the Washington Business Corporation Act, hereby adopts the following Articles of Incorporation.

##### **ARTICLE I**

The name of the corporation is "BentleyCapitalCorp.com Inc."

##### **ARTICLE II**

###### **2.1. Authorized Capital**

The total number of shares that this corporation is authorized to issue is 120,000,000, consisting of 100,000,000 shares of Common Stock having a par value of \$0.0001 per share and 20,000,000 shares of Preferred Stock having a par value of \$0.0001 per share. The Common Stock is subject to the rights and preferences of the Preferred Stock as set forth below.

###### **2.2. Issuance of Preferred Stock by Class and in Series**

The Preferred Stock may be issued from time to time in one or more classes and one or more series within such classes in any manner permitted by law and the provisions of these Articles of Incorporation, as determined from time to time by the Board of Directors and stated in the resolution or resolutions providing for its issuance, prior to the issuance of any shares. The Board of Directors shall have the authority to fix and determine and to amend the designation, preferences, limitations and relative rights of the shares (including, without limitation, such matters as dividends, redemption, liquidation, conversion and voting) of any class or series that is wholly unissued or to be established. Unless otherwise specifically provided in the resolution establishing any class or series, the Board of Directors shall further have the authority, after the issuance of BentleyCapitalcorp.com Inc. shares of a class or series whose number it has

Articles of Incorporation

BentleyCapitalcorp.com Inc

designated, to amend the resolution establishing such class or series to decrease the number of shares of that class or series, but not below the number of shares of such class or series then outstanding.

##### **ARTICLE III**

The purpose of this corporation is to engage in any business, trade or activity that may lawfully be conducted by a corporation organized under the Washington Business Corporation Act and to engage in any and all such activities as are incidental or conducive to the attainment of the foregoing purpose or purposes.

##### **ARTICLE IV**

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Proton Laboratories, Inc.  
Initial Disclosure  
Period: December 31, 2012  
Unaudited

No preemptive rights shall exist with respect to shares of stock or securities convertible into shares of stock of this corporation.

#### **ARTICLE V**

The right to cumulate votes in the election of Directors shall not exist with respect to shares of stock of this corporation.

#### **ARTICLE VI**

##### **6.1. Number of Directors**

The Board of Directors shall be composed of not less than one nor more than six Directors. Except with respect to the initial Director, the specific number of Directors shall be set by resolution of the Board of Directors or, if the Directors in office constitute fewer than a quorum of the Board of Directors, by the affirmative vote of a majority of all the Directors in office. The number of Directors of this corporation may be increased or decreased from time to time in the manner provided herein, but no decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director.

##### **6.2. Classification of Directors**

The Directors shall be divided into three classes, with each class to be as nearly equal in number as possible, as specified by resolution of the Board of Directors or, if the Directors in office constitute fewer than a quorum of the Board of Directors, by the affirmative vote of a majority of all the Directors in office. The term of office of Directors of the first class shall expire at the first annual meeting of shareholders after their election. The term of office of Directors of the second

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class shall expire at the second annual meeting after their election. The term of office of Directors of the third class shall expire at the third annual meeting after their election. At each annual meeting after such classification, a number of Directors equal to the number of the class whose term expires at the time of such meeting shall be elected to hold office until the third succeeding annual meeting. Absent his or her death, resignation or removal, a Director shall continue to serve despite the expiration of the Director's term until his or her successor shall have been elected and qualified or until there is a decrease in the number of Directors.

##### **6.3. Removal of Directors**

The shareholders may remove one or more Directors with or without cause, but only at a special meeting called for the purpose of removing the Director or Directors, and the meeting notice must state that the purpose, or one of the purposes, of the meeting is removal of the Director or Directors..

##### **6.4. Vacancies on Board of Directors**

If a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the number of Directors, the Board of Directors may fill the vacancy, or, if the Directors in office constitute fewer than a quorum of the Board of Directors, they may fill the vacancy by the affirmative vote of a majority of all the Directors in office. The shareholders may fill a vacancy only if there are no Directors in office.

##### **6.5. Initial Board of Directors**

The initial Board of Directors shall consist of one Director, who shall be in the first class of Directors, and the name and address of the person who shall serve as such Director until the first annual meeting of shareholders or until his successor is elected and qualified is:

Michael Kirsh  
Suite 2110  
1177 West Hastings  
Vancouver, B.C.  
CANADA V6E 2K3

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#### **ARTICLE VII**

This corporation reserves the right to amend or repeal any of the provisions contained in these Articles of Incorporation in any manner now or hereafter permitted by the Washington Business Corporation Act, and the rights of the shareholders of this corporation are granted subject to this reservation.

#### **ARTICLE VIII**

The Board of Directors shall have the power to adopt, amend or repeal the Bylaws of this corporation, subject to the power of the shareholders to amend or repeal such Bylaws. The shareholders shall also have the power to amend or repeal the Bylaws of this corporation and to adopt new Bylaws.

#### **ARTICLE IX**

##### **9.1. Shareholder Actions**

Any action required or permitted to be taken at a shareholders meeting may be taken without a meeting or a vote if either:

- (a) the action is taken by written consent of all shareholders entitled to vote on the action; or
- (b) so long as this corporation is not a public company, the action is taken by written consent of shareholders holding of record, or otherwise entitled to vote, in the aggregate not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote on the action were present and voted.

To the extent that the Washington Business Corporation Act requires prior notice of any such action to be given to non-consenting or nonvoting shareholders, such notice shall be made prior to the date on which the action becomes effective, as required by the Washington Business Corporation Act. The form of the notice shall be sufficient to apprise the non-consenting or nonvoting shareholder of the nature of the action to be effected, in a manner approved by the Directors of this corporation or by the committee or officers to whom the Board of Directors has delegated that responsibility.

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#### 9.2. Number of Votes Necessary to Approve Actions

Whenever the Washington Business Corporation Act permits a corporation's articles of incorporation to specify that a lesser number of shares than would otherwise be required shall suffice to approve an action by shareholders, these Articles of Incorporation hereby specify that the number of shares required to approve such an action shall be such lesser number.

#### 9.3. Special Meetings of Shareholders

So long as this corporation is a public company, special meetings of the shareholders of the corporation for any purpose may be called at any time by the Board of Directors or, if the Directors in office constitute fewer than a quorum of the Board of Directors, by the affirmative vote of a majority of all the Directors in office, but such special meetings may not be called by any other person or persons.

#### 9.4. Quorum for Meetings of Shareholders.

Except with respect to any greater requirement contained in these Articles of Incorporation or the Washington Business Corporation Act, one-third of the votes entitled to be cast on a matter by the holders of shares that, pursuant to the Articles of Incorporation or the Washington Business Corporation Act, are entitled to vote and be counted collectively upon such matter, represented in person or by proxy, shall constitute a quorum of such shares at a meeting of shareholders.

### **ARTICLE X**

To the full extent that the Washington Business Corporation Act, as it exists on the date hereof or may hereafter be amended, permits the limitation or elimination of the liability of Directors, a Director of this corporation shall not be liable to this corporation or its shareholders for monetary damages for conduct as a Director. Any amendments to or repeal of this Article X shall not adversely affect any right or protection of a Director of this corporation for or with respect to any acts or omissions of such Director occurring prior to such amendment or repeal.

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### **ARTICLE XI**

#### 11.1. Indemnification.

The corporation shall indemnify its directors to the full extent permitted by the Washington Business Corporation Act now or hereafter in force. However, such indemnity shall not apply on account of: (a) acts or omissions of the director finally adjudged to be intentional misconduct or a knowing violation of law; (b) conduct of the director finally adjudged to be in violation of RCW 23B.08.310; or (c) any transaction with respect to which it was finally adjudged that such director personally received a benefit in money, property, or services to which the director was not legally entitled. The corporation shall advance expenses for such persons pursuant to the terms set forth in the Bylaws, or in a separate Board resolution or contract.

11.2. Authorization.

The Board of Directors may take such action as is necessary to carry out these indemnification and expense advancement provisions. It is expressly empowered to adopt, approve, and amend from time to time such Bylaws, resolutions, contracts, or further indemnification and expense advancement arrangements as may be permitted by law, implementing these provisions. Such Bylaws, resolutions, contracts or further arrangements shall include but not be limited to implementing the manner in which determinations as to any indemnity or advancement of expenses shall be made.

11.3. Effect of Amendment.

No amendment or repeal of this Article shall apply to or have any effect on any right to indemnification provided hereunder with respect to acts or omissions occurring prior to such amendment or repeal.

**ARTICLE XII**

The name and address of the incorporator is:

Vicki E. Orrico  
Ogden Murphy Wallace, P.L.L.C.  
1601 Fifth Ave., Suite 2100  
Seattle, WA 98101-1686

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The incorporator's authority on behalf of this corporation is limited to forming it by the filing of these Articles of Incorporation, and the incorporator has no further power or authority on behalf of the corporation, express or implied, by virtue of being the incorporator.

**ARTICLE XIII**

The street address of the initial registered office of the corporation is Ogden Murphy Wallace, P.L.L.C., 1601 Fifth Ave., Suite 2100, Seattle, Washington 98101-1686. The name of its initial registered agent at that address is Vicki E. Orrico.

**ARTICLE XIV**

These Articles of Incorporation shall become effective upon filing.

IN WITNESS WHEREOF, the incorporator has signed these Articles of Incorporation this \_\_\_\_\_ day of \_\_\_\_\_, 2000.

\_\_\_\_\_  
Vicki E. Orrico Incorporator

**CONSENT TO APPOINTMENT AS REGISTERED AGENT**

The undersigned, having been appointed as registered agent of BentleyCapitalCorp.com Inc., does hereby consent to such appointment and agrees to serve as registered agent for the corporation.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2000.

**OGDEN MURPHY WALLACE, P.L.L.C.**

**Vicki E. Orrico, Registered Agent**

**Address of Registered Agent:**

Ogden Murphy Wallace, P.L.L.C.

1601 Fifth Ave., Suite 2100

Seattle, WA 98101-1686

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## Exhibit 19.2

### BYLAWS of BENTLEYCAPITALCORP.COM, INC.

#### SECTION 1. OFFICES

The principal office of the corporation shall be located at the principal place of business or such other place as the Board of Directors ("Board") may designate. The corporation may have such other offices as the Board may designate or as the business of the corporation may require.

#### SECTION 2. SHAREHOLDERS

##### 2.1 Annual Meeting

The annual meeting of the shareholders to elect Directors and transact such other business as may properly come before the meeting shall be held on a date not more than 180 days after the end of the corporation's fiscal year, such date and time to be determined by the Board.

##### 2.2 Special Meetings

(a) Subject to paragraph 2.2(b), the Chairman of the Board, the President or the Board may call special meetings of the shareholders for any purpose. Further, a special meeting of the shareholders shall be held if the holders of not less than 25% of all the votes entitled to be cast on any issue proposed to be considered at such special meeting have dated, signed and delivered to the Secretary one or more written demands for such meeting, describing the purpose or purposes for which it is to be held.

(b) So long as the Corporation is a public company, special meetings of the shareholders of the Corporation for any purpose may be called at any time by the Board or, if the Directors in office constitute fewer than a quorum of the Board, by the affirmative vote of a majority of all the Directors in office, but such special meetings may not be called by any other person or persons.

##### 2.3 Meetings by Communications Equipment

Shareholders may participate in any meeting of the shareholders by any means of communication by which all persons participating in the meeting can hear each other during the meeting. Participation by such means shall constitute presence in person at a meeting.

##### 2.4 Date, Time and Place of Meeting

Except as otherwise provide in these Bylaws, all meetings of shareholders, including those held pursuant to demand by shareholders, shall be held on such date and at such time and place designated by or at the direction of the Board.

##### 2.5 Notice of Meeting

Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called shall be given by or at the direction of the Board, the Chairman of the Board, the President or the Secretary to each shareholder entitled to notice of or to vote at the meeting not less than 10 nor more than 60 days before the meeting, except that notice of a meeting to act on an amendment to the Articles of

Incorporation, a plan of merger or share exchange, the sale, lease, exchange or other disposition of all or substantially all of the corporation's assets other than in the regular course of business or the dissolution of the corporation shall be given not less than 20 or more than 60 days before such meeting. If an annual or special shareholders' meeting is adjourned to a different date, time or place, no notice of the new date, time or place is required if they are announced at the meeting before adjournment. If a new record date for the adjourned meeting is or must be fixed, notice of the adjourned meeting must be given to shareholders entitled to notice of or to vote as of the new record date.

Such notice may be transmitted by mail, private carrier, personal delivery, telegraph, teletype or communications equipment that transmits a facsimile of the notice. If those forms of written notice are impractical in the view of the Board, the Chairman of the Board, the President or the Secretary, written notice may be transmitted by an advertisement in a newspaper of general circulation in the area of the corporation's principal office. If such notice is mailed, it shall be deemed effective when deposited in the official government mail, first-class postage prepaid, properly addressed to the shareholder at such shareholder's address as it appears in the corporation's current record of shareholders. Notice given in any other manner shall be deemed effective when dispatched to the shareholder's address, telephone number or other number appearing on the records of the corporation. Any notice given by publication as herein provided shall be deemed effective five days after first publication.

#### 2.6 Waiver of Notice

Whenever any notice is required to be given by an shareholder under the provisions of these Bylaws, the Articles of Incorporation or the Washington Business Corporation Act, a waiver of notice in writing, signed by the person or persons entitled to such notice and delivered to the corporation, whether before or after the date and time of the meeting or before or after the action to be taken by consent is effective, shall be deemed equivalent to the giving of such notice. Further, notice of the time, place and purpose of any meeting will be deemed to be waived by any shareholder by attendance in person or by proxy, unless such shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting.

#### 2.7 Fixing of Record Date for Determining Shareholders

For the purpose of determining shareholders entitled (a) to notice of or to vote at any meeting of shareholders or any adjournment thereof, (b) to demand a special meeting, or (c) to receive payment of any dividend, or in order to make a determination of shareholders for any other purpose, the Board may fix a future date as the record date for any such determination. Such record date shall be not more than 70 days, and, in case of a meeting of shareholders, not less than 10 days, prior to the date on which the particular action requiring such determination is to be taken. If no record date is fixed for the determination of shareholders entitled to notice of or to vote a meeting, the record date shall be the day immediately preceding the date on which notice of the meeting is first given to shareholders. Such a determination shall apply to any adjournment of the meeting unless the Board fixes a new record date, which it shall do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting. If no record date is set for the determination of shareholders entitled to receive payment of any stock, dividend or distribution (other than one involving a purchase, redemption or other acquisition of

the corporation's shares), the record date shall be the date the Board authorizes the stock dividend or distribution.

## 2.8 Voting Record

At least 10 days before each meeting of shareholders, an alphabetical list of the shareholders entitled to notice of such meeting shall be made, arranged by voting group and by each class or series of shares, with the address of and number of shares held by each shareholder. This record shall be kept at the principal office of the corporation for 10 days prior to such meeting, and shall be kept open at such meeting, for the inspection of any shareholder or any shareholder's agent or attorney.

## 2.9 Quorum

Except with respect to any greater requirement contained in the Articles of Incorporation or the Washington Business Corporation Act, one-third of the votes entitled to be cast on a matter by the holders of shares that, pursuant to the Articles of Incorporation or the Washington Business Corporation Act, are entitled to vote and be counted collectively upon such matter, represented in person or by proxy, shall constitute a quorum of such shares at a meeting of shareholders. If less than the required number of such votes are represented at a meeting, a majority of the votes so represented may adjourn the meeting from time to time. Any business may be transacted at a reconvened meeting that might have been transacted at the meeting as originally called, provided a quorum is present or represented at such meeting. Once a share is represented for any purpose at a meeting other than solely to object to holding the meeting or transacting business, it is deemed present for quorum purposes for the remainder of the meeting and any adjournment (unless a new record date is or must be set for the adjourned meeting), notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

## 2.10 Manner of Acting

If a quorum is present, action on a matter other than the election of Directors shall be approved if the votes cast in favor of the action by the shares entitled to vote and be counted collectively upon such matter exceed the votes cast against such action by the shares entitled to vote and be counted collectively thereon, unless the Articles of Incorporation or the Washington Business Corporation Act requires a greater number of affirmative votes. Whenever the Washington Business Corporation Act permits a corporation's bylaws to specify that a lesser number of shares than would otherwise be required shall suffice to approve an action by shareholders, these Bylaws hereby specify that the number of shares required to approve such an action shall be such lesser number.

## 2.11 Proxies

As shareholder may vote by proxy executed in writing by the shareholder or by his or her attorney-in-fact or agent. Such proxy shall be effective when received by the Secretary or other officer or agent authorized to tabulate votes. A proxy shall become invalid 11 months after the date of its execution, unless otherwise provided in the proxy. A proxy with respect to a specified meeting shall entitle its holder to vote at any reconvened meeting following adjournment of such meeting but shall not be valid after the final adjournment.

## 2.12 Voting Shares

Except as provided in the Articles of Incorporation, each outstanding share entitled to vote with respect to a matter submitted to a meeting of shareholders shall be entitled to one vote upon such matter.

### 2.13 Voting for Directors

Each shareholder entitled to vote to an election of Directors may vote, in person or by proxy, the number of shares owned by such shareholder for as many persons as there are Directors to be elected and for whose election such shareholder has a right to vote. Shareholders shall not have the right to cumulate their votes. Unless otherwise provided in the Articles of Incorporation, the candidates elected shall be those receiving the largest number of votes cast, up to the number of Directors to be elected.

### 2.14 Action by Shareholders Without a Meeting

Any action that may be or is required to be taken at a meeting of the shareholders may be taken without a meeting by unanimous consent if one or more written consents setting forth the action so taken shall be signed by all the shareholders entitled to vote with respect to the matter.

Action may also be taken by less than unanimous consent. Action by less than unanimous consent may be taken if one or more written consents describing the action taken shall be signed by shareholders holding the record or otherwise entitled to vote in the aggregate not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote on the action were present and voted. If not otherwise fixed by the Board, the record date for determining shareholders entitled to take action without a meeting is the date the first shareholder consent is signed. A shareholder may withdraw a consent only by delivering a written notice of withdrawal to the corporation prior to the time that consents sufficient to authorize taking the action have been delivered to the corporation. Every written consent shall bear the date of signature of each shareholder who signs the consent. A written consent is not effective to take the action referred to in the consent unless, within 60 days of the earliest dated consent delivered to the corporation, written consents signed by a sufficient number of shareholders to take action are delivered to the corporation. Unless the consent specifies a later effective date, actions taken by written consent of the shareholders are effective when (a) consents sufficient to authorize taking the action are in possession of the corporation and (b) the period of advance notice required by the Articles of Incorporation to be given to any nonconsenting or nonvoting shareholders has been satisfied. Any such consent shall be inserted in the minute book as if it were the minutes of a meeting of the shareholders.

## SECTION 3. BOARD OF DIRECTORS

### 3.1 General Powers

All corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under the direction of, the Board, except as may be otherwise provided in these Bylaws, the Articles of Incorporation or the Washington Business Corporation Act.

### 3.2 Number, Classification and Tenure

The Board shall be composed of not less than one nor more than six Directors, the specific number to be set by resolution of the Board or, if the Directors in office constitute fewer than a quorum of the Board, by the affirmative vote of a majority of all the Directors in office. The number of Directors may be changed from time to time as provided by the Articles of

Incorporation, but no decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director. The Directors shall be divided into three classes, with each class to be as nearly equal in number as possible, as specified by resolution of the Board or, if the Directors in office constitute fewer than a quorum of the Board, by the affirmative vote of a majority of all the Directors in office. The term of office of Directors of the first class shall expire at the first annual meeting of shareholders after their election. The term of office of Directors of the second class shall expire at the second annual meeting after their election. The term of office of Directors of the third class shall expire at the third annual meeting after their election. At each annual meeting after such classification, a number of Directors equal to the number of the class whose term expires at the time of such meeting shall be elected to hold office until the third succeeding annual meeting. Absent his or her death, resignation or removal, a Director shall continue to serve despite the expiration of the Director's term until his or her successor shall have been elected and qualified or until there is a decrease in the number of Directors. Directors need not be shareholders of the corporation or residents of the state of Washington, and need not meet any other qualifications.

### 3.3 Annual and Regular Meetings

An annual Board meeting shall be held without notice immediately after and at the same place as the annual meeting of shareholders. By resolution the Board, or any committee designated by the Board, may specify the time and place for holding regular meetings without notice other than such resolution.

### 3.4 Special Meetings

Special meetings of the Board or any committee designated by the Board may be called by or at the request of the Chairman of the Board, the President, the Secretary or, in the case of special Board meetings, any one-third or more of the Directors in office and, in the case of any special meeting of any committee designated by the Board, by its Chairman. The person or persons authorized to call special meetings may fix any place for holding any special Board or committee meeting called by them.

### 3.5 Meetings by Communications Equipment

Members of the Board or any committee designated by the Board may participate in a meeting of such Board or committee by, or conduct the meeting through the use of, any means of communication by which all Directors participating in the meeting can hear each other during the meeting. Participation by such means shall constitute presence in person at a meeting.

### 3.6 Notice of Special Meetings

Notice of a special Board or committee meeting stating the place, day and hour of the meeting shall be given to a Director in writing or orally. Neither the business to be transacted at nor the purpose of any special meeting need be specified in the notice of such meeting.

#### 3.6.1 Personal Delivery

If notice is given by personal delivery, the notice shall be delivered to a Director at least two days before the meeting.

#### 3.6.2 Delivery by Mail

If notice is delivered by mail, the notice shall be deposited in the official government mail at least five days before the meeting, properly addressed to a Director at his or her address shown on the records of the corporation, with postage thereon prepaid.

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Proton Laboratories, Inc.

Initial Disclosure

Period: December 31, 2012

Unaudited

### 3.6.3 Delivery by Private Carrier

If notice is given by private carrier, the notice shall be dispatched to a Director at his or her address shown on the records of the corporation at least three days before the meeting.

### 3.6.4 Facsimile Notice

If a notice is delivered by wire or wireless equipment that transmits a facsimile of the notice, the notice shall be dispatched at least two days before the meeting to a Director at his or her telephone number or other number appearing on the records of the corporation.

### 3.6.5 Delivery by Telegraph

If notice is delivered by telegraph, the notice shall be delivered to the telegraph company for delivery to a Director at his or her address shown on the records of the corporation at least three days before the meeting.

### 3.6.6 Oral Notice

If notice is delivered by orally, by telephone or in person, the notice shall be personally given to the Director at least two days before the meeting.

## 3.7 Waiver of Notice

### 3.7.1 In Writing

Whenever any notice is required to be given to any Director under the provisions of these Bylaws, the Articles of Incorporation or the Washington Business Corporation Act, a waiver thereof in writing, signed by the person or persons entitled to such notice and delivered to the corporation, whether before or after the date and time of the meeting, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board or any committee designated by the Board need be specified in the waiver of notice of such meeting.

### 3.7.2 By Attendance

A Director's attendance at or participation in a Board or committee meeting shall constitute a waiver of notice of such meeting, unless the Director at the beginning of the meeting, or promptly upon his or her arrival, objects to holding the meeting or transacting business at such meeting and does not thereafter vote for or assent to action taken at the meeting.

## 3.8 Quorum

A majority of the number of Directors fixed by or in the manner provided in these Bylaws shall constitute a quorum for the transaction of business at any Board meeting but, if less than a majority are present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice. A majority of the number of Directors composing any committee of the Board, as established and fixed by resolution of the Board, shall constitute a quorum for the transaction of business at any meeting of such committee but, if less than a majority are present at a meeting, a majority of such Directors present may adjourn the committee meeting from time to time without further notice.

## 3.9 Manner of Acting

If a quorum is present when the vote is taken, the act of the majority of the Directors present at a Board or committee meeting shall be the act of the Board or such committee, unless the vote of a

greater number is required by these Bylaws, the Articles of Incorporation or the Washington Business Corporation Act.

### 3.10 Presumption of Assent

A Director of the corporation who is present at a Board or committee meeting at which any action is taken shall be deemed to have assented to the action taken unless (a) the Director objects at the beginning of the meeting, or promptly upon the Director's arrival, to holding the meeting or transacting any business at such meeting, (b) the Director's dissent or abstention from the action taken is entered in the minutes of the meeting, or (c) the Director delivers written notice of the Director's dissent or abstention to the presiding officer of the meeting before its adjournment or to the corporation within a reasonable time after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

### 3.11 Action by Board or Committees Without a Meeting

Any action that could be taken at a meeting of the Board or of any committee created by the Board may be taken without a meeting if one or more written consents setting forth the action so taken are signed by each of the Directors or by each committee member either before or after the action is taken and delivered to the corporation. Action taken by written consent of Directors without a meeting is effective when the last Director signs the consent, unless the consent specifies a later effective date. Any such written consent shall be inserted in the minute book as if it were the minutes of a Board or a committee meeting.

### 3.12 Resignation

Any Director may resign from the Board or any committee of the Board at any time by delivering either oral tender of resignation at any meeting of the Board or any committee, or written notice to the Chairman of the Board, the President, the Secretary or the Board. Any such resignation is effective upon delivery thereof unless the notice of resignation specifies a later effective date and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

### 3.13 Removal

At a meeting of shareholders called expressly for that purpose, one or more members of the Board, including the entire Board, may be removed with or without cause (unless the Articles of Incorporation permit removal for cause only) by the holders of the shares entitled to elect the Director or Directors whose removal is sought if the number of votes cast to remove the Director exceeds the number of votes cast not to remove the Director.

### 3.14 Vacancies

If a vacancy occurs on the Board, including a vacancy resulting from an increase in the number of Directors, the Board may fill the vacancy, or, if the Directors in office constitute fewer than a quorum of the Board, they may fill the vacancy by the affirmative vote of a majority of all the Directors in office. The shareholders may fill a vacancy only if there are no Directors in office. A Director elected to fill a vacancy shall serve only until the next election of Directors by the shareholders.

#### 3.15 Executive and Other Committees

##### 3.15.1 Creation of Committees

The Board, by resolution adopted by the greater of a majority of the

Directors then in office and the number of Directors required to take action in accordance with these Bylaws, may create standing or temporary committees, including an Executive Committee, and appoint members from its own number and invest such committees with such powers as it may see fit, subject to such conditions as may be prescribed by the Board, the Articles of Incorporation, these Bylaws and applicable law. Each committee must have two or more members, who shall serve at the pleasure of the Board.

#### 3.15.2 Authority of Committees

Each Committee shall have and may exercise all the authority of the Board to the extent provided in the resolution of the Board creating the committee and any subsequent resolutions adopted in like manner, except that no such committee shall have the authority to: (1) authorize or approve a distribution except according to a general formula or method prescribed by the Board, (2) approve or propose to shareholders actions or proposals required by the Washington Business Corporation Act to be approved by shareholders, (3) fill vacancies on the Board or any committee thereof, (4) amend the Articles of Incorporation pursuant to RCW 23B.10.020, (5) adopt, amend or repeal Bylaws, (6) approve a plan of merger not requiring shareholder approval, or (7) authorize or approve the issuance or sale of contract for sale of shares, or determine the designation and relative rights, preferences and limitations of a class or series of shares except that the Board may authorize a committee or a senior executive officer of the corporation to do so within limits specifically prescribed by the Board.

#### 3.15.3 Minutes of Meetings

All committees shall keep regular minutes of their meetings and shall cause them to be recorded in books kept for that purpose.

#### 3.15.4 Removal

The Board may remove any member of any committee elected or appointed by it but only by the affirmative vote of the greater of a majority of Directors then in office and the number of Directors required to take action in accordance with these Bylaws.

#### 3.16 Compensation

By Board resolution, Directors and committee members may be paid either expenses, if any, of attendance at each Board or committee meeting, or a fixed sum for attendance at each Board or committee meeting, or a stated salary as Director or a committee member, or a combination of the foregoing. No such payment shall preclude any Director or committee member from serving the corporation in any other capacity and receiving compensation therefore.

### SECTION 4. OFFICERS

#### 4.1 Appointment and Term

The officers of the corporation shall be those officers appointed from time to time by the Board or by any other officer empowered to do so. The Board shall have sole power and authority to appoint executive officers. As used herein, the term "executive officer" shall mean the President, the chief financial officer and any other officer designated by the Board as an executive officer. The Board or the President may appoint such other officers to hold office for such period, have such authority and perform such duties as may be prescribed. The Board may delegate to any other officer the power to appoint any subordinate officers and to prescribe their respective terms of office, authority and duties. Any two or more offices may be held by the same person. Unless



an officer dies, resigns or is removed from office, he or she shall hold office until his or her successor is appointed.

#### 4.2 Resignation

Any officer may resign at any time by delivering written notice to the corporation. Any such resignation is effective upon delivery, unless the notice of resignation specifies a later effective date, and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.

#### 4.3 Removal

Any officer may be removed by the Board at any time, with or without cause. An officer or assistant officer, if appointed by another officer, may be removed at any time, with or without cause, by any officer authorized to appoint such officer or assistant officer.

#### 4.4 Contract Rights of Officers

The appointment of an officer does not itself create contract rights.

#### 4.5 Chairman of the Board

If appointed, the Chairman of the Board shall perform such duties as shall be assigned to him or her by the Board from time to time, and shall preside over meetings of the Board and shareholders unless another officer is appointed or designated by the Board of Chairman of such meetings.

#### 4.6 President

If appointed, the President shall be the chief executive officer of the corporation unless some other officer is designated by the Board, shall preside over meetings of the Board and shareholders in the absence of a Chairman of the Board, and, subject to the Board's control, shall supervise and control all the assets, business and affairs of the corporation. In general, the President shall perform all duties incident to the office of President and such other duties as are prescribed by the Board from time to time. If no Secretary has been appointed, the President shall have responsibility for the preparation of minutes of meetings of the Board and shareholders and for authentication of the records of the corporation.

#### 4.7 Vice President

In the event of the death of the President or his or her inability to act, the Vice President (or if there is more than one Vice President, the Vice President who was designated by the Board as the successor to the President, or if no Vice President is so designated, the Vice President first elected to such office) shall perform the duties of the President, except as may be limited by resolution of the Board, with all the powers of and subject to all the restrictions upon the President. Vice Presidents shall perform such other duties as from time to time may be assigned to them by the President or by or at the direction of the Board.

#### 4.8 Secretary

If appointed, the Secretary shall be responsible for preparation of minutes of the meetings of the Board and shareholders, maintenance of the corporation records and stock registers, and authentication of the corporation's records, and shall in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by

the President or by or at the direction of the Board. In the absence of the Secretary, an Assistant Secretary may perform the duties of the Secretary.

#### 4.9 Treasurer

If appointed, the Treasurer shall have charge and custody of and be responsible for all funds and securities of the corporation, receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in banks, trust companies or other depositories selected in accordance with the provisions of these Bylaws, and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by or at the direction of the Board. In the absence of the Treasurer, an Assistant Treasurer may perform the duties of the Treasurer.

#### 4.10 Salaries

The salaries of the officers shall be fixed from time to time by the Board or by any person or persons to whom the Board has delegated such authority. No officer shall be prevented from receiving such salary by reason of the fact that he or she is also a Director of the corporation.

### SECTION 5. CONTRACTS, LOANS, CHECKS AND DEPOSITS

#### 5.1 Contracts

The Board may authorize any officer or officers, or agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances.

#### 5.2 Loans to the Corporation

No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

#### 5.3 Checks, Drafts, Etc.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, or agent or agents, of the corporation and in such manner as is from time to time determined by resolution of the Board.

#### 5.4 Deposits

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board may authorize.

### SECTION 6. CERTIFICATES FOR SHARES AND THEIR TRANSFER

#### 6.1 Issuance of Shares

No shares of the corporation shall be issued unless authorized by the Board, or by a committee designated by the Board to the extent such committee is empowered to do so.

#### 6.2 Certificates for Shares

Certificates representing shares of the corporation shall be signed, either manually or in facsimile, by the President or any Vice President and by the Treasurer or any Assistant Treasurer or the Secretary or any Assistant Secretary and shall include on their face written notice of any

restrictions that may be imposed on the transferability of such shares. All certificates shall be consecutively numbered or otherwise identified.

### 6.3 Stock Records

The stock transfer books shall be kept at the principal office at the corporation or at the office of the corporation's transfer agent or registrar. The name and address of each person to whom certificates for shares are issued, together with the class and number of shares represented by each such certificate and the date of issue thereof, shall be entered on the stock transfer books of the corporation. The person in whose name shares stand on the books of the corporation shall be deemed by the corporation to be the owner thereof for all purposes.

### 6.4 Restriction on Transfer

Except to the extent that the corporation has obtained an opinion of counsel acceptable to the corporation that transfer restrictions are not required under applicable securities laws, or has otherwise satisfied itself that such transfer restrictions are not required, all certificates representing shares of the corporation shall bear a legend on the face of the certificate, or on the reverse of the certificate if a reference to the legend is contained on the face, which reads substantially as follows:

THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS, AND NO INTEREST MAY BE SOLD, DISTRIBUTED, ASSIGNED, OFFERED, PLEDGED OR OTHERWISE TRANSFERRED UNLESS (A) THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS COVERING ANY SUCH TRANSACTION INVOLVING SAID SECURITIES, (B) THIS CORPORATION RECEIVES AN OPINION OF LEGAL COUNSEL FOR THE HOLDER OF THESE SECURITIES SATISFACTORY TO THIS CORPORATION STATING THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION, OR (C) THIS CORPORATION OTHERWISE SATISFIES ITSELF THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION.

### 6.5 Transfer of Shares

The transfer of shares of the corporation shall be made only on the stock transfer books of the corporation pursuant to authorization or document of transfer made by the holder of record thereof or by his or her legal representative, who shall furnish proper evidence of authority to transfer, or by his or her attorney-in-fact authorized by power of attorney duly executed and filed with the Secretary of the corporation. All certificates surrendered to the corporation for transfer shall be canceled and no new certificate shall be issued until the former certificates for a like number of shares shall have been surrendered and canceled.

### 6.6 Lost or Destroyed Certificates

In the case of a lost, destroyed or damaged certificate, a new certificate may be issued in its place upon such terms and indemnity to the corporation as the Board may prescribe.

## SECTION 7. BOOKS AND RECORDS

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The corporation shall:

(a) Keep as permanent records minutes of all meetings of its shareholders and the Board, a record of all actions taken by the shareholders or the Board without a meeting, and a record of all actions taken by a committee of the Board exercising the authority of the Board on behalf of the corporation.

(b) Maintain appropriate accounting records.

(c) Maintain a record of its shareholders, in a form that permits preparation of a list of the names and addresses of all shareholders, in alphabetical order by class of shares showing the number and class of shares held by each; provided, however, such record may be maintained by an agent of the corporation.

(d) Maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

(e) Keep a copy of the following records at its principal office:

1. the Articles of Incorporation and all amendments thereto as currently in effect;
2. these Bylaws and all amendments thereto as currently in effect;
3. the minutes of all meetings of shareholders and records of all action taken by shareholders without a meeting, for the past three years;
4. the financial statements described in Section 23B.16.200(1) of the Washington Business Corporation Act, for the past three years;
5. all written communications to shareholders generally within the past three years;
6. a list of the names and business addresses of the current Directors and officers; and
7. the most recent annual report delivered to the Washington Secretary of State.

#### SECTION 8. ACCOUNTING YEAR

The accounting year of the corporation shall be the calendar year, provided that if a different accounting year is at any time selected by the Board for purposes of federal income taxes, or any other purpose, the accounting year shall be the year so selected.

#### SECTION 9. SEAL

The Board may provide for a corporate seal that shall consist of the name of the corporation, the state of its incorporation, and the year of its incorporation.

#### SECTION 10. INDEMNIFICATION

##### 10.1 Right to Indemnification

Each person who was, is or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any threatened, pending or completed action, suit, claim or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal (hereinafter a "proceedings"), by reason of the fact that he or she is or was a Director or officer of the corporation or, that being or having been such a Director or officer of the corporation, he or she is or was serving at the request of the corporation as a Director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise (hereafter an "indemnitee"), whether the basis of a proceeding is alleged action in an official capacity or in any other capacity while serving as such a Director, officer, partner, trustee, employee or agent, shall be indemnified and held harmless by the corporation against all losses, claims, damages (compensatory, exemplary, punitive or

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otherwise), liabilities and expenses (including attorneys' fees, costs, judgments, fines, ERISA excise taxes or penalties, amounts to be paid in settlement and any other expenses) actually and reasonably incurred or suffered by such indemnitee in connection therewith and such indemnification shall continue as to an indemnitee who has ceased to be a Director or officer of the Corporation or a Director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise and shall insure to the benefit of the indemnitee's heirs, executors and administrators. Except as provided in subsection 10.4 of this Section with respect to proceedings seeking to enforce rights to indemnification, the corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if a proceeding (or part thereof) was authorized or ratified by the Board. The right to indemnification conferred in this Section shall be a contract right.

#### 10.2 Restrictions on Indemnification

No indemnification shall be provided to any such indemnitee for acts or omissions of the indemnitee finally adjudged to be intentional misconduct or a knowing violation of law, for conduct of the indemnitee finally adjudged to be in violation of Section 23B.08.310 of the Washington Business Corporation Act, for any transaction with respect to which it was finally adjudged that such indemnitee personally received a benefit in money, property or services to which the indemnitee was not legally entitled or if the corporation is otherwise prohibited by applicable law from paying such indemnification. Notwithstanding the foregoing, if Section 23B.08.560 or any successor provision of the Washington Business Corporation Act is hereafter amended, the restrictions on indemnification set forth in this subsection 10.2 shall be as set forth in such amended statutory provision.

#### 10.3 Advancement of Expenses

The right to indemnification conferred in this Section shall include the right to be paid by the corporation the expenses reasonably incurred in defending any proceeding in advance of its final disposition (hereinafter an "advancement of expenses"). As advancement of expenses shall be made upon delivery to the corporation of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such indemnitee is not entitled to be indemnified.

#### 10.4 Right of Indemnitee to Bring Suit

If a claim under subsection 10.1 or 10.3 of this Section is not paid in full by the corporation within 60 days after a written claim has been received by the corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be 20 days, the indemnitee may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim. If successful in whole or in part, in any such suit or in a suit brought by the corporation to recover an advancement of expenses pursuant to the terms of the undertaking, the indemnitee shall be entitled to be paid also the expense of litigating such suit. The indemnitee shall be presumed to be entitled to indemnification under this Section upon submission of a written claim (and, in an action brought to enforce a claim for an advancement of expenses, when the required undertaking has been tendered to the corporation) and thereafter the

corporation shall have the burden of proof to overcome the presumption that the indemnitee is so entitled.

#### 10.5 Procedures Exclusive

Pursuant to Section 23B.08.560(2) or any successor provision of the Washington Business Corporation Act, the procedures for indemnification and the advancement of expenses set forth in this Section are in lieu of the procedures required by Section 23B.08.550 or any successor provision of the Washington Business Corporation Act.

#### 10.6 Nonexclusivity of Rights

Except as set forth in subsection 10.5, the right to indemnification and the advancement of expenses conferred in this Section shall not be exclusive of any other right that any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation or Bylaws of the corporation, general or specific action of the Board or shareholders, contract or otherwise.

#### 10.7 Insurance, Contracts and Funding

The corporation may maintain insurance, at its expense, to protect itself and any Director, officer, partner, trustee, employee or agent of the corporation or another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any expense, liability or loss, whether or not the corporation would have the authority or right to indemnify such person against such expense, liability or loss under the Washington Business Corporation Act or other law. The corporation may enter into contracts with any Director, officer, partner, trustee, employee or agent of the corporation in furtherance of the provisions of this section and may create a trust fund, grant a security interest, or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Section.

#### 10.8 Identification of Employees and Agents of the Corporation

In addition to the rights of indemnification set forth in subsection 10.1, the corporation may, by action of the Board, grant rights to indemnification and advancement of expenses to employees and agents or any class or group of employees and agents of the corporation (a) with the same scope and effect as the provisions of this Section with respect to indemnification and the advancement of expenses of Directors and officers of the corporation; (b) pursuant to rights granted or provided by the Washington Business Corporation Act; or (c) as are otherwise consistent with law.

#### 10.9 Persons Serving Other Entities

Any person who, while a Director or officer of the corporation, is or was serving (a) as a Director, officer, employee or agent of another corporation of which a majority of the shares entitled to vote in the election of its directors is held by the corporation or (b) as a partner, trustee or otherwise in an executive or management capacity in a partnership, joint venture, trust, employee benefit plan or other enterprise of which the corporation or a majority owned subsidiary of the corporation is a general partner or has a majority ownership shall conclusively be deemed to be so serving at the request of the corporation and entitled to indemnification and the advancement of expenses under subsections 10.1 and 10.3 of this Section.

### SECTION 11. LIMITATION OF LIABILITY

To the full extent that the Washington Business Corporation Act, as it exists on the date hereof or may hereafter be amended, permits the limitation or elimination of the liability of any person

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who would be considered an indemnitee under subsection 10.1 of Section 10, an indemnitee of the Corporation shall not be liable to the Corporation or its shareholders for monetary damages for conduct in the capacity based upon which such person is considered an indemnitee. Any amendments to or repeal of this Section 11 shall not adversely affect any right or protection of any indemnitee of the Corporation for or with respect to any acts or omissions of such indemnitee occurring prior to such amendment or repeal.

#### SECTION 12. AMENDMENTS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board, except that the Board may not repeal or amend any Bylaw that the shareholders have expressly provided, in amending or repealing such Bylaw, may not be amended or repealed by the Board. The shareholders may also alter, amend and repeal these Bylaws or adopt new Bylaws. All Bylaws made by the Board may be amended, repealed, altered or modified by the shareholders.

The foregoing Bylaws were adopted by the Board on .

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**Secretary**

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**Item XX. Purchases of Equity Securities by the issuer and affiliated purchasers.**

None.

**Item XXI. Certifications**

I, Scott Smith, certify that:

1. I have reviewed this initial disclosure report of Proton Laboratories, Inc.;
2. Based on my knowledge, this disclosure statement does contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge of the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects, the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

May 8, 2013

/s/ Scott Smith [Signature]  
Scott Smith, President/CEO