



Instructions for Investors

Mustard Seed Fund

1. Attached is a document that you will need to complete and send with your check. Please make separate checks for the investment and a donation. Be sure to read all pages. The contents are part of your assurance that your investment is being attended to.
2. All investors must invest at least \$3000. You will select options for your investment when completing the form. There is optionally 3, 4, or 5 year terms. Interest rate options are 0, 1, 2, or 3%. Substandard interest rates may be tax deductible. The principal amount invested is not. Please consult your tax advisor.
3. As a nonprofit, CHEETAH is not subject to US Securities and Exchange Commission (SEC) regulations. However, CHEETAH restricts the maximum donation of 'unaccredited' investors to \$10,000. 'Accredited' investors have no limit. The SEC basically defines an accredited investor as any one of the following:
 - a. Having with/without spouse a net worth of \$1,000,000
 - b. OR without spouse a \$200,000 per year income for past 2 years
 - c. OR with spouse a \$300,000 per income for past 2 years.
 - d. The document will help you with other variations of these rules.
4. Make sure to complete/sign 2 COPIES of the document including pages 3, 7, 13, 16, 18, 19, 21, 23. It usually takes about 30-60 minutes. Call your CHEETAH representative with any questions!
5. Send both your documents to CHEETAH with your check. The address is at the top of this form. The agreement becomes valid when CHEETAH signs it.
6. CHEETAH will return one agreement to you and will forward one to THRIVENT BANK with your check for deposit. THRIVENT is a Fortune 500 company that has a trust relationship with CHEETAH.
7. THRIVENT will record your investment and send you a receipt. (It's a bit like registering a mortgage with the government.) THRIVENT gives you the assurance that your investment is tracked by a large and independent organization.
8. Repayment of principal and interest only occurs on the maturity date of 3,4 or 5 years per your choice. CHEETAH's newsletter will keep you informed of project progress.
9. If you have any questions, please contact your CHEETAH representative or call 1 (612) 382-3533.
10. Thanks for changing the lives of the poorest poor with your investment!



**CHEETAH DEVELOPMENT, INC.
PRIVATE PLACEMENT MEMORANDUM
FOR UNSECURED NOTES**

CHEETAH DEVELOPMENT, INC., a Minnesota nonprofit corporation (“Cheetah” or the “Company”), is hereby offering to issue its **UNSECURED PROMISSORY NOTES** (the “Notes” or sometimes the “Securities”) to qualified investors (also referred to as “Lenders”) in any individual amount, subject to a minimum of three thousand dollars (\$3,000). The Notes may be for a term of 3, 4, or 5 years [as determined by the lender], and will provide for an interest rate of zero (0%), one (1%), two (2%), or three percent (3%) [as determined by the lender]. The total offering amount is ten million dollars (\$10,000,000) with no minimum aggregate offering amount.

INVESTMENT IN THE NOTES OFFERED HEREBY INVOLVES A HIGH DEGREE OF RISK AS THE FUNDS OBTAINED FROM SUBSCRIPTION FOR THE NOTES WILL BE INVESTED IN BUSINESS VENTURES IN AFRICA. THESE NOTES ARE HIGHLY SPECULATIVE AND SHOULD ONLY BE SUBSCRIBED FOR BY PERSONS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT. SEE “RISK FACTORS” IN APPENDIX A.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE RISKS AND MERITS INVOLVED. THE NOTES ARE OFFERED PURSUANT TO EXEMPTIONS FROM REGISTRATION UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED ON THE ACCURACY OR ADEQUACY OF THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Total Aggregate Offering	\$10,000,000
Term/Maturity	Various terms of 3, 4 or 5 years
Rate	0%, 1%, 2%, 3%
Minimum Investment Requirement	\$3,000
Status	Unsecured Debt

SPECIAL INSERT

SPECIAL NOTE FOR PENNSYLVANIA, OREGON, MICHIGAN, ARIZONA, LOUISIANA AND GEORGIA RESIDENTS

THERE WILL BE NO SALES OF MUSTARD SEED INVESTMENT NOTES TO RESIDENTS OF OREGON, MICHIGAN, ARIZONA, LOUISIANA, GEORGIA AND PENNSYLVANIA.

FOR RESIDENTS OF ALABAMA ONLY:

THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION FROM REGISTRATION UNDER SECTION 37(H) OF THE ALABAMA SECURITIES ACT AND SECTION 3(A)(4) OF THE SECURITIES ACT OF 1933. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ALABAMA SECURITIES COMMISSION OR WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION. NEITHER THE ALABAMA SECURITIES COMMISSION NOR THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION HAS PASSED UPON THE VALUE OF THESE SECURITIES, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED THE OFFERING, OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATIONS TO THE CONTRARY IS UNLAWFUL.

FOR RESIDENTS OF INDIANA ONLY:

THE INDIANA SECURITIES DIVISION HAS NOT IN ANY WAY PASSED UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, THE SECURITIES OFFERED, OR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS.

FOR RESIDENTS OF KENTUCKY ONLY:

THESE SECURITIES ARE ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM REGISTRATION UNDER SECTION KRS 292.400(9) OF THE KENTUCKY SECURITIES ACT.

FOR RESIDENTS OF MARYLAND ONLY:

THESE SECURITIES ARE EXEMPT FROM REGISTRATION IN THE STATE OF MARYLAND PURSUANT TO AN ELEEMOSYNARY EXEMPTION GRANTED MAY 20, 1997 UNDER SECTION 11-601(9) OF THE MARYLAND SECURITIES ACT AND CHAPTER .04, REGULATION .01 OF THE BLUE SKY REGULATIONS, THE STATE IN WHICH THE ISSUER IS LOCATED.

CONTENTS / PRIVATE PLACEMENT MEMORANDUM

This Private Placement Memorandum is comprised of the following:

1. Introduction and Summary
2. Checklist for Additional Information
3. Appendix A - Risk Factors
Action Item: Signature of Investor required
4. Appendix B - SUBSCRIPTION AGREEMENT AND LETTER OF INVESTMENT INTENT
Action Item: To be completed by Investor
5. Appendix C – FORM OF CHEETAH MUSTARD SEED INVESTMENT NOTE
Action Item: To be completed by Cheetah

The undersigned Investor acknowledges receipt of each of the above referenced documents.

Investor:

Dated: _____

[Signature]

[Name Printed]

INTRODUCTION AND SUMMARY

CHEETAH DEVELOPMENT, INC., (“Cheetah”), a 501(c)(3) (currently in process of filing application for tax-exempt status with the Internal Revenue Service) non-profit organization located in Hastings, MN, is proposing to issue Cheetah Development Mustard Seed Investment Notes (collectively the “Notes” and separately each a “Note”), a security that channels investor money to high-impact development initiatives in East Africa. Cheetah may issue Notes from time to time. The proceeds of Mustard Seed Investment Notes may be used for Cheetah’s general investing purposes or as part of a specific targeted investment. Each of the Notes are unsecured. This means that they have no guarantees of repayment, are not FDIC insured and are not collateralized.

Therefore, investors should read this Memorandum and any accompanying supplements very carefully before investing. Cheetah will be offering the Notes directly to individually identified and qualified investors. These Notes are being offered privately, to a carefully selected audience – this is not a public offering and is offered on a private, limited basis. Cheetah has not set a date for termination of its offering.

This Memorandum constitutes neither an offer nor the solicitation of an offer to sell to any person in any state or any other political jurisdiction in which such offer or solicitation may not lawfully be made.

Federal and state securities laws may affect our ability to continue to sell Mustard Seed Investment Notes in certain states. In making an investment decision, investors must rely on their own examination of the Company and the terms of the Mustard Seed Investment Notes, including the merits and risks involved. None of the Securities and Exchange Commission, any state securities commission or any other regulatory body has approved or disapproved of the Mustard Seed Investment Notes or passed on the adequacy of this Memorandum. Any representation to the contrary is a criminal offense.

Investors are cautioned not to rely on any information not expressly set forth in this Memorandum, or attached supplements. Investors are advised to read this Memorandum and any supplements carefully prior to making any decision to purchase these securities. No person has been authorized to give any information or to make any representation in connection with this offering other than those contained in this Memorandum, and if given or made, such information or representations must not be relied upon as having been made by the Company. Mustard Seed Investment Notes are subject to certain risks as discussed herein. Investors are encouraged to consider the concept of investment diversification when determining the amount of Notes that would be appropriate for them in relation to their overall investment portfolio and personal financial needs.

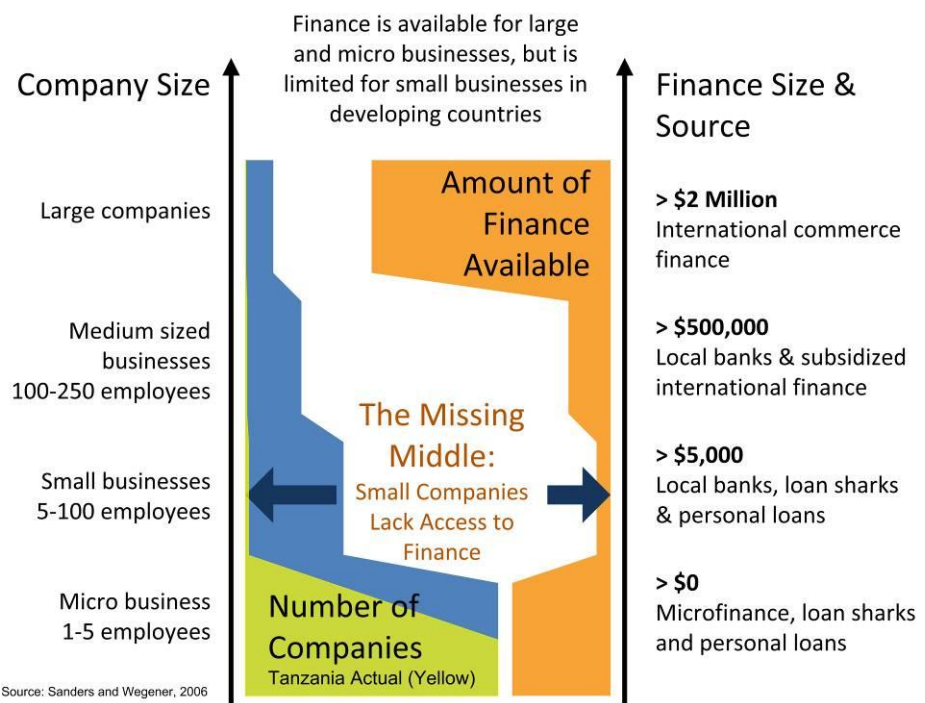
About Cheetah Development / Short Summary

It has become clear and well documented that traditional aid is not measuring up. After a trillion dollars poured into Africa, economies are actually worse. On the other hand it is well known that small businesses are the engine that drives economies. In the developing world, there is a shortage of small businesses – typically defined as having 5 to 250 or 500 employees. A study by the German-Marshall Fund¹ seeking the cause of this shortage finds across the developing world there are many challenges for small business including, red-tape, corruption, and lack of infrastructure. However, the key missing ingredient is small business capitalization.

Although in the developing world microfinance is providing capital to individuals, the amounts are insufficient to start businesses that hire people. Microfinance provides loans typically in amounts between \$30 and \$300, occasionally rising to \$1000 or so. Also, there are a limited number of venture capitalists operating in the developing world, mostly making investments above US \$500,000 and \$2,000,000.

The Missing Middle

This leaves a large gap between \$5000 and \$500,000 where essentially no money is available, especially in the sub-\$250,000 range. In the west, “friends and family”, “angels” and occasionally venture capitalists fill this gap. The angel and venture capital models succeed by pairing their investments with careful vetting, guidance, and equity control mechanisms.

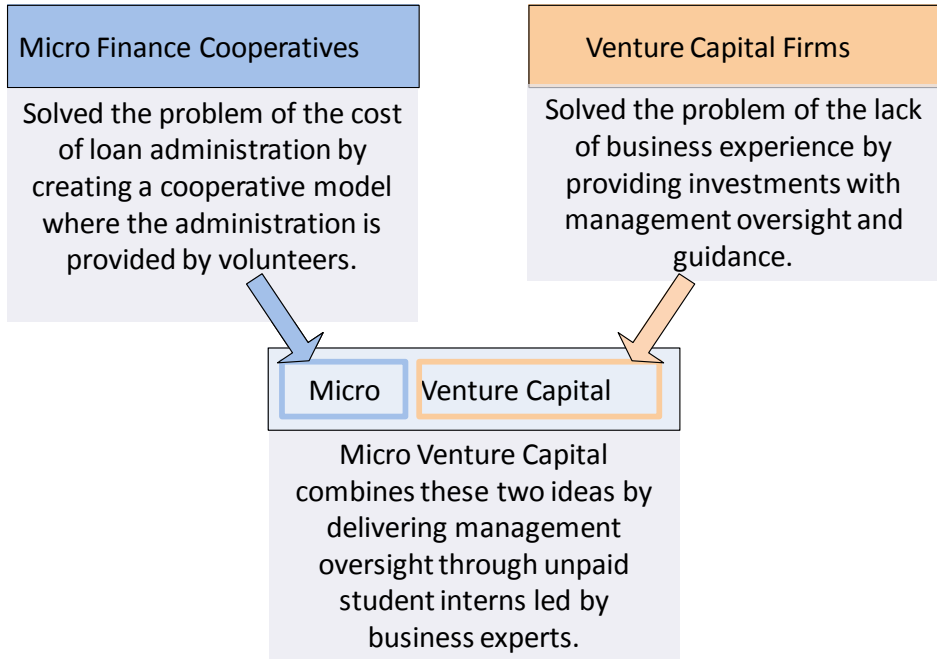


The diagram is designed to depict the concept rather than exact amounts (except the yellow, which shows Tanzania). For example, in Tanzania there are 3,000,000 micro-businesses and only 60,000 that have 5 or more employees. And in Tanzania, it is reported that there is more investment money available in the \$500,000 and up than there are business to invest in.

¹ **Transatlantic Innovations in Affordable Capital for Small and Medium-Sized Enterprises: Prospects for Market-Based Development Finance**, Jonathan White, *A joint report by the German Marshall Fund of the United States and the Milken Institute* (http://www.gmfus.org/publications/article.cfm?id=351&parent_type=P)

What is needed is a model to make small investments in small and medium businesses that are positioned to grow and succeed.

Cheetah Development, Inc. (Cheetah) is a USA based non-profit that has pioneered a new model, “micro venture capital” to invest in such a way. Micro venture capital (MVC) is a combination of two proven finance models:



microfinance and venture capital. (See diagram.) MVC reduces the costs traditional VC costs of vetting, guidance, and equity control by partnering with local universities. Cheetah is establishing local subsidiaries with local presence and the university relationships to manage these investments. Cheetah will selectively support and provide investments to businesses that receive assistance. Selection of support will be contingent upon the identification of potentially profitable investment opportunities.

As a result Cheetah will seek out profitable investments that can reduce poverty and change the lives of people through economic development. To address the “Missing Middle”, our investments will usually range in size from \$5000 to \$500,000. Cheetah will seek to maximize economic development for disadvantaged people and investment returns.

Overview

Although Cheetah’s work is to establish for profit businesses, we operate as a non-profit organization. We have operations in the United States and in the country where we are investing. We work closely with local universities to select and support businesses where we invest. We expect the businesses that we establish to pay back the investments we make, with returns. This creates the discipline required to drive profitability for the business receiving investment. The profit to the business and the returns to Cheetah help provide sustainability for both. In order to support our operations and provide investment funds we raise money from both donors and investors.

Cheetah has much information available to investors regarding its business prospects, plans, approaches, and investments. Such information is available online and in printed materials. Investors are welcome to review such material but are strongly cautioned not to rely on it when making investments. Only the information in this Memorandum is approved for the purposes of investor’s when making an investment.

REQUESTS FOR SUPPLEMENTAL INFORMATION

The undersigned Investor is requesting copies of the following additional documents as supplements to this Private Placement Memorandum:

Note: many of these documents, along with other information about Cheetah, is available on the Cheetah website: www.cheetahdevelopment.org

1. Cheetah Development, Inc. Business Plan
2. Updated Financial Information
3. Articles of Incorporation for Cheetah Development, Inc.
4. Bylaws of Cheetah Development, Inc.
5. Recent Newsletters published by Cheetah
6. Form 1023 / Application for tax-exempt status [when available]
7. Detailed business plan for _____
8. Other request (please describe) _____

REQUESTED:

Dated: _____, 20____
[Signature] _____

THE INVESTOR ACKNOWLEDGES RECEIPT OF EACH OF THE DOCUMENTS REQUESTED ABOVE:

Dated: _____, 20____
[Signature] _____

APPENDIX A RISK FACTORS

Cheetah Development, Inc. Risk Review / Discussion of Terms of Notes

The following document covers the risks associated with investing in the sale of Cheetah's Mustard Seed Investment Notes.

RISKS OF INVESTMENT / SUMMARY

SUBSTANTIAL RISKS ARE UNDERTAKEN BY CHEETAH, THE BUSINESSES RECEIVING INVESTMENTS, AND INVESTORS:

1. WHEN RATING INTERNATIONAL RISKS IT IS GOOD PRACTICE THAT THE RATINGS FOR ANY BUSINESS MUST BE CONSIDERED WORSE THAN THE RISK RATINGS FOR THE GOVERNMENT WHERE THE BUSINESS IS LOCATED. THE GOVERNMENTS WHERE CHEETAH INVESTS ARE UNRATED AND THUS ARE CONSIDERED THE WORST POSSIBLE CREDIT RISK. THEREFORE, THE BUSINESSES CHEETAH INVESTS IN MUST ALL BE CONSIDERED A VERY POOR CREDIT RISK.
2. MOST SMALL BUSINESSES FAIL. CHEETAH IS INVESTING IN SMALL BUSINESSES.
3. THE CONDITIONS IN POOR, UNDERDEVELOPED NATIONS MAKE ESTABLISHING BUSINESSES VERY DIFFICULT WITH MANY UNEXPECTED CHALLENGES. IT IS IMPOSSIBLE TO ANTICIPATE ALL OF THE RISKS ASSOCIATED WITH INVESTING IN THESE CONDITIONS. AS A RESULT, COSTS MAY BE HIGHER, OR INVESTMENTS MAY FAIL TO MEET PLANNED SCHEDULES, OR MAY NEVER BECOME PROFITABLE.
4. GOVERNMENT OR BUSINESS CORRUPTION MAY OCCUR AND MAY CAUSE SUBSTANTIAL LOSSES IN TIME AND MONEY.
5. STABILITY FOR THE LOCAL BUSINESS ENVIRONMENT IS NOT ASSURED. FOR EXAMPLE, GOVERNMENTS MAY FAIL; CONTRACTS MAY NOT BE ENFORCED; THERE MAY BE CIVIL UNREST.
6. CURRENCY EXCHANGE RATES AND VALUES MAY FLUCTUATE CAUSING INVESTMENTS TO LOSE VALUE EVEN IF THEY ARE PAID OFF AS PLANNED.
7. CHEETAH'S BUSINESS MODEL IS NEW AND UNTESTED. IT MAY NOT SUCCEED. CHEETAH ITSELF MAY FAIL EVEN THOUGH A BUSINESS THAT IS INVESTED IN MAY SUCCEED.
8. THEREFORE, INVESTORS ARE STRONGLY CAUTIONED THAT THEIR INVESTMENT MAY FAIL TO ACHIEVE PROFITABILITY AS PROJECTED OR MAY BE LOST COMPLETELY.
9. INVESTORS THAT CANNOT AFFORD TO LOSE THEIR INVESTMENT SHOULD NOT PARTICIPATE.
10. MORE INFORMATION ON THE RISKS ASSOCIATED WITH CHEETAH'S INVESTMENTS ARE IN THIS MEMORANDUM AND THE BUSINESS PLAN DOCUMENTS OF THE COMPANY. INVESTORS SHOULD READ AND CAREFULLY STUDY THESE DOCUMENTS AND GET PROFESSIONAL ADVICE IF THEY HAVE CONCERNS.

RISKS OF INVESTMENT / FURTHER DISCUSSION:

Any decision to invest in the Notes being offered by Cheetah must be undertaken only after careful consideration of both the operations of Cheetah Development, Inc. and the nature of the financial instrument you will hold, i.e. the “Cheetah Mustard Seed Investment Note”. Therefore, please give careful thought to the following:

1. This Offering of Notes Involves a High Degree of Risk

Before you invest in Cheetah’s notes, you should know that making such an investment involves risks, including the risks described below. You should carefully consider the following risk factors in addition to the other information in the Memorandum, the supplemental documents made available to you, including the Business Plan and the subscription agreement (including the representations you will be required to provide therein), before investing in any notes. The risks and uncertainties described below are not the only ones facing Cheetah. Additional risks and uncertainties of which Cheetah is unaware or that are currently deemed immaterial also may become important factors. If any of the following risks occur, Cheetah’s business, financial condition or results of operations could be materially and adversely affected.

2. There is No Public Market for Any of Our Securities and Transfer Will Be Severely Restricted

There is no market, private or public, for our notes and there can be no assurance that a trading market will ever develop or, if developed, that it will be maintained. There can be no assurance that investors will be able to resell notes purchased in this Offering at any price. In addition transfer of the notes will be severely restricted. We have not registered the notes under applicable state and federal securities laws. The notes may be resold only pursuant to registration under these laws or after receipt of an opinion of counsel of the seller, satisfactory to our counsel, that registration is not required. An investment in the notes sold in this offering should be considered a long-term investment.

3. Repayment Risks

The Note you will hold is repaid as a single balloon payment that includes principal and accrued interest on the maturity date. The maturity date is optionally 3, 4, or 5 years from the date of the receipt of funds. Although Cheetah has established rigorous due diligence and payment monitoring procedures, we cannot assure you that borrowers will repay Cheetah promptly. While Cheetah intends to pay its investors on schedule, defaults or untimely repayments of investments may result in Cheetah having insufficient loss reserves and subordinated capital to satisfy all outstanding notes. Investors can expect to be paid only from cash and reserves held by Cheetah, and not from any other entity.

4. Risk of International Investments

Additional risks associated with international investments include the limited availability of information, currency fluctuations, and the volatility of political and economic conditions in some areas. Fluctuations in exchange rates may adversely affect the repayment of investments. Political or social instability may prevent borrowers from operating effectively and hinder repayment to Cheetah.

5. Special Investment Targeting

Cheetah may enter into arrangements with certain investor organizations or individuals to further target the placement of Mustard Seed Investment Note proceeds into qualified businesses. There may be additional risks associated with such arrangements. In this case a single investor group or individual must supply the entire investment and support required to

meet the needs of a specific investment. Repayment to that investor or group is solely dependent upon the results of that investment.

6. Bankruptcy or Insolvency of Cheetah

If Cheetah or another affiliated company seeks relief under bankruptcy or related laws, a bankruptcy court could attempt to consolidate its assets into the bankruptcy estate, possibly resulting in delayed or reduced payments to holders of Notes.

7. Penalty for Early Redemption

Early redemption is possible only at Cheetah's discretion, but may result in penalties against the interest accrued on the Note and the principal sum due under the Note. Notes redeemed before the expiration of one year may receive no interest, as interest is earned annually. Notes redeemed after the first year of the term of a multi-year Note may receive up to a 50% penalty against the interest accrued on the Note and a similar discount on the remaining principal due under the Note that is redeemed.

8. Continuation of Current Operations

Cheetah is not obligated to continue offering Mustard Seed Investment Notes or to continue its current operations or existence as a not-for-profit entity. Any such change in its operations or status could negatively impact its ability to repay Mustard Seed Investment Notes. Cheetah has no plans to significantly modify its present operation.

9. Additional Issuances of Notes

Cheetah may issue additional Mustard Seed Investment Notes without the consent or approval of the owners of any Notes then outstanding. Those additional Notes may be issued under different terms than other Mustard Seed Investment Notes.

10. Tax Consequences

The principal amount of a Note is not tax-deductible, and all interest paid or accrued on the Notes is taxable as ordinary income to investors. If a Note investor opts to irrevocably donate earned interest to Cheetah, such a donation may be tax deductible as a charitable contribution (see "Interest Accrual"). If interest paid is below the market interest rate, the Internal Revenue Service may impute income up to the market interest level. The Internal Revenue Service may exempt certain loans, including gift loans to charitable organizations, if the amount does not exceed \$250,000.

11. Loan Loss Reserve

Cheetah's investment portfolio maintains a loss reserve that is reviewed by the Board of Directors. However, please note that the loss reserve may not be adequate to meet all potential losses.

12. Public & Secondary Markets

The nature of this program does not afford the opportunity of a public or secondary market. Consequently, the purchase of Mustard Seed Investment Notes should be viewed as an investment to be held to maturity.

13. Interest Rates

Interest is accrued annually and calculated as simple interest at the end of each year. Interest is reinvested in Notes. Interest rates offered for the Mustard Seed Investment Note may change at Cheetah's discretion, but currently range from 0% - 3%. Should commercial rates rise, Cheetah is not legally obligated to redeem the principal or make a partial withdrawal of a

Mustard Seed Investment Note prior to its maturity. A penalty may be charged against interest accrued in the event of an early redemption or partial withdrawal (except in the case of a designated transfer from a Definitive Note). Interest rates offered for Mustard Seed Investment Notes may not be as high as those offered by other institutions for similar securities. Furthermore, risks of investment in the Notes may be greater than implied by relatively low interest rates on the Notes.

14. Liquidity

Investments made by Cheetah with proceeds from Mustard Seed Investment Note sales are typically illiquid. While investment diversification, credit analysis, and limited maturity can reduce the risk of loss, there can be no assurance that borrowers will repay Cheetah promptly or that losses will not occur.

15. Best Efforts Offering

The sale of Mustard Seed Investment Notes is a best efforts offering and there is no minimum sales requirement. Because Cheetah has already established the appropriate systems and processes to administer this offering along with our existing Notes, a low sales volume will not prompt cancellation of the offering or cause Cheetah to refund Note purchases to existing investors.

16. Because We Have No Operating History, It Is Difficult to Evaluate Our Business and Prospects

Cheetah was organized in February, 2009. We are in the development stage and our business is subject to all the risks inherent in a new business enterprise. We have no operating history for you to consider in evaluating our business and prospects. When making your investment decision, you should consider the risks, expenses and difficulties that we may encounter as a young company in a rapidly evolving market. These risks include:

- our need to identify strong investment prospects;
- our need to manage these prospects in a foreign country;
- our need to operate businesses in a developing economy;
- our need to quickly integrate newly hired personnel, including management;
- our need to manage our rapidly developing and changing operations; and
- our need to manage diverse businesses in a difficult business environment.

17. Our Business Model is Evolving and Unproven

Our business model consists of investing in businesses in developing economies, beginning with East Africa. We make relatively small venture capital type investments in new, small, or medium sized businesses. We use relationships with local universities to mitigate the costs of finding and managing investment prospects. We outsource business management representation to a local non-profit. This business model is new, is unproven and is likely to continue to evolve. Accordingly, our business model may not be successful, and we may need to change it. Our ability to generate significant returns will depend, in large part, on our ability to successfully guide diverse businesses in a developing economy.

18. Working in a Developing Nation Carries Risks Not Ordinary to Many Investments

Cheetah is operating in developing nations. Although these nations have been operating as democracies for more than two decades, we cannot assure the stability of governments. Furthermore, we may face demands for bribes, failure to protect intellectual property, security

risks, and various forms of corruption. These risks could adversely affect any given investment or the portfolio as a whole.

Contracts may fail to be enforced, courts may lack impartiality, or government officials may be corrupt. These factors could cause an inability to collect on an investment, seize collateral, prosecute employee corruption, or take control of companies that are being mismanaged. These risks may cause reduced returns or cause investments to fail.

19. We Depend on Our Key Management Personnel

Our success depends on the skills, experience and performance of our senior management and certain other key personnel, most of whom have worked together for only a short period of time. If we do not quickly and efficiently integrate these new personnel into our management and culture, our business could suffer. Further, if we do not successfully retain our key personnel, our business could suffer. There can be no assurance of continuity in Cheetah's key personnel.

20. Our Management Has Broad Discretion Over How We Use the Proceeds of Capital Raised

Our management has broad discretion in lending the proceeds of this offering by conducting a rigorous due diligence of an applicant's financial and program information, including credit history, capital structure, liquidity, and management track record. Nevertheless, there can be no assurance that losses in Cheetah's portfolio will not occur. Likewise, it is possible that our management may allocate the proceeds differently than investors would prefer, or that we will fail to maximize the return on such proceeds.

21. Our Success Depends Upon Achieving Consistently Strong Results with a Majority of Businesses in Which We Invest

Cheetah's success is dependent upon achieving consistently strong results with a majority of businesses in which we invest. Although microfinance organizations have achieved measures of success, our model of micro venture capital is new and unproven. We take fewer and larger risks than microfinance organizations. Venture capital organizations that invest in developing nations often cite a need to be patient with investments because they tend to result in slower returns. Because our portfolio invests varying amounts, large investment losses may overwhelm smaller successes.

It is often difficult to obtain complete and properly audited financial information on businesses operating in the developing world. Most transactions are cash based, thus more difficult to track and more subject to corrupt practices, deception or error. Therefore, risk assessment on investment opportunities is less accurate, profits or losses might be concealed, and recovering investments may be subject to difficulties.

22. Federal and State Regulations:

Future changes in federal or state laws, rules, or regulations regarding the sale of securities by religious, charitable or other nonprofit organizations may make it more costly and difficult for Cheetah to offer and sell Mustard Seed Investment Notes. Such an occurrence could result in the decrease in the amount of Mustard Seed Investment Notes sold by Cheetah, thus affecting Cheetah's operations and ability to meet its obligations under the Notes.

Signature Page Follows

Signature Page to Risk Review

THE INVESTOR ACKNOWLEDGES READING AND UNDERSTANDING THE RISKS AND THE TERMS UNDER WHICH THE CHEETAH MUSTARD SEED INVESTMENT NOTES WILL BE ISSUED ABOVE:

(SIGNATURE) _____ **(DATE)** _____

APPENDIX B

SUBSCRIPTION AGREEMENT AND LETTER OF INVESTMENT INTENT

SUBSCRIPTION AGREEMENT AND LETTER OF INVESTMENT INTENT

Cheetah Development, Inc.
906 East First Street
Hastings, MN 55033

Dear Cheetah Development:

By signing this agreement, I am subscribing to invest in the mission of Cheetah Development, Inc. (the "Company") by making a loan to the Company with the terms described on the signature page. I understand that I will be legally bound to make the loan once the company receives and accepts this agreement.

1. General Representations. I understand that, by signing this agreement, I will be making a number of representations to the Company and that the Company is relying upon the accuracy and completeness of those representations in complying with its obligations under securities laws. I acknowledge and represent as follows:

- a) I have received, carefully reviewed and am familiar with the Company's Private Placement Memorandum, related disclosure documents and the other information provided by the Company (collectively, the "Disclosure");
- b) I have carefully reviewed the Risk Factors attached as Exhibit A to the Disclosure. I acknowledge that I am making the loan subject to these risks specifically and to other risks inherent in investing small businesses in poor, underdeveloped nations.
- c) I understand that the Note is exempt from registration pursuant to Section 3(a)(4) of the Securities Act of 1933 and equivalent state law exemptions.
- d) I understand that the Disclosure includes statements of the Company's objectives rather than of historical fact, that any projections included in the Disclosure are only for illustrative purposes and that, because they are based on assumptions that may not materialize, actual results will vary from those projections and the variations will likely be material;
- e) I have had the opportunity to request a conversation with the managers of the Company and to discuss with them the Disclosure and the risks associated with the Company's business;
- f) I have been given access to any and all other information about the Company that I have requested;

- g) I understand that a loan to Cheetah Development, Inc. involves a high degree of risk, but I am in a financial position to hold the Note for an indefinite period of time and am able to bear the economic risk and withstand a complete loss of my investment in the Note;
- h) I have obtained, to the extent that I believe necessary, independent professional advice with respect to the risks inherent in investing in the Note, and the suitability of the Note as an investment in light of my (or the Company's) financial condition and investment needs. I am not relying on legal or tax advice given by the Company, its officers or advisors and I am acting upon my own advisor's counsel;
- i) I believe that the Note is a suitable investment for me based upon my investment objectives and financial needs. I have adequate means to provide for my current financial needs and contingencies. I have no need for liquidity in my investment in the Note;
- j) I have such knowledge and experience in financial and business matters that I am capable of evaluating the merits and risks of the prospective investment in the Note. I have the net worth to undertake those risks;
- k) My loan to the Company is for investment and without any intent to resell the loan Note because of any specific foreseeable contingency;
- l) I realize that:
- the Note is a long-term investment;
 - the Note is unsecured and the economic risk of an investment in the Note is significant;
 - the Note cannot be sold unless they are subsequently registered or exemptions from such registrations are available;
 - I may not be able to sell the Note or otherwise liquidate this investment in the event of an emergency or pledge the Note as collateral for loans; and
 - the Note cannot be transferred without the written consent of the Company and either registration under federal and state securities laws or an opinion of counsel that an exemption from registration is available.

2. Entities. The signatory for the undersigned entity certifies that he or she is empowered and duly authorized by the undersigned to execute and carry out the terms of this agreement and to invest in and hold the Note on its behalf. The signatory for the undersigned entity also certifies that this agreement has been duly and validly executed on behalf of the undersigned and constitutes a legal and binding obligation of the undersigned.

3. Financial Representations—Accredited Investor. I represent and warrant that I meet, or the entity on whose behalf I am signing this agreement meets, all of the criteria set forth in the items I have initialed below (initial all that apply):

- I am a natural person with individual net worth, or joint net worth with my spouse, exceeding \$1,000,000; or
- I am a natural person with individual income in excess of \$200,000 in each of the two most recent years or joint income with my spouse in excess of \$300,000 in each of those years and I reasonably expect to reach the same income level in the current year; or
- I am signing on behalf of a corporation, Massachusetts or similar business trust, partnership or an organization described in Section 501(c)(3) of the Internal Revenue Code, not formed for the specific purpose of acquiring the Note, with total assets in excess of \$5,000,000; or
- I am signing on behalf of (i) a bank as defined in Section 3(a)(2) of the Securities Act of 1933, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act of 1933 whether acting in its individual or fiduciary capacity, (ii) a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, (iii) an insurance company as defined in Section 2(13) of the Securities Act of 1933, (iv) an investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of such Act, (v) a Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958, (vi) a plan established or maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000, or (vii) an employee benefit plan within the meaning the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which plan fiduciary is either a bank, savings and loan association, insurance company or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are accredited investors; or
- I am signing on behalf of a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940; or
- I am a manager or executive officer of the Company; or
- I am signing as trustee of a trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Note, and I am a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D of the Securities Act of 1933; or
- I am signing on behalf of an entity in which all of the equity owners are accredited investors and I will provide evidence of the financial status of those equity owners in a form requested by the Company.
- OR
- I am a Non-Accredited Investor: I meet none of the criteria set forth above.

4. Residence/Purchase for my own account. I represent and warrant that I am a bona fide resident of, am domiciled in and received the offer and made the decision to invest in the Note in the state set forth on the signature page below under “Addresses” and that the loan is being made by me in my name (or in the name of the entity which I represent) solely for my own (or its own) beneficial interest and not as nominee for, or on behalf of, or for the beneficial interest of, or with the intention to transfer to, any other person, trust or organization.

5. Indemnification. I will indemnify and hold the Company and their respective affiliates, officers, managers, employees and agents harmless from and against all losses, liabilities and expenses arising out of or relating to any threatened, pending or completed action, lawsuit or other proceeding, whether civil, criminal, administrative or investigative by reason of or arising from any misrepresentation or misstatement of fact by me or my failure to represent or state a fact concerning myself or my financial position in connection with the loan to the Company.

Note Application and Options Check-off Follows

Note Application and Options

Please check and initial all that Apply

1. Accreditation: For Notes greater than \$10,000, the Company requires investors/lenders to be "Accredited Investors" – see paragraph 3 above.

I am an Accredited Investor _____

I am not an Accredited Investor _____

2. Principal amount of the Note being subscribed for: \$ _____ .00 _____

3. Interest rate requested [check one] 0% _____

1% _____

2% _____

3% _____

4. Maturity date for Note [check one] 3 years _____

4 years _____

5 years _____

5. I am investing [check one] In the Cheetah pooled fund _____

To fund a specific venture * _____

* To fund _____, with the understanding that my entire investment is at risk in that venture and my return is dependent upon the success of that venture. In no way shall a delayed or insufficient payment be considered a default by Cheetah.

Signature Pages Follow

SIGNATURE PAGES

PLEASE COMPLETE ALL APPLICABLE INFORMATION, INCLUDING AFFIXING YOUR SIGNATURE TO THE SIGNATURE BLOCK ON THE LAST PAGE.

I wish to make a loan to the Company in the amount of _____ [written] Dollars (\$_____) on the terms described on the preceding Note Application and Option page from Cheetah Development, Inc., and have enclosed a check for \$_____ written to "Cheetah Development, Inc." in full advance of the funds underwriting the Note.

Manner in which title to the Note is to be held (please check):

- | | |
|---|--|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Tenants in Common |
| <input type="checkbox"/> Joint Tenants with Right of Survivorship | <input type="checkbox"/> Corporation |
| <input type="checkbox"/> Partnership or LLC | <input type="checkbox"/> Trust |
| <input type="checkbox"/> Other (Please describe)
_____ | <input type="checkbox"/> IRA or Keogh (undersigned has investment power) |

Name in which title is to be held. (Please print.)

Addresses:

(i) My domicile and bona fide residence (MUSTARD SEED NOTES ARE NOT OFFERED TO RESIDENTS OF PENNSYLVANIA, OREGON, MICHIGAN, ARIZONA, LOUISIANA AND GEORGIA) :

(ii) Address to which correspondence should be directed (if different from above):

Social security or tax identification number: _____

Signatures:

- (i) Individual signatures (if purchasing as joint tenants or tenants in common, both parties must sign):

X _____ X _____

- (ii) Corporate, partnership and other entities (Print name of entity and form if unclear):

(Name of Entity)

By: _____

Signature: _____

Title: _____

This Subscription Agreement and Letter of Investment Intent are accepted as of _____ (date).

CHEETAH DEVELOPMENT, INC.
A Minnesota Nonprofit Corporation

By: _____

Signature: _____

Title: _____

APPENDIX C

MUSTARD SEED INVESTMENT NOTE

\$ _____ .00

Date: _____

FOR VALUE RECEIVED, CHEETAH DEVELOPMENT, INC., a Minnesota nonprofit corporation (“Cheetah”), hereby promises to pay to the order of _____, (“Investor”), a [individual resident of the state of _____ / a _____ corporation / limited liability company / other form of person / trust / husband/wife / entity] the principal sum of _____ [written] Dollars (\$ _____), together with interest on the unpaid principal balance hereof from the date of this Note until paid, at the fixed rate of _____ percent (____ %) simple interest per annum.

1. The outstanding principal balance hereunder and any accrued and unpaid interest shall be due and payable in one single (balloon) payment in full on _____ [date], unless sooner accelerated (“Maturity Date”), at such place as the Investor of this Note may designate. Cheetah’s practice is to provide a notice to Investor within a reasonable period of time prior to the maturity of the Note, providing instructions for redemption and reinvestment. If Investor does not respond to this notice, both principal and interest are automatically reinvested at comparable terms consistent with the current offering. If the original interest rate is not offered at the time of reinvestment and Investor provides no instructions, renewed Notes may be assigned a lower rate.

2. Cheetah shall make payments under this Note to Investor of all accrued and unpaid interest only on the Maturity Date of this Note. Interest accrued is earned annually and is added to the amount due upon the Maturity Date.

3. Although Cheetah has established rigorous due diligence and payment monitoring procedures, we cannot assure you that borrowers will repay Cheetah promptly or at all. While Cheetah intends to pay its investors on schedule, defaults or untimely repayments of investments may result in Cheetah having insufficient loss reserves and subordinated capital to satisfy all outstanding notes. Investors can expect to be paid only from cash and reserves held by Cheetah, and not from any other entity.

4. If the Investor (or the Investor’s group) is providing the entire needed investment for a business(es) selected by Investor, then results are dependent upon that specific investment(s). Cheetah cannot be in default for late or insufficient payments from the business receiving the investment.

5. This Note may be prepaid at any time without premium or penalty, and without advance notice to Investor.

6. Payments due under this Note are unsecured. Under its current policy, the creation of liens on the property of Cheetah will be restricted, and to the extent that this Note is unsecured, Cheetah shall only create funded, secured debt if said debt is subordinate to this Note and all similar Mustard Seed Investment Notes. However, this Note and all Mustard Seed Investment Notes are senior in the right of payment to Cheetah's subordinated loans only if the Notes are in default or if there is an event of bankruptcy or other liquidation proceeding against Cheetah. Short of these circumstances, Investor will have no ability to block payment to subordinated debt Investors, including accelerated payment triggered by a default under any of the subordinated loan documents. A default under any of the subordinated loan documents does not automatically constitute an Event of Default pursuant to the terms of this Note.

7. Upon an Event of Default, all amounts due hereunder shall, at Investor's option, become immediately due and payable without notice or demand. As used herein, the term "Event of Default" shall mean and include any one or more of the following events:

- a. Subject to certain conditions on its obligations to make repayment when Investor has indicated that Investor is funding an entire business venture undertaken by Cheetah, Cheetah shall fail to pay, when due, any amounts required to be paid by the Cheetah under this Note;
- b. Cheetah shall file a petition in bankruptcy or for an arrangement pursuant to any present or future state or federal bankruptcy act or under a similar federal or state law, or shall be adjudicated a bankrupt or insolvent, or shall make a general assignment for the benefit of creditors, or shall be unable to pay its debts generally as they become due; provided, however, notwithstanding anything stated to the contrary in this Note, upon the occurrence of an Event of Default under this Paragraph b, all amounts due hereunder shall automatically become due and payable.

8. Whether or not the Investor has exercised its right to accelerate, upon an Event of Default the Investor shall have the right to set off any amount owed to it by Cheetah under this Note against any right that the Cheetah may have to receive money from the Investor.

9. Cheetah may not, in whole or in part, directly or indirectly, assign this Note or its rights hereunder or delegate its duties hereunder without, in each instance, the specific prior written consent of Investor, which consent may be withheld or delayed in Investor's sole discretion.

10. This Note shall be governed by and construed in accordance with the laws of the State of Minnesota.

11. This Note is delivered by Cheetah to Investor in reliance upon and in response to Investor's Subscription Agreement and Letter of Investment Intent dated _____(date).

CHEETAH DEVELOPMENT, INC.
A Minnesota Nonprofit Corporation

By: _____

Signature: _____

Title: _____