

**Muscle Flex Inc.**  
**Company Information and Disclosure Statement**  
Section One: Issuers' Initial Disclosure Obligations

**Part A General Company Information**

**Item I The Exact Name of the Issuer:**

**Muscle Flex Inc.**

(Hereinafter referred to as “**Muscle Flex**”, or the “**Company**”, or “**We**” or “**Us.**”)

Formerly CelebDirect Inc. (CELI) until October 1, 2008

Formerly Teltran International Group (TLTG) until September 10, 2007

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

Muscle Flex Inc.

499 North Cannon Drive, #400

Beverly Hills, CA, 90210

Telephone: (310) 467-5556

Facsimile: (310) 887-7001

Website: [www.MuscleFlexInc.com](http://www.MuscleFlexInc.com)

**Investor Relations Contact for the Issuer:**

Danny Alex

Office : (250) 878-0725

(310) 467-5556

Fax : (310) 887-7001

Email: [muscleflex@live.com](mailto:muscleflex@live.com)

**Item III The state and date of the issuer's incorporation or organization:**

Muscle Flex was originally incorporated on December 26<sup>th</sup>, 1996 in Delaware.

**Item IV The Name and Address of the Transfer Agent:**

Globex Transfer LLC

780 Deltona Blvd., Suite 202

Deltona, FL 32725

Tel: (386) 206-1133

Fax: (386) 267-3124

Mike Turner

Globex Transfer LLC is currently registered under the Exchange Act and is an SEC approved transfer agent.

## Item V The Nature of the Issuer's Business:

**Business Development:** Describe the development of the issuer and material events during the last three years so that a potential investor can clearly understand the history and development of the business.

Muscle Flex Inc. develops and creates media properties for television, the internet and related idioms and is a product incubator in the health and fitness sector as well as other sectors of consumer product deliverables. MFLI develops media content for public consumption and distribution to bring unique and innovative products to market via direct response marketing strategies such as infomercials, advertorials, traditional retail and other associated advertising vehicles too expeditiously and economically market products worldwide.

The Muscle Flex media strategy is to develop media content for consumption on mediums such as television, the internet or any other method of distribution that it finds to have a relevant market place for commercialization. The media strategy is not only in the development of direct to market infomercials for product distribution but also in television content, movies and videos for general broadcast.

### Muscle Flex Inc. Business Segment Categories

**1. Health, Wellness and Fitness Media** - Muscle Flex Inc is developing Health, fitness and wellness based media properties for both television and varied video broadcast. Muscle Flex is currently engaged in a number of North American based media endeavours specifically for television and video distribution.

**2. Direct Response - Health / Fitness / Wellness / Hygiene Products** - Muscle flex Inc utilizes its proprietary Direct Response model which includes; short (30 seconds – 5 minutes) and long form TV Infomercials (20-30 minutes), advertorials, traditional retail and other associated advertising vehicles too expeditiously and economically market products worldwide. Muscle Flex places a strong emphasis on the “Drive to the Internet” principle that allows for a low cost transaction, the ability to provide additional information and most importantly, up-sell a number of additional related products to maximize its “sale per order”.

As well, Muscle Flex is in the process of developing an infomercial for its flagship product, the Muscle Flex(TM) home fitness unit as well as a number of related products in the health and fitness vertical. The Muscle Flex home fitness unit will be cross-pollinated through other mediums specifically its TV media opportunities.

Muscle Flex Inc has a number of commercialized health / fitness / wellness / hygiene products at various retail price points ranging from \$9.95 - \$450.00 that it intends to market and distribute via its direct to market methodology and strategy. These include:

- |  |                       |
|--|-----------------------|
| 1. Home Security Device - 1 piece with 2 free pieces   | \$ 9.95               |
| 2. Personal Hygiene device - 1 piece with 1 free piece | \$ 9.95               |
| 3. Medical Pill Device - 1 piece with 1 free piece     | \$ 14.95              |
| 4. Muscle Flex - 1 piece with additional items         | \$ 399 - \$ 499       |
| 5. Fitness Prototype - In development                  | \$ 150 - \$ 250 (Est) |

Additional In-Development Products:

- |  |                     |
|--|---------------------|
| 1. Body Hug Pillow - 1 piece with 1 piece free   | \$ 29.95 - \$ 39.95 |
| 2. Green Tea Hair Removal - 2 Pieces             | \$ 19.95 - 29.95    |
| 3. Muscle Flex Vitamins - In-Development         |                     |
| 4. Muscle Flex Up-Sell Products - In-Development |                     |

**3. Trademark / Intellectual Property** - Muscle Flex Inc. procures and develops intellectual property opportunities that are both services and product based. Very often there is significant value inherent in trademarks and patents associated with products and services. Muscle Flex Inc understands the importance of developing and protecting existing intellectual property and engaging in activities that monetize the inherent opportunities with a particular trademark or patent.

**4. In-House Script Development and Graphic Arts / Design**

Muscle Flex Inc. has the in-house expertise to develop its own internal script generation as well as graphic arts and design instead of outsourcing these potentially expensive services. For more in-depth, long form and intricate infomercials, collaboration with a third party script writer is still essential as the length and complicity of the project dictates

**Agreement With Sterling Worldwide Entertainment for Media Property Development**

Muscle Flex Inc. has entered into an agreement with Sterling Worldwide Entertainment for the development of a daily primetime / daytime television show that deals with healthy living, cooking and fitness.

The agreement is a 50 / 50 partnership that is to be licensed to cable and or network broadcasters. The project has the commitment of a highly visible celebrity personality to star as the hostess of the program. The 1 hour long pilot program is to include a number of segments that will include such content as fitness, yoga, beneficial eating and related health and fitness content in both a physical and emotional perspective.

This particular television property is a “in-progress” project and Muscle Flex Inc expects filming of the Pilot sometime in 2009.

Additional media properties are being considered by Muscle Flex Inc. as resources and additional opportunities present themselves.

**The Muscle Flex Home Fitness Machine**

The Muscle Flex Fitness machine is a revolutionary fitness product that has combines, strength training and flexibility all in one. A number of similar machines are in use in Pilates, yoga and the martial arts but none offer the versatility and health and fitness deliverables as the Muscle Flex home fitness machine provides.

The Muscle Flex home fitness machine has gone through a number of and tedious prototype development and user compatibility phases to ensure maximum benefit of the input of human energy in the most efficient and user comfort methodology. The one significant benefit of using the Muscle Flex is that instead of moving the hip joint muscles front to back, the Muscle Flex opens up the hip muscles, in essence, removing the “rust” and lack of lateral mobility which tends to make people begin to feel less mobile which is derived through age.



The Muscle flex is literally, the “Natural Fountain of Youth”. By increasing a individual’s lateral strength and flexibility while providing a cardio and upper body workout, the Muscle Flex gives the user a renewed range of motion through their entire body.

The Muscle Flex is an exciting revolution for the martial arts, yoga, pilates, general warm-up, helping the aging feel younger and mobile as well as an all in one exercise and body “betterment” home fitness machine.



When Mr. Danny Alex, joined the company as CEO and Chairman, he implemented a number of significant modifications to the machine as well as a complete re-branding that better exemplified the combined and re-modeled machine as an all around strength, cardio and stretching machine ... the most complete home fitness machine of its kind. The machine was rebranded as The Muscle Flex™ which defines the new machine in its entirety, easily remembered by the consumer and was available to be trademarked. From there, a number of design features and changes were implemented and the final commercialized machine was born ... The Muscle Flex™



Multiple Versions are currently in development from a lower priced model for the lower end of the Market to a more professional piece designed for high end athletes that require additional functionality.

**The Form of Organization of the Issuer;**

Muscle Flex Inc. is a Delaware Corporation.

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

1996

**The issuer's fiscal year end date;**

The year-end date is December 31.

**Whether the issuer (or any predecessor) has been in bankruptcy, receivership or any similar proceeding;**

None

**Any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business;**

None

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

None

**Any change of control;**

Danny Alex was appointed President, Chief Executive Officer and Chairman of the Company upon a majority shareholder action executed March 1, 2008.

**Any increase in 10% or more of the same class of outstanding equity securities;**

April 23, 2008 Treasury Issue 144  
Danny Alex  
12,500,000 Class A Common Restricted Shares

August 29, 2008 Treasury Issue 144  
Danny Alex  
14,000,000 Class A Common Shares

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

The Company implemented a 50-to-1 forward stock split of the Corporation's outstanding common stock that took effect on September 10, 2007.

**Any delisting of the issuer's securities by any securities exchange or NASDAQ or deletion from the OTC Bulletin Board;**

NONE

**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.**

NONE

## **B. Business of Issuer:**

**The issuer's primary and secondary SIC Codes;**

**Primary:** 5963

**Secondary:** 7310

**If the issuer has never conducted operations, is in the development stage, or is currently conducting operations;**

The Company is currently conducting operations.

**If the issuer is considered a "shell company" pursuant to Securities Act Rule 405;**

The Company is not considered a "shell company".

**The names of any parent, subsidiary, or affiliate of the issuer, and its business purpose, its method of operation, its ownership, and whether it is included in the financial statements attached to this disclosure document;**

NONE

**The effect of existing or probable governmental regulations on the business;**

NONE

**An estimate of the amount spent during each of the last two fiscal years on research and development activities, and, if applicable, the extent to which the cost of such activities are borne directly by customers;**

\$50,000; the costs are borne by the Company.

**Costs and effects of compliance with environmental laws (federal, state and local);**

Not applicable.

**The number of total employees and number of full-time employees.**

The Company has 1 full-time employee

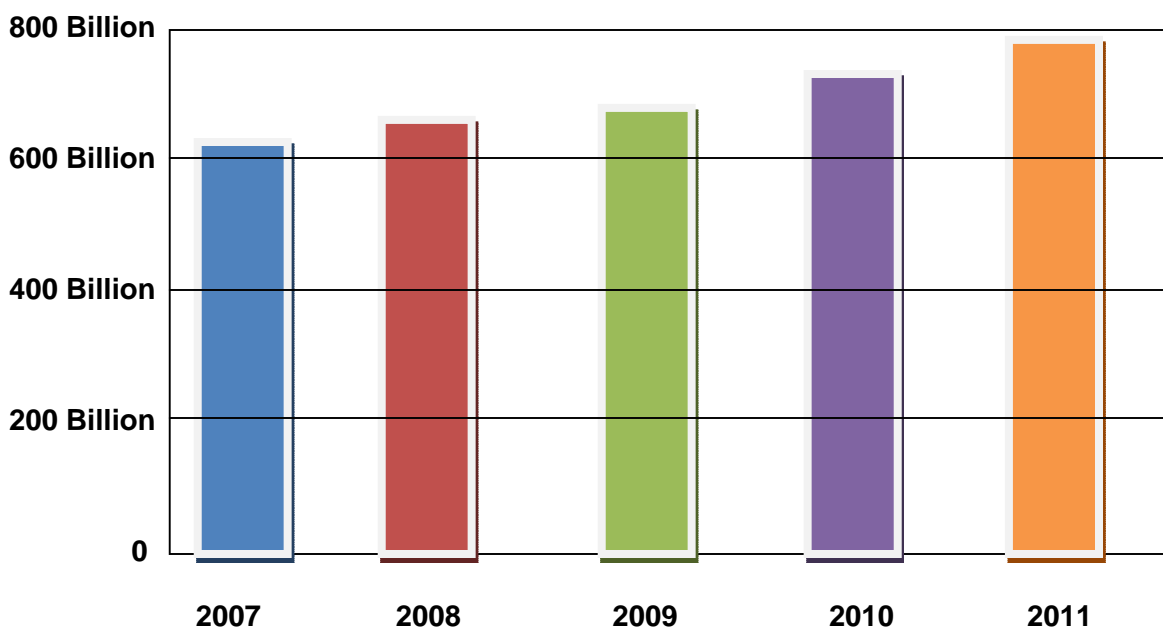
**Item VI The Nature of Products or Services Offered**

**Principal products or services, and their markets;**

**1. The Entertainment and Media Market.**

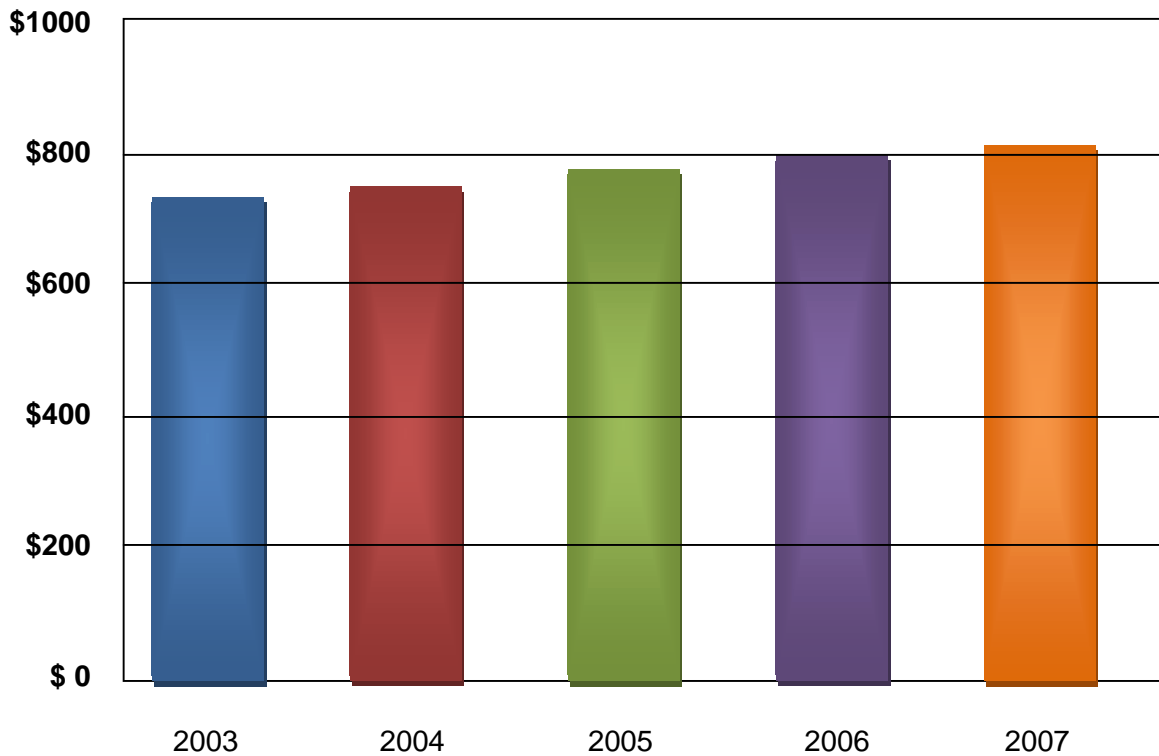
It is project that the entertainment and media industry will continue its growth in the next 4 years however advertising in mediums like magazines and newspapers are expected to see a slight decline in 2009 and then continue its growth through to 2011. Television and cinema box office will see slight gains in 2009 with continued growth in 2010 and 2011. .

**Entertainment and Media Market Growth from 2007 to 2011**



Source: Global Entertainment and media Outlook 2007 – 2011, PWC Report

Industry analysts project 4.6% annual growth for the film entertainment segment and 5.9% for the TV distribution segment through 2011. The average American consistently spends \$800.00 per year on entertainment, which includes theatre tickets, video rentals, television, magazines as well as other entertainment products and services.



Source: Entertainment Industry Market Statistics, MPAA Report 2007

Because of the continued growth of the general media market and the continuation of television as a preferred medium for advertisers, Muscle Flex Inc sees a continuance of opportunity in developing media content both on a licensed content and direct to market sales content.

Muscle Flex Inc. intends to focus these media efforts specifically on the “Betterment of the Self” concept whether it is through health and fitness content or emotional and lifestyle programming development. The “improvement of the self” continues to be a deliverable which the average consumer places a continuing value on. Muscle Flex Inc intends to pursue additional media and content development opportunities that keep in the spirit of allowing an individual to better themselves through emotional and physical fitness.

**2. Muscle Flex Inc. Direct Response Proprietary Products**

Muscle Flex Inc has a number of commercialized health / fitness / wellness / hygiene products at various retail price points ranging from \$9.95 - \$450.00

- |   |                 |
|---|-----------------|
| 1. Home Security - 1 piece with 2 free pieces   | \$ 9.95         |
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| 5. Fitness Prototype - In development           | \$ 150 - \$ 250 |



#### Additional In-Development Products:

- |  |                     |
|--|---------------------|
| 1. Body Hug Pillow - 1 piece with 1 piece free   | \$ 29.95 - \$ 39.95 |
| 2. Green Tea Hair Removal - 2 Pieces             | \$ 19.95 - 29.95    |
| 3. Muscle Flex Vitamins - In-Development         |                     |
| 4. Muscle Flex Up-Sell Products - In-Development |                     |

Muscle Flex Inc. is a direct response product incubator specializing in bringing unique and innovative fitness and health related products to market via Direct Response marketing strategies such as television infomercials, advertorials, traditional retail and other associated advertising vehicles to expeditiously, economically and cost effectively market products throughout North America and globally. Muscle Flex Inc. recently released and began marketing The Muscle Flex™. The Muscle Flex™ is the only in home machine that gives you a strength, flexibility and cardio workout all in one low impact high Intensity gliding motion, . The most popular fitness phenomenon is creating long, lean muscles by combining toning and stretching against resistance. With the population of America rapidly aging, body toning and stretching will undoubtedly be the next “fitness craze”.

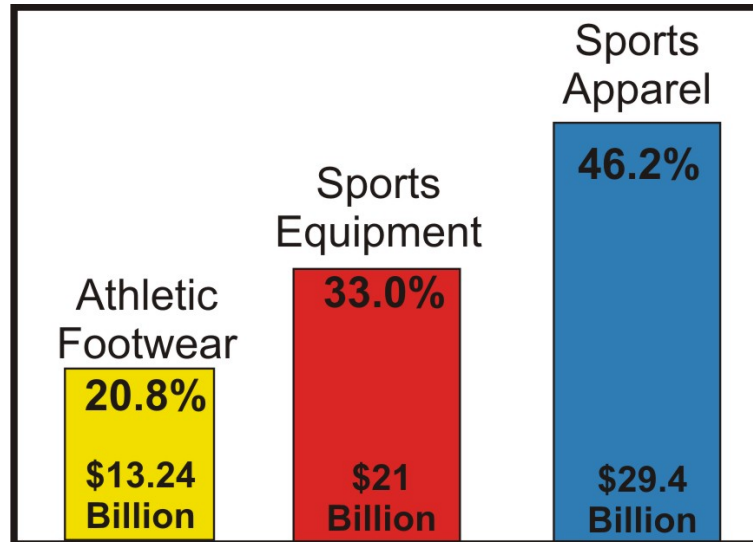
#### **The Market**

Rising health and obesity concerns have helped turned fitness and health into a \$70 billion U.S. market. Americans pay an estimated \$55 billion per year for nutritional and weight-loss products. Demand for nutritional products is rising in response to changing consumer demographics, growing health concerns and the adoption of alternative healthcare practices. In addition, more Americans are becoming aware of the risks related to obesity and are rejecting unhealthy, fattening food and beverages in favor of healthier alternatives. Still, an estimated 65% of the adult population of the United States qualifies as overweight or severely overweight. This alarming percentage is helping fuel growth in weight loss products and services to an expected \$68.7 billion market by 2010. The Sporting Goods Manufacturers Association (SGMA) reported sales of sports equipment and apparel grew 5.8% in 2006 to \$66.4 billion. This segment of the overall fitness market is mature but still growing. In fact, growth in sports equipment and apparel sales exceeded domestic GDP growth last year and is projected to exceed GDP growth again this year.

#### **Substantial Fitness Market Opportunity**

The U.S. fitness equipment and apparel industry generated revenues approaching \$70 billion in 2007 and is expected to grow faster than the overall economy as a result of the following trends:

- Changing consumer demographics (Baby Boomers are reaching age 62);
- Increasing ethnic diversification;
- Paradigm shift in personal health;
- Dissatisfaction with traditional healthcare;
- Increasing acceptance of alternative healthcare practices; and
- Increased understanding of the role healthy living plays in preventing disease.



The sporting goods industry includes sales of athletic footwear, sports apparel and sports equipment. Sports equipment is a \$21 billion market with robust growth prospects.

### **Fitness Trends**

Lifting weights, doing calisthenics, riding a stationary bike, running on a treadmill, or performing yoga are just a few of the many fitness activities which appeal to the 159 million Americans who engage in some type of fitness-related activity each year.

According to the Mercanti Group, nearly 43 million Americans belong to health clubs, more than twice the 20.7 million members in 1990. Health club revenues exceed \$17 billion annually; since 1983, the health club business has enjoyed 8% annual growth. Increasing awareness of healthy living, in which regular exercise plays a growing role, as well as increasingly health-conscious Baby Boomers and Gen-Xers suggest health club memberships will likely continue to rise.

Over the last decade, club member expectations have also expanded. Free weights, treadmills, stationary bikes and aerobics are being replaced and/or supplemented by on-site personal trainers, full-service and family locker rooms, indoor rock climbing walls, nutritional consulting, bio-mechanical training equipment, spa services and onsite child care.

### **Distribution methods of the products or services;**

#### **The Direct Response Model**

More than half of all consumers say they're most likely to learn about new products or brands they'd like to buy from TV commercials, according to the Television Bureau of Advertising, direct response ads are a way to not only reach those consumers, but to sell to them in real time. Not all merchandise is suited for direct response however, we have determined that The Muscle Flex will perform exceptionally well in the direct response model because of the following:

1. The Muscle Flex is unique – there is nothing else like it available.
2. It is unavailable in retail.
3. Has benefits that can be visually demonstrated on camera.
4. Solve several common consumer problems.<sup>5</sup>
5. Appeals to a broad audience.
6. Lends itself easily to brand development.

### **Muscle Flex's Direct Response Techniques**

Muscle Flex's Direct Response expertise allows an entrepreneur to get their products to market and create real-time demand inexpensively by utilizing proven strategies and techniques. This Direct to Market business model utilizes a proven methodology of concentrated marketing efforts and focuses on specific demographic, psychographic, geographic and combined strategies in targeted markets. All of the component parts to Muscle Flex's direct to market process, from marketing, to order capture and confirmation, customer fulfillment, inventory management and distribution all work seamlessly together and are essential to successfully incorporating any direct response marketing program.

Muscle Flex's direct response strategies have been assembled through proprietary expertise and strategic relationships that maintain a very low fixed and variable cost structure based on volume. The costs associated with the components parts to Muscle Flex's direct response methodology have been implemented as a seamless marketing and delivery chain.

Muscle Flex's proprietary direct response program removes the financial risks associated with trying to manage all of the component parts in house by the entrepreneur.

A direct response campaign is unique because it gives a package of benefits for the media campaign simultaneously

1. Creates sales.
2. Builds a database of customers.
3. Creates brand awareness.
4. Increases market share quickly.

### **Muscle Flex's Direct Response Methodolgy**

Statistics indicate a person (or company) should be prepared to spend at least \$8,500,000 to reach the entire USA marketplace using traditional distribution and marketing techniques. Utilizing Muscle Flex's direct response strategies, it costs less than \$200,000 in most cases and since growth is underwritten by the profits from sales, no additional capital expense is required.

Muscle Flex utilizes a three-prong approach that is designed to successfully distribute and, most importantly, generate sales. This approach focuses on specific demographic, psychographic, geographic and combined strategies in targeted markets. The methodology of marketing products through direct to market advertising vehicles (Print, TV, Radio, Internet, etc) as well as traditional and cyber-space retail strategies must work in harmony and, most importantly, be effective in their sales and cost structure.

The Muscle Flex three pronged approach consists of:

1. A results orientated and experienced implementation team
2. Define a comprehensive marketing approach
3. Execution - being able to execute on all levels and in all areas to ensure maximum profitability of any campaign.

Muscle Flex has established relationships, partnerships and key agreements in critical areas that make its one-of-a-kind marketing approach extremely effective. This effort is essential and required to orchestrate successful marketing campaigns. A key ingredient in the ultimate success of any product is having a streamlined and cost effective process from the point where the customer places the order to the end where the customer's product fulfillment is completed. The marketing process, order confirmation, customer fulfillment, inventory roll-over, low return rates and, last but not least, ongoing & continuity sales are essential to any successful direct marketing program.

Muscle Flex's relationships with experienced partners from relevant direct response components allow the company to maximize the effectiveness and profitability of its direct response marketing campaigns. The most important ingredient for a profitable campaign is having a streamlined, cost-effective processes that begins where the customer places the order and ends where fulfillment is completed, payment is received and inventory is adjusted. Each of these processes - marketing, order capture and confirmation, customer fulfillment and inventory management - must be seamlessly integrated. This flow chart below depicts the basic steps in Muscle Flex's direct response campaign.



After the call center accepts and enters the customer order, all other necessary steps are triggered automatically through linked computer programming. The orange circle depicts the initiation of the sales process with advertising and marketing campaigns. Muscle Flex works with its partner TV Inc., utilizing the company's expertise in creative processes, production, dissemination, media buying, development and execution to structure an ad campaign.

In addition, Muscle Flex uses other third-party relationships to complete the sales, payment, distribution and fulfillment processes while maintaining a low fixed cost base. These third-party relationships enable the Company to effectively manage costs at every stage of the process instead of accepting risks and lump sum costs associated with bringing each component in-house.

## **“Copy Cat” Marketing**

Muscle Flex controls key patents that essentially eliminate the ability of competitors to create their own version of Muscle Flex™. When the key demographics and markets Muscle Flex initially targets begin to mature, the Company plans to launch its own “copy cat” products at multiple price points. This will allow Muscle Flex to expand its market reach by providing versions of the machine at various price points and enhance revenue generating potential.

## **Other opportunities**

The Company plans to leverage its expertise and partnerships by launching other promising products via direct response campaigns. Muscle Flex is in discussions with owners/licensors of several potentially attractive consumer products. It would provide the expertise needed to launch these products in return for a share of the revenue stream. Muscle Flex is also considering different collaborative arrangements such as product placement partnerships, revenue-sharing schemes, or providing direct response consulting services on a contractual basis (i.e. finding the right celebrity talent, developing video and media support, providing product logistics, etc.)

## **Multiple Channels Reach Broadest Possible Audience**

Muscle Flex’s multi-channel approach combines infomercials, direct sales, retail sales and franchise sales to reach the broadest possible audience within its targeted demographic. A potential customer who doesn’t respond to a Muscle Flex™ infomercial may be induced to purchase the product in a traditional retail setting; another customer may be more inclined to purchase from a Web site or respond to a print ad when coupled with repeated TV exposure.

## **Sources and availability of raw materials and the names of principal suppliers;**

Muscle Flex currently has one contract manufacturer in Vietnam with fully completed moulds to manufacture the Muscle Flex™. Set up costs with each manufacturer can be up to \$30,000.00 given the cost of moulds needed to manufacture each part. With one manufacturer in place, Muscle Flex is currently establishing a second source to manufacture units to ensure uninterrupted product flow. The second manufacturer is located in Taiwan and will ensure a second source of product to limit any potential for back logs derived from product sale spikes. If required, a third manufacturer shall be added as Muscle Flex sales dictate.

All of Muscle Flex’s manufacturers have significant experience in manufacturing fitness equipment and provide their production services to some of the largest and reputable brand distributors in North America.

Our contract manufacturers provide the following services:

1. Raw Material Sourcing and purchase
2. Manufacturer of each associated part on a Muscle Flex unit
3. Assembly of the Muscle Flex Unit
4. Reproduction of the Muscle Flex CD and Instructional Booklet.
5. Logistics and shipping to a port of call in North America

### **Dependence on one or a few major customers;**

Muscle Flex has no single point or consumer that consumes any significant portion of its sales. Muscle Flex's sales are on an individual retail basis and hence not clustered around one specific customer.

### **Patents, trademarks, licenses, franchises, concessions, royalty agreements or labor contracts, including their duration;**

We have taken, and will continue to take, an aggressive approach in protecting our intellectual property or license rights through patent protection and competent legal advice regarding contractual involvements. Although the primary purpose of our intellectual property is to deter competition, it also may provide a potential revenue source through licenses. We are pursuing barriers to market entry by competitors as well as strong brand identity through the following activities with respect to our intellectual property.

#### **Patents**

1. A Canadian patent application was filed by Muscle Flex on June 12, 2008 for the Reciprocal Inhibition Body Toner Apparatus, reference #11/261,183. .

Due to the nature and number of patents issued for similar devices in North America and Internationally, Muscle Flex Inc. does not believe that a patent can be enforced with any degree of certainty due to the overlap and statute of limitations associated with much older prior patents. Muscle Flex believes that the Muscle Flex fitness device value will be derived from being the first to market mass marketed fitness machine of this kind and hence be the defacto leader with regards to the Muscle Flex fitness machine.

#### **Trademarks**

The following are the trademark applications filed by Muscle Flex and their status to date. Muscle Flex does not for see any reason why its application would be denied.

<b>Trademark</b>	<b>Serial Number</b>	<b>Status</b>	<b>Date of last action</b>
Muscle Flex (Exercise Machines)	77440186	Published for Opposition	July 29, 2008
Muscle Flex (Vitamins, Supplements)	77520417	Filed	July 11, 2008
Your Workout Starts Here	77431889	Published for Opposition	July 29, 2008
Extreme Machine	77427335	Published for Opposition	August 5, 2008

#### **Canadian In the Raw® Trademark #TMA498200**

On July 11, 2008, Muscle Flex acquired the Canadian trademark (TMA498200) "In the Raw®" from Danny Alex. The 'In the Raw®' trademark is registered under the following wares and services in Canada since July 31, 1998 and applied for on May 12, 1997:

**Services:**

*Entertainment services namely the performance of live music concerts; audio and video recording and production services; composition of music for others; public appearances on behalf of others; and endorsement of products and services of others.*

**Wares:**

*pre-recorded records; pre-recorded audio and visual tapes, pre-recorded video tapes and cassettes, pre-recorded audio-cassettes, pre-recorded tapes; posters, mounted and unmounted photographs, full line of clothing, namely tops, t-shirts, sweatshirts, sweaters, pullovers, blouses, jackets, coats, trousers, pants, jogging suits, exercise pants, exercise suits, sweatpants, shorts, underwear, boxer shorts, socks, clothing ties, pajamas, belts, gloves, wrist bands, bandannas, headgear namely = hats, caps; stickers, playing cards, mouse pads.*

In an ongoing dispute, the Canadian Intellectual Property Office (CIPO) Opposition Board issued its final decision on June 18, 2008 with respect to the Alex Opposition of the World Wrestling Entertainment Inc. (WWE) Canadian trade-mark application for "RAW." The ruling confirmed that certain wares listed in the RAW trade-mark application 1,153,018 were confusingly similar (and thus lacked distinctiveness) from the Alex "in the Raw" registered trade-mark. As a result, the World Wrestling Entertainment's Canadian trade-mark application 1,153,018 for "Raw" was denied for the following wares:

*"pre-recorded records; pre-recorded audio and visual tapes; pre-recorded video tapes and cassettes, pre-recorded audio-cassettes, pre-recorded tapes; posters; mounted and unmounted photographs; full line of clothing, namely tops, t-shirts, shirts, sweatshirts, sweaters, pullovers, blouses, jackets, coats, trousers, pants, jogging suits, exercise pants, exercise suits, sweatpants, shorts, underwear, boxer shorts, socks, clothing ties, pajamas, belts, gloves, wrist bands, bandannas; headgear, namely hats, caps; stickers; playing cards; mouse pads."*

Muscle Flex intends to fully enforce its rights and Canadian exclusivity for the stated wares and services connected to the Canadian "In the Raw®" trade-mark. It is also investigating a number of other trade-mark infractions in Canada with regards to the trade-mark "In the Raw®" that it has identified.

Muscle Flex is expanding its' sales and distribution initiatives for "In the Raw®" branded products and services across Canada via Direct Response initiatives and related media. The "In the Raw®" trade-mark contains all the ingredients for ongoing potent branding of "In the Raw®" products and services.

**The need for any government approval of principal products or services and the status of any requested government approvals.**

Not applicable.

## **Item VII The Nature and Extent of the Issuer's Facilities.**

**If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.**

Muscle Flex currently operates a virtual office space at \$100.00 per month which has a quarterly renewal and leases 2000 square feet of Condo / office space for \$2,000 per month in Los Angeles, California which has a 6 month lease till the end of January 2009.

## **Part B Share Structure and Issuance History**

### **Item VIII The Exact Title and Class of Securities Outstanding.**

Security Symbol – MFLI  
CUSIP Number – 627330 10 3  
Common Stock - \$.001 Par Value  
Preferred Stock - \$.001 Par Value

### **Item IX Description of the Security.**

#### **A. Par Value**

\$0.001 per share

#### **B. Common or Preferred Stock.**

**For common equity, describe any dividend, voting and preemption rights.**

One (1) share of Class "A" Common stock comes with one (1) vote. There are no dividends that are applicable the common shares or any other special conditions.

**For preferred stock, describe the dividend, voting, conversion and liquidation rights as well as redemption or sinking fund provisions.**

There are no Preferred shares issued in Muscle Flex Inc.

**Describe any other material rights of common or preferred stockholders.**

Not applicable.

**Describe any provision in issuer's charter or by-laws that would delay, defer or prevent a change in control of the issuer.**

Not applicable.



## **Item X The Number of Shares or Total Amount of the Securities Outstanding for Each Class of Securities Outstanding.**

In answering this item, provide the information below for each class of securities authorized. Please provide this information (i) as of the end of the issuer's most recent fiscal quarter and (ii) as of the end of the issuer's last two fiscal years.

Fiscal Quarter: March 31, 2009

58,032,249

Current Fiscal Year End December 31, 2008

58,032,249

Fiscal Quarter: September 30, 2008

58,032,249

Fiscal Year End: June 30<sup>th</sup>, 2007 (Prior Year End)

19,984,665

Fiscal Year End: June 30<sup>th</sup>, 2006 (Prior Year End)

44,263,361

Freely Tradable Shares: 10,310,105 as of March 31, 2009

Number of Shareholders of Record: 424 as of March 31, 2009

Total Beneficial Shareholders: 424 as of March 31, 2009

## **Item XI List of Securities Offerings and Shares Issued for Services in the Past Two Years.**

The list shall include all offerings of securities, whether private or public, and shall indicate: The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.);

1. August 29, 2008 Danny Alex, 14,000,000 144 Restricted Class "A" Common Shares Debt Converted into Equity at \$0.025

### **Common Stock Issued for Services**

April 23, 2008 Treasury Issue 144 Restricted Securities  
Danny Alex 12,500,000 Class A Common Shares

July 22, 2008 Treasury Issue 144 Restricted Securities  
Sid Dutchak 50,000 Class A Common Shares

July 22, 2008 Treasury Issue 144 Restricted Securities  
Thomas Jones 50,000 Class A Common Shares

July 22, 2008 Treasury Issue 144 Restricted Securities  
Robert N. Phan 250,000 Class A Common Shares

Treasury Issue 144 Restricted Securities  
Gregg V. Phan 250,000 Class A Common Shares

Treasury Issue 144 Restricted Securities  
Juan D. Garcia 250,000 Class A Common Shares

## **Part C Management and Control Structure**

### **Item XII The Name of the Chief Executive Officer, Members of the Board of Directors, as well as Control Persons.**

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

1. **Danny Alex – President, Chief Executive Officer and Chairman**

2. Muscle Flex Inc.  
499 North Cannon Drive, #400  
Beverly Hills, CA, 90210  
Telephone: (310) 467-5556  
Facsimile: (310) 887-7001  
Website: [www.MuscleFlexInc.com](http://www.MuscleFlexInc.com) and [www.TheMuscleFlex.com](http://www.TheMuscleFlex.com)

3.



January 2006 – February 2008 – Venture Capitalist / Consultant

January 2000 – February 2007 – Union Securities Inc. / Venture Capitalist

November 1997 – January 2000 – Venture Capital / Consultant

March 1995 – January 1998 – CEO/Chairman Revere Communications INC (RVC:ASE)

4. None.
5. \$1 per year (2008)
6. 31,815,284 Class "A" Common Restricted.

## **1. Sid Dutchak – Secretary, Director**

2. 356 Sienna Park Drive SW Calgary AB T3H3L6

3 Employment history:

1998 to 2002 – Operated as independent consultant (self employed) provided management consulting services to various companies.

2002 to 2005 – President of QCC Technologies Inc. a publicly traded company (TSX-V)

2005 to 2007 – President of Cordy Oilfield Services Inc. (TSX-V)

2007 to present – Independent consultant (self employed) Currently providing management consulting services including contract services as President of Golconda Resources Ltd. (TSX-V)

4. None.
5. None
6. 50,000 Class "A" Common Restricted

## **B. Legal / Disciplinary History.**

**Please identify whether any of the foregoing persons have, in the last five years, been the subject of:**

**1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);**

None

**2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended**

or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.

None.

### **C. Disclosure of Certain Relationships**

Describe any relationships existing among and between the issuer's officers, directors and shareholders.

NONE

To the extent not otherwise disclosed, describe all relationships and affiliations among and between the shareholders and the issuer, its predecessors, its present and prior officers and directors, and other shareholders.

NONE

**Disclosure of Conflicts of Interest.**

NONE

### **Item XIII Beneficial Owners.**

Provide a list of the name, address and shareholdings of all persons beneficially owning more than five percent (5%) of any class of the issuer's equity securities.

Danny Alex 31,815,284 Shares (54.8%)  
8811 Burton Way, #519  
Los Angeles, CA 90048

Dana Alex 3,423,841 (5.8%)  
#305, 3131 – 63 Ave S.W.  
Calgary, Alta, Canada T3E 6N4

**Item XIV The Name, Address, Telephone Number, and Email Address of Each of the Following Outside Providers that Advise the Issuer on Matters Relating to the Operations, Business Development and Disclosure:**

**Investment Banker**

None

**Promoters**

None

**Counsel**

Applbaum & Zouvas, LLP  
2368 Second Avenue  
San Diego, California 92101  
Phone: 619-688-1711  
Email: mapplbaum@apzlaw.com  
Website: www.apzlaw.com

**The Company's outside accountant provides financial services for the company.**

Steve Corso  
Corso & Company  
572 Shasta Drive  
Encinitas, CA 92924  
Tel: 1-310-488-7019  
[scorso2@comcast.net](mailto:scorso2@comcast.net)

**Public Relations Consultant(s)**

None

**Investor Relations Consultant**

None

**Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure documentation - the information shall include the telephone number and email address of each advisor.**

None

## Part D Financial Information

**Item XV** Financial information for the issuer's most recent fiscal period. The issuer shall provide the following financial statements for the most recent fiscal period (whether fiscal quarter or fiscal year).

### Muscle Flex Inc. Balance Sheet As of March 31, 2009 Unaudited

	<u>Total</u>
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
Cash on Hand	708.10
<b>Total Bank Accounts</b>	<b>\$ 708.10</b>
Other Current Assets	
Due from Stockholders	0.00
Muscle Flex	67,738.80
Prepaid Expenses	9,975.00
<b>Total Other Current Assets</b>	<b>\$ 77,713.80</b>
<b>Total Current Assets</b>	<b>\$ 78,421.90</b>
Fixed Assets	
Manufacturing Moulds	32,700.00
<b>Total Fixed Assets</b>	<b>\$ 32,700.00</b>
Other Assets	
Goodwill Assets	4,684.98
Trademarks / Patents	18,934.94
Video Film & Media	30,841.19
<b>Total Other Assets</b>	<b>\$ 54,461.11</b>
<b>TOTAL ASSETS</b>	<b>\$ 165,583.01</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	46,448.64
<b>Total Accounts Payable</b>	<b>\$ 46,448.64</b>
Other Current Liabilities	
Shareholder Loan	434,753.08
<b>Total Other Current Liabilities</b>	<b>\$ 434,753.08</b>
<b>Total Current Liabilities</b>	<b>\$ 481,201.72</b>
<b>Total Liabilities</b>	<b>\$ 481,201.72</b>
Equity	
Common Class A	58,032.25
Paid-In Capital or Surplus	904,136.73
Retained Earnings	-1,338,115.72
Net Income	60,328.03
<b>Total Equity</b>	<b>-\$ 315,618.71</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 165,583.01</b>

**Muscle Flex Inc.**  
**Profit & Loss**  
**January - March, 2009**  
**Unaudited**

	<b>Total</b>
<b>Income</b>	
<b>Sales</b>	884.70
<b>Total Income</b>	<b>\$ 884.70</b>
<b>Cost of Goods Sold</b>	
<b>Muscle Flex Unit</b>	290.10
<b>Transaction Fees</b>	51.32
<b>Total Cost of Goods Sold</b>	<b>\$ 341.42</b>
<b>Gross Profit</b>	<b>\$ 543.28</b>
<b>Expenses</b>	
<b>Call Center</b>	162.11
<b>Cellular Phone</b>	646.49
<b>Consulting Fees</b>	15,000.00
<b>Legal &amp; Professional Fees</b>	-12,809.94
<b>Meals and Entertainment</b>	242.65
<b>Muscle Flex Moulds</b>	-32,700.00
<b>Office/General Administrative Expenses</b>	131.74
<b>Other General and Admin Expenses</b>	375.76
<b>Rent or Lease</b>	315.00
<b>Trademark / Patent</b>	-325.00
<b>Travel</b>	17.63
<b>Video &amp; Film</b>	-30,841.19
<b>Total Expenses</b>	<b>-\$ 59,784.75</b>
<b>Net Operating Income</b>	<b>\$ 60,328.03</b>
<b>Net Income</b>	<b>\$ 60,328.03</b>

Total Shares Authorized: 100,000,000  
Total Shares Outstanding: 58,032,249  
Par Value Per Share: \$0.001

**Notable Adjusting Entries for January – March 2009 Quarter**

Adjusting Entry for Moulds	\$32,700.00	Manufac. Expense to Muscle Flex Moulds Asset
Adjusting Entry for Film & Video	\$30,841.19	Film / Video Expense to Film / Video Asset
Adjusting Entries for Legal Expense	\$18,609.34	Legal / Prof Expense to Trademark Asset

**Muscle Flex Inc.**  
**Statement of Cash Flows**  
January - March, 2009  
Unaudited

	<b>Total</b>
<b>OPERATING ACTIVITIES</b>	
Net Income	60,328.03
Adjustments to reconcile Net Income to Net Cash provided by operations:	
Net cash provided by operating activities	<b>\$ 84,110.17</b>
<b>INVESTING ACTIVITIES</b>	
Manufacturing Moulds	-32,700.00
Trademarks / Patents	-18,934.94
Video Film & Media	-30,841.19
Net cash provided by investing activities	<b>-\$ 82,476.13</b>
Net cash increase for period	<b>\$ 1,634.04</b>
Cash at beginning of period	-925.94
Cash at end of period	<b>\$ 708.10</b>

**Muscle Flex Inc.**  
**Shareholder's Equity Statement**  
As of December 31, 2008  
Unaudited

	<b>Shares</b>	<b>Amount</b>	<b>Paid-In Capital</b>	<b>Retained Deficit</b>	<b>Total</b>
<b>December 31, 2008</b>	58,032,249	58,032,25	904,136.73	(1,338,115.72)	(375,964.74)
Shares Issued for Cash	0	0	0		
Shares Issued Without Cash	0	0	0		
Shares Cancelled	0	0	0		
Net Loss / Income				60,328.03	60,328.03
<b>March 31, 2009</b>	58,032,249	58,032.25	904,136.73	(1,277,787.69)	(315,636.71)



## Note 1 Nature of Operations

The Company was incorporated in the State of Delaware December 26, 1996 under the name Teltran International Group Inc. On September 10, 2007, the Company changed its name to CelebDirect Inc. and then on October 1, 2008 changed its name to Muscle Flex Inc. Muscle Flex Inc. brings new products to market using direct response TV infomercials specializing in the health, fitness, wellness and hygiene sectors. As well, Muscle Flex Inc. develops and creates general television content for network and cable television distribution. The Corporate strategy is to develop new and innovative products for sale and distribution via our proprietary direct response marketing system and the creation of television shows and content.

## Note 2 Basis of Accounting

The accompanying financial statements present financial results on the accrual basis of accounting as required under the United States generally accepted accounting principles. All amounts are presented in United States dollars.

## Note 3 Summary of Significant Accounting Policies

### Cash Equivalents Policy:

For purposes of the statement of cash flows, the Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

### Fixed Assets:

Fixed assets are recorded at cost and are amortized on a declining balance basis. No amortization has been recorded to date.

### Intangible Asset:

Intangible Assets are recorded at cost and are amortized on a declining balance basis. No amortization has been recorded to date.

### Other Assets:

Other assets are recorded at cost and are amortized on a declining balance basis.

## Note 4 Fixed Assets

The components of other assets are as follows:

	Cost	Accumulated Amortization	2008 Net	2009 Net
Product	<u>\$ 77,858.85</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 77,858.85</u>

Fixed assets are amortized on a declining balance basis on a rate of 30% per annum

## Note 5 Intangible Assets

The components of Intangible assets are as follows:

	Cost	Accumulated Amortization	2008 Net	2009 Net
Organization Costs	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>

Intangible assets are amortized on a declining balance basis on a rate of 10% per annum.

## Note 6 Other Assets

The components of other assets are as follows:

	Cost	Accumulated Amortization	2008 Net	2009 Net
Organization Costs	<u>\$ 380,649.34</u>	<u>\$ 375,964.36</u>	<u>\$ (32,005.33)</u>	<u>\$ 4,684.98</u>

## Note 7 Due to Shareholders

From time to time, the Company borrows from shareholders to accommodate cash flow requirements. These loans bear no interest and have no specific terms of repayment.

## Note 8 Contingencies

The Company is not named as a defendant in any lawsuit.

## Note 9 Capital Structure

At March 31, 2009, the Company had 100,000,000 shares of common stock authorized.

At March 31, 2009, the Company had 58,032,249 shares of \$0.001 par value common stock issued and outstanding.

## Note 10 Subsequent Events

None Material

## Financial Statements are filed on Pinks Sheets Website

**Item XVI Similar financial information for such part of the two preceding fiscal years as the issuer or its predecessor has been in existence.** Please provide the financial statements described in Item XV above for the issuer's two preceding fiscal years.

**Muscle Flex Inc.**  
**Balance Sheet**  
As of December 31, 2008  
Unaudited

	<b>Total</b>	
	<b>As of Dec 31, 2008</b>	<b>As of Dec 31, 2007</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Bank Accounts</b>		
Cash on Hand	-925.94	-4,627.36
<b>Total Bank Accounts</b>	<b>-\$ 925.94</b>	<b>-\$ 4,627.36</b>
<b>Other Current Assets</b>		
Muscle Flex	67,883.85	
Prepaid Expenses	9,975.00	
<b>Total Other Current Assets</b>	<b>\$ 77,858.85</b>	<b>\$ 0.00</b>
<b>Total Current Assets</b>	<b>\$ 76,932.91</b>	<b>\$ 4,627.36</b>
<b>Other Assets</b>		
Goodwill Assets	4,684.98	36,690.31
<b>Total Other Assets</b>	<b>\$ 4,684.98</b>	<b>\$ 36,690.31</b>
<b>TOTAL ASSETS</b>	<b>\$ 81,617.89</b>	<b>\$ 41,317.67</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts Payable	42,091.18	4,872.84
<b>Total Accounts Payable</b>	<b>\$ 42,091.18</b>	<b>\$ 4,872.84</b>
<b>Other Current Liabilities</b>		
Shareholder Loan	415,473.45	454,919.64
<b>Total Other Current Liabilities</b>	<b>\$ 415,473.45</b>	<b>\$ 454,919.64</b>
<b>Total Current Liabilities</b>	<b>\$ 457,564.63</b>	<b>\$ 459,792.48</b>
<b>Total Liabilities</b>	<b>\$ 457,564.63</b>	<b>\$ 459,792.48</b>
<b>Equity</b>		
Common Class A	58,032.25	44,685.17
Paid-In Capital or Surplus	904,136.73	192,005.14
Retained Earnings	-664,419.84	-664,419.84
Net Income	-673,695.88	
<b>Total Equity</b>	<b>-\$ 375,946.74</b>	<b>-\$ 427,729.53</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 81,617.89</b>	<b>\$ 32,062.95</b>

**Muscle Flex Inc.**  
**Profit & Loss**  
**January - December 2008**  
Unaudited

**Total**

	Jan - Dec 31, 2008	Jan - Dec 31, 2007
<b>Income</b>		
<b>Sales</b>	12,118.27	
<b>Service/Fee Income</b>	1.95	2,716.00
<b>Total Income</b>	<b>\$ 12,120.22</b>	<b>\$ 2,716.00</b>
<b>Cost of Goods Sold</b>		
<b>Muscle Flex Unit</b>	4,641.15	
<b>Transaction Fees</b>	385.52	
<b>Total Cost of Goods Sold</b>	<b>\$ 5,026.67</b>	<b>\$ 0.00</b>
<b>Gross Profit</b>	<b>\$ 7,093.55</b>	<b>\$ 2,716.00</b>
<b>Expenses</b>		
<b>Total Expenses</b>	<b>\$ 654,825.07</b>	<b>\$ 203,302.55</b>
<b>Net Operating Income</b>	<b>-\$ 647,731.52</b>	<b>-\$ 200,586.55</b>
<b>Other Income</b>		
<b>Interest Earned</b>		0.03
<b>Total Other Income</b>	<b>\$ 0.00</b>	<b>\$ 0.03</b>
<b>Other Expenses</b>		
<b>Amortization</b>	25,964.36	350,000.00
<b>Penalties &amp; Settlements</b>		113,833.32
<b>Total Other Expenses</b>	<b>\$ 25,964.36</b>	<b>\$ 463,833.32</b>
<b>Net Other Income</b>	<b>-\$ 25,964.36</b>	<b>-\$ 463,833.29</b>
<b>Net Income</b>	<b>-\$ 673,695.88</b>	<b>-\$ 664,419.84</b>

**Muscle Flex Inc.**  
**Statement of Cash Flows**  
January - December 2008  
Unaudited

	<b>Total</b>
<b>OPERATING ACTIVITIES</b>	
Net Income	-673,695.88
Adjustments to reconcile Net Income to Net Cash provided by operations:	
Net cash provided by operating activities	<b>-\$ 753,782.62</b>
<b>INVESTING ACTIVITIES</b>	
Goodwill Assets	32,005.33
Net cash provided by investing activities	<b>\$ 32,005.33</b>
<b>FINANCING ACTIVITIES</b>	
Common Class A	13,347.08
Paid-In Capital or Surplus	376,131.59
Paid-In Capital or Surplus: Stock Issued for Services	336,000.00
Net cash provided by financing activities	<b>\$ 725,478.67</b>
Net cash increase for period	<b>\$ 3,701.38</b>
Cash at beginning of period	-4,627.36
Cash at end of period	<b>-\$ 925.98</b>

**Muscle Flex Inc.**  
**Shareholder's Equity Statement**  
As of December 31, 2008  
Unaudited

	<b>Shares</b>	<b>Amount</b>	<b>Paid-In Capital</b>	<b>Retained Deficit</b>	<b>Total</b>
<b>December 31, 2007</b>	44,685,170	44,685.17	192,005.14	(664,419.84)	(427,729.53)
<b>Shares Issued for Cash</b>	5,288,050	5,288.05	376,131.59		
<b>Shares Issued Without Cash</b>	17,815,279	17815.28	336,000.00		
<b>Shares Cancelled</b>	(9,756,250)	(9,756.25)			
<b>Net Loss</b>				(673,695.88)	(673,695.88)
<b>December 31, 2008</b>	58,032,249	58,032.25	904,136.73	(1,338,115.72)	(375,946.74)

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

In Fiscal year 2008, Management continued to finance its operations through shareholder loans. During 2008, Muscle Flex Inc. was able to complete its final prototype of its Muscle Flex Home Fitness Machine and begin a small marketing campaign to begin the sales and distribution process of the unit. This initial marketing campaign was begun primarily as a prelude to a larger campaign so that any inefficiencies with respects to manufacturing, packaging, delivery and customer service could be determined and corrected if an augmentation to any part of the delivery chain had to be effected. Management was able to determine and provide solutions to issues that rose out of the packaging of the Muscle Flex Home Fitness Machine, customer delivery as well as items dealing with customer service to refine the process if larger scale volume of sales occurred with its 30 minute TV infomercial.

Additionally, the Company began the procurement of additional products that have a much lower retail cost to the public (\$9.95 - \$14.95). This is significant in that the economic deterioration in 2008 would suggest that higher priced items, such as the Muscle Flex Home Fitness Unit, would be much more difficult to market towards a consumer that was dramatically limiting its discretionary spending habits. The lower priced consumer items that Muscle Flex Inc. has sourced and began development on, provide an ability to market a number of deliverables that only require a 1 or 2 minute short for infomercial which lowers the costs of developing sources of revenue without the larger outlay of capital which would be required for a 30 minute infomercial. By being able to spread marketing costs over 3 smaller and lower priced products, Muscle Flex Inc. lowers the risk associated with deploying capital in a much higher priced item with higher media development, storage and inventory costs. The 3 low cost items include a health / wellness product, a hygiene product and a home / personal security product. The Company has sourced its suppliers for these three products and has completed the initial development of each direct response program.

At this point, the company will require that it raise more capital to adequately bring these 3 products to market and continue the development of the Muscle Flex Home Fitness Unit. Until now the Company has relied on loans from shareholders to continue to capitalize the company and continue operations. Revenue from product sales does not off-set the amount of capital needed to bring these products to market and continue operations. The Company will need to raise additional funding either through continued debt instruments (Shareholder Loans or Convertible Debt Instruments) or the raising of additional funds through equity.

Management has determined that each of the three products will have deployment costs of between \$35,000 - \$50,000 and the continuation of developing the Muscle Flex Home Fitness Unit to be between \$150,000 - \$200,000 to bring it to market and complete the 30 minute infomercial. In the case of the three lower priced items, Management intends to reinvest revenues generated through sales of the products into sales and marketing as well as additional inventory. Direct response marketing is an "on demand" form of selling and does not require an extended accounts receivable cycle as cash generated through sales of the products is provided at the time of sale through a number of methods including Merchant Visa, Master Card, AMEX and Discover cards, online banking transactions as well as money order.

Management is very cognisant of maintaining a very low fixed cost base to ensure viability of its business plan. The Company has no long term lease obligations and currently has only one employee. The entire direct response program has been established through third party vendors under a volume of sales cost structure. Some initial start up fees do apply for the implementation of each product but

ongoing cost related to the direct response programs are based on volume sales except for advertising which is variable based on the size of the campaign that is to be implemented. Management has developed relationships with TV Media Brokers that provide air-time on a performance basis based on sales and sales leads derived from the advertising spots. Each direct response program will be analysed to determine what ratio of paid for advertising and performance based advertising shall be used to potentially off-set any up-front costs associated with media purchases.

During the 2009 fiscal year, Muscle Flex Inc. has determined that one additional employee shall be added that will oversee the logistics, accounting and daily requirements of facilitating the business activities of the company as products are deployed.

There is no significant product development or research and development costs expected in fiscal year 2009. The Company has sourced adequate suppliers for all products and are consumer ready.

The direct response industry comes with a certain amount of uncertainties. It is impossible to determine the amount of sales that can and will be derived from an infomercial campaign. The current economic climate makes for a more challenging environment by which to procure adequate sales to make each product profitable and generate positive cash-flow for the company. However, the lowered sales projections derived from a slower economic environment also brings benefits from lowered TV and media costs as well as the necessity of manufacturers to be price competitive. There is no way for the Company to know which, if any of its products, will and can generate positive cash-flow until a test campaign is conducted. Consumer acceptance is a variable that is impossible to predict and the Company relies on the past performance of other related products and is a determining factor in selecting its product portfolio. As well, there is no way to determine whether the economy will begin to mitigate from negative GDP to positive GDP growth. Management expects that a healthier economy may result in beneficial results, however, there is no assurance as to the prospects for the economy going forward.

#### **Off-Balance Sheet Arrangements.**

None.

## **Part E Exhibits**

### **Item XVIII Material Contracts.**

- A. Every material contract, not made in the ordinary course of business that will be preformed after the disclosure document is posted or was entered into not more than two years before such posting.**

None.

- B. Any management contract or any compensatory plan, contract or arrangement, including but not limited to plans relating to options, warrants or rights, pension, retirement or deferred compensation or bonus, incentive or profit sharing (or if not set forth in any formal document, a written description thereof) in which any director or any executive officer of the issuer participates shall be deemed material and shall be included; and any other management contract or any other compensatory plan, contract, or arrangement in which any other executive officer of the issuer participates shall be filed unless immaterial in amount or significance.**

None.



# MUSCLE FLEX INC. BY-LAWS

## ARTICLE I - STOCKHOLDERS

### SECTION 1. ANNUAL MEETING.

An annual meeting of the stockholders, for the election of directors to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting, shall be held at such place, on such date, and at such time as the Board of Directors shall each year fix, which date shall be within thirteen months subsequent to the later of the date of incorporation or the last annual meeting of stockholders.

### SECTION 2. SPECIAL MEETINGS.

Special meetings of the stockholders, for any purpose or purposes prescribed in the notice of the meeting, may be called by the Board of Directors or the chief executive officer and shall be held at such place, on such date, and at such time as they or he or she shall fix.

### SECTION 3. NOTICE OF MEETINGS.

Written notice of the place, date, and time of all meetings of the stockholders shall be given, not less than ten nor more than sixty days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting, except as otherwise provided herein or required by law (meaning, here and hereinafter, as required from time to time by the Delaware General Corporation Law or the Certificate of Incorporation of the Corporation).

When a meeting is adjourned to another place, date or time, written notice need not be given of the adjourned meeting if the place, date and time thereof are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than thirty days after the date for which the meeting was originally noticed, or if a new record date is fixed for the adjourned meeting, written notice of the place, date, and time of the adjourned meeting shall be given in conformity herewith. At any adjourned meeting, any business may be transacted which might have been transacted at the original meeting.

### SECTION 4. QUORUM.

At any meeting of the stockholders, the holders of a majority of all of the votes entitled to be voted at the meeting, present in person or by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number may be required by law.

If a quorum shall fail to attend any meeting, the chairman of the meeting or the holders of a majority of the votes who are present, in person or by proxy, may adjourn the meeting to another place, date, or time.

If a notice of any adjourned special meeting of stockholders is sent to all stockholders entitled to vote thereat, stating that it will be held with those present constituting a quorum, then except as otherwise required by law, those present at such adjourned meeting shall constitute a quorum, and all matters shall be determined by a majority of the votes cast at such meeting.

#### **SECTION 5. ORGANIZATION.**

Such person as the Board of Directors may have designated or, in the absence of such a person, the Chairman of the Board of Directors or, in his or her absence, such person as may be chosen by the holders of a majority of the shares entitled to vote who are present, in person or by proxy, shall call to order any meeting of the stockholders and act as chairman of the meeting. In The absence of the Secretary of the Corporation, the secretary of the meeting shall be such person as the chairman appoints.

#### **SECTION 6. CONDUCT OF BUSINESS.**

The chairman of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seem to him or her in order.

#### **SECTION 7. PROXIES AND VOTING.**

At any meeting of the stockholders, every stockholder entitled to vote may vote in person or by proxy authorized by an instrument in writing filed in accordance with the procedure established for the meeting.

Each stockholder shall have one vote for every share of stock entitled to vote which is registered in his or her name on the record date for the meeting, except as otherwise provided herein or in the Corporation's Certificate of Incorporation or as required by law.

All voting, including on the election of directors but excepting where otherwise required by law, may be by a voice vote; provided, however, that upon demand therefor by a stockholder entitled to vote or his or her proxy, a stock vote shall be taken. Every stock vote shall be taken by ballots, each of which shall state the name of the stockholder or proxy voting and such other information as may be required under the procedure established for the meeting. Every vote taken by ballots shall be counted by an inspector or inspectors appointed by the chairman of the meeting. All elections shall be determined by a plurality of the votes cast, and except as otherwise required by law, all other matters shall be determined by a majority of the votes cast.

#### **SECTION 8. STOCK LIST.**

A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in his or her name, shall be open to the examination of any such stockholder, for any purpose germane to the meeting, during ordinary business hours for a period of at least ten (10) days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held.

The stock list shall also be kept at the place of the meeting during the whole time thereof and shall be open to the examination of any such stockholder who is present. This list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

#### **SECTION 9. CONSENT OF STOCKHOLDERS IN LIEU OF MEETING.**

Any action required to be taken at any annual or special meeting of stockholders of the Corporation, or any action which may be taken at any annual or special meeting of the stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having 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 thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office in Delaware, its principal place of business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested.

Every written consent shall bear the date of signature of each stockholder who signs the consent and no written consent shall be effective to take the corporate action referred to therein unless, within sixty days of the date the earliest dated consent is delivered to the Corporation, a written consent or consents signed by a sufficient number of holders to take action are delivered to the Corporation in the manner prescribed in the first paragraph of this Section.

## **ARTICLE II - BOARD OF DIRECTORS**

#### **SECTION 1. NUMBER AND TERM OF OFFICE.**

The number of directors who shall constitute the whole Board shall be such number as the Board of Directors shall from time to time have designated, except that in the absence of any such designation, such number shall be five (5). Each director shall be elected for a term of one year or until his or her successor is elected and qualified, except as otherwise provided herein or required by law.

Whenever the authorized number of directors is increased between annual meetings of the stockholders, a majority of the directors then in office shall have the power to elect such new directors for the balance of a term and until their successors are elected and qualified. Any decrease in the authorized number of directors shall not become effective until the expiration of the term of the directors then in office unless, at the time of such decrease, there shall be vacancies on the board which are being eliminated by the decrease.

## **SECTION 2. VACANCIES.**

If the office of any director becomes vacant by reason of death, resignation, disqualification, removal or other cause, a majority of the directors remaining in office, although less than a quorum, may elect a successor for the unexpired term and until his or her successor is elected and qualified.

## **SECTION 3. REGULAR MEETINGS.**

Regular meetings of the Board of Directors shall be held at such place or places, on such date or dates, and at such time or times as shall have been established by the Board of Directors and publicized among all directors. A notice of each regular meeting shall not be required.

## **SECTION 4. SPECIAL MEETINGS.**

Special meetings of the Board of directors may be called by one-third of the directors then in office (rounded up to the nearest whole number) or by the Chairman of the Board or by the President and shall be held at such place, on such date, and at such time as they or he or she shall fix. Notice of the place, date, and time of each such special meeting shall be given each director by whom it is not waived by mailing written not less than five days before the meeting or by telegraphing the same not less than twenty-four hours before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

## **SECTION 5. QUORUM.**

At any meeting of the Board of Directors, one-third of the total number of the whole Board (rounded up to the nearest whole number) shall constitute a quorum for all purposes. If a quorum shall fail to attend any meeting, a majority of those present may adjourn the meeting to another place, date, or time, without further notice or waiver thereof.

## **SECTION 6. PARTICIPATION IN MEETINGS BY CONFERENCE TELEPHONE.**

Members of the Board of Directors, or of any committee thereof, may participate in a meeting of such Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other and such participation shall constitute presence in person at such meeting.

## **SECTION 7. CONDUCT OF BUSINESS.**

At any meeting of the Board of Directors, business shall be transacted in such order and manner as the Board may from time to time determine, and all matters shall be determined by the vote of a majority of the directors present, except as otherwise provided herein or required by law. Action may be taken by the Board of Directors without a meeting if all members thereof consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors.

## **SECTION 8. POWERS.**

The Board of Directors may, except as otherwise required by law, exercise all such powers and do all such acts And things as may be exercised or done by the Corporation, including, without limiting the generality of the foregoing, the unqualified power:

- (1) To declare dividends from time to time in accordance with law;
- (2) To purchase or otherwise acquire any property, rights or privileges on such terms as it shall determine;
- (3) To authorize the creation, making and issuance, in such form as it may determine, of written obligations of every kind, negotiable or non-negotiable, secured or unsecured, and to do all things necessary in conjunction therewith;
- (4) To remove any officer of the Corporation with or without cause, and from time to time to devolve the powers and duties of any officer upon any other person for the time being;
- (5) To confer upon any officer of the corporation the power to appoint, remove and suspend subordinate officers, employees and agents;
- (6) To adopt from time to time such stock option, stock purchase, bonus or other compensation plans for directors, officers, employees and agents of the Corporation and its subsidiaries as it may determine;
- (7) To adopt from time to time such insurance., retirement, and other benefit plans for directors, officers,, employees and agents of the Corporation and its subsidiaries as it may determine; and,
- (8) To adopt from time to time regulations, not inconsistent with these By-Laws, for the management of the Corporation's business and affairs.

## **SECTION 9. COMPENSATION OF DIRECTORS.**

Directors, as such, may receive, pursuant to resolution of the Board of Directors, fixed fees and other compensation for their services as directors, including, without limitation, their services as members of committees of the Board of Directors.

#### **SECTION 10. DIVISION AND DEPARTMENTS.**

The Board of Directors may cause the business and operations of the Corporation to be divided into divisions based upon such basis of division as the Board of Directors may from time to time determine to be advisable, and may cause the business and operations of any such division to be further divided into sub-divisions or departments if deemed advisable by the Board of Directors and upon such basis of subdivision as the Board may determine.

### **ARTICLE III - COMMITTEES**

#### **SECTION 1. COMMITTEE OF THE BOARD OF DIRECTORS.**

The Board of Directors, by a vote of a majority of the whole Board, may from time to time designate committees of the Board, with such lawfully delegable powers and duties as it thereby confers, to serve at the pleasure of the Board and shall, for those committees and any others provided for herein, elect a director or directors to serve as the member or members, designating, if it desires, other directors as alternate members who may replace any absent or disqualified member at any meeting of the committee. Any committee so designated may exercise the power and authority of the Board of Directors to declare a dividend, to authorize the issuance of stock or to adopt a certificate of ownership and merger pursuant to Section 253 of the Delaware General Corporation Law if the resolution which designates the committee or a supplemental resolution of the Board of Directors shall so provide. In the absence or disqualification of any member of any committee and any alternate member in his place, the member or members of the committee present at the meeting and not disqualified from voting, whether or not he or she or they constitute a quorum, may by unanimous vote appoint another member of the Board of Directors to act at the meeting in the place of the absent or disqualified member.

#### **SECTION 2. CONDUCT BUSINESS.**

Each committee may determine the procedural rules for meeting and conducting its business and shall act in accordance therewith, except as otherwise provided herein or required by law. Adequate provision shall be made for notice to members of all meetings; one-third of the members shall constitute a quorum unless the committee shall consist of one or two members, in which event one member shall constitute a quorum; and all matters shall be determined by a majority vote of the members present. Action may be taken by any committee without a meeting if all members thereof consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of such committee.

## **ARTICLE IV - OFFICERS**

### **SECTION 1. GENERALLY.**

The officers of the Corporation shall consist of a Chairman of the Board, a President, one or more Vice Presidents, a Secretary, a Treasurer and such other officers as may from time to time be appointed by the Board of Directors. officers shall. be elected by the Board of Directors. Each officer shall hold office until his or her successor is elected and qualified or until his or her earlier resignation or removal. Any number of offices may be held by the same person.

### **SECTION 2. CHAIRMAN OF THE BOARD.**

The Chairman of the Board of Directors shall be the chief executive officer of the Corporation. He or she shall preside at all meetings of the Board of Directors and all meetings of stockholders. Subject to the provisions of these By-Laws and to the discretion of the Board of Directors, he or she shall have the responsibility for the general management and control of the business and affairs of the Corporation and shall perform all duties which are commonly incident to the office of chief executive officer or which are delegated to him or her by the Board of Directors. The Chairman of the Board shall be a member of the Board of Directors of the Corporation. He or she shall have power to sign all stock certificates, contracts and other instruments of the Corporation which are authorized.

### **SECTION 3. PRESIDENT.**

The President shall be the chief operating officer of the Corporation. Subject to the provisions of these By-Laws and to the direction of the Board of Directors, he or she shall have the responsibility for the general management and control of the operating divisions of the Corporation and shall perform all duties and have all powers which are commonly incident to the office of chief operating officer or which are delegated to him or her by the Board of Directors or the Chairman of the Board. He or she shall have power to sign all stock certificates, contracts and other instruments of the Corporation which are authorized and shall have general supervision and direction of all of the other officers, employees and agents of the Corporation.

### **SECTION 4. VICE PRESIDENT.**

Each Vice President shall have such powers and duties as may be delegated to him or her by the Board of Directors. One Vice President shall be designated by the Board to perform the duties and exercise the powers of the President in the event of the President's absence or disability.

## **SECTION 5. TREASURER.**

The Treasurer shall have the responsibility for maintaining the financial records of the Corporation. He or she shall make such disbursements of the funds of the Corporation as are authorized and shall render from time to time an account of all such transactions and of the financial condition of the Corporation. The Treasurer shall also perform such other duties as the Board of Directors may from time to time prescribe.

## **SECTION 6. SECRETARY.**

The Secretary shall issue all authorized notices for, and shall keep minutes of, all meetings of the stockholders and the Board of Directors. He or she shall have charge of the corporate books and shall perform such other duties as the Board of Directors may from time to time prescribe.

## **SECTION 7. DELEGATION OF AUTHORITY.**

The Board of Directors may from time to time delegate the powers or duties of any officer to any other officers or agents, notwithstanding any provision hereof.

## **SECTION 5. REMOVAL.**

Any officer of the Corporation may be removed at any time, with or without cause, by the Board of Directors.

## **SECTION 9. ACTION WITH RESPECT TO SECURITIES OF OTHER CORPORATIONS.**

Unless otherwise directed by the Board of Directors, the Chairman of the Board, the President or any officer of the Corporation authorized by the Chairman of the Board or the President shall have power to vote and otherwise act on behalf of the Corporation, in person or by proxy, at any meeting of stockholders of or with respect to any action of stockholders of any other corporation in which this Corporation may hold securities and otherwise to exercise any and all rights and powers which this Corporation may possess by reason of its ownership of securities in such other corporation.

# **ARTICLE V - STOCK**

## **SECTION 1. CERTIFICATES OF STOCK.**

Each stockholder shall be entitled to a certificate signed by, or in the name of the Corporation by, the President or a Vice President, and by the Secretary or an Assistant Secretary, or the Treasurer or an Assistant Treasurer, certifying the number of shares owned by him or her. Any or all of the signatures on the certificate may be facsimile.

## **SECTION 2. TRANSFERS OF STOCK.**



Transfers of stock shall be made only upon the transfer books of the Corporation kept at an office of the Corporation or by transfer agents designated to transfer shares of the stock of the Corporation. Except where a certificate is issued in accordance with Section 4 of Article V of these By-Laws, an outstanding certificate for the number of shares involved shall be surrendered for cancellation before a new certificate is issued therefor.

### **SECTION 3. RECORD DATE.**

In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders, or to receive payment of any dividend or other distribution or allotment of any rights or to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date on which the resolution fixing the record date is adopted and which record date shall not be more than sixty nor less than ten days before the date of any meeting of stockholders, nor more than sixty days prior to the time for such other action as hereinbefore described; provided, however, that if no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stock holders shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held, and, for determining stockholders entitled to receive payment of any dividend or other distribution or allotment of rights or to exercise any rights of change, conversion or exchange of stock or for any other purpose, the record date shall be at the close of business on the day on which the Board of Directors adopts a resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

In order that the Corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall be not more than ten days after the date upon which the resolution fixing the record date is adopted. If no record date has been fixed by the Board of Directors and no prior action by the Board of Directors is required by the Delaware General Corporation Law, the record date shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation in the manner prescribed by Article I, Section 9 hereof. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by the Delaware General Corporation Law with respect to the proposed action by written consent of stockholders, the record date for determining stockholders entitled to consent corporate action in writing shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

#### **SECTION 4. LOST, STOLEN OR DESTROYED CERTIFICATES.**

In the event of the loss, theft or destruction of any certificate of stock, another may be issued in its place pursuant to such regulations as the Board of Directors may establish concerning proof of such loss, theft or destruction and concerning the giving of a satisfactory bond or bonds of indemnity.

#### **SECTION 5. REGULATIONS.**

The issue, transfer, conversion and registration of certificates of stock shall be governed by such other regulations as the Board of Directors may establish.

### **ARTICLE VI - NOTICES**

#### **SECTION 1. NOTICES.**

Except as otherwise specifically provided herein or required by law, all notices required to be given to any stockholder, director, officer, employee or agent shall be in writing and may in every instance be effectively given by hand delivery to the recipient thereof, by depositing such notice in the mails, postage paid, or by sending such notice by prepaid telegram or mailgram. Any such notice shall be addressed to such stockholder, director, officer, employee or agent at his or her last known address as the same appears on the books of the Corporation. The time when such notice is received, if hand delivered, or dispatched, if delivered through the mails or by telegram or mailgram, shall be the time of the giving of the notice.

#### **SECTION 2. WAIVERS.**

A written waiver of any notice, signed by a stockholder, director, officer, employee or agent, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to the notice required to be given to such stockholder, director, officer, employee or agent. Neither the business nor the purpose of any meeting need be specified in such a waiver.

### **ARTICLE VII - MISCELLANEOUS**

#### **SECTION 1. FACSIMILE SIGNATURES.**

In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these By-Laws, facsimile signatures of any officer or officers of the Corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

## **SECTION 2. CORPORATE SEAL.**

The Board of Directors may provide a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary. If and when so directed by the Board of Directors or a committee thereof, duplicates of the seal may be kept and used by the Treasurer or by an Assistant Secretary or Assistant Treasurer.

## **SECTION 3. RELIANCE UPON BOOKS, REPORTS AND RECORDS.**

Each director, each member of any committee designated by the Board of Directors, and each officer of the Corporation shall, in the performance of his duties, be fully protected in relying in good faith upon the books of account or other records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its officers or employees, or committees of the Board of Directors so designated, or by any other person as to matters the director or committee member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

## **SECTION 4. FISCAL YEAR.**

The fiscal year of the Corporation shall be as fixed by the Board of Directors.

## **SECTION 5. TIME PERIODS.**

In applying any provision of these By-Laws which require that an act be done or not done a specified number of days prior to an event or that an act be done during a period of a specified number of days prior to an event, calendar days shall be used, the day of the doing of the act shall be excluded, and the day of the event shall be included.

## **SECTION 6. PLACE OF BUSINESS.**

The principal place of business of the Corporation shall be One Penn Plaza, Suite 4632, New York, NY 10119 or such other location that in the determination of the Board of Directors is advantageous to the Corporation.

# **ARTICLE VIII - INDEMNIFICATION OF DIRECTORS AND OFFICERS**

## **SECTION 1. RIGHT TO INDEMNIFICATION.**

Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she is or was a director or an officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter

an "indemnitee"), whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such indemnitee in connection therewith; provided, however, that, except as provided in Section 3 hereof with respect to proceedings 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 such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation.

## **SECTION 2. RIGHT TO ADVANCEMENT OF EXPENSES.**

The right to indemnification conferred in Section 1 of this Article shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that, if the Delaware General Corporation Law requires an advancement of expenses incurred by an indemnitee in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) such advancement of expenses shall be made only 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 (hereinafter a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Section or otherwise. The rights to indemnification and to the advancement of expenses conferred in Sections 1 and 2 of this Article shall be contract rights and such rights shall continue as to an indemnitee who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the indemnitee's heirs, executors and administrators.

## **SECTION 3. RIGHT OF INDEMNITEE TO BRING SUIT.**

If a claim under Section 1 or 2 of this Article is not paid in full by the Corporation within sixty 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 twenty 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 an undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and (ii) in any suit by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking the Corporation

shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met any applicable standard for indemnification set forth in the Delaware General Corporation Law. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article or otherwise shall be on the Corporation.

#### **SECTION 4. NON-EXCLUSIVITY OF RIGHTS.**

The rights to indemnification and to the advancement of expenses conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Corporation's Certificate of Incorporation, By-laws, agreement, vote of stockholders or disinterested directors or otherwise.

#### **SECTION 5. INSURANCE.**

The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

#### **SECTION 6. INDEMNIFICATION OF EMPLOYEES OF THE CORPORATION.**

Except to the extent that rights to indemnification and advancement of expenses of employees of the Corporation may be required by any statute, the Certificate of Incorporation, this Article VIII or any other By-Law, agreement, vote of stockholders or disinterested directors or otherwise, the Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee of the Corporation to the fullest extent of the provisions of this Article with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

## **ARTICLE IX - AMENDMENTS**

These By-laws may be amended or repealed by the Board of Directors at any meeting or by the stockholders at any meeting.

#### **Item XXI Issuers Certification**

The issuer shall include certifications by the Chief Executive Officer and Chief Financial Officer of the issuer (or any persons with different titles but having the same responsibilities)

I, Danny Alex certify that:

1. I have reviewed this Quarterly Disclosure Statement of Muscle Flex Inc.;
2. Based on my knowledge, this Disclosure Statement does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which these statements were made, not misleading with respect to the period covered by this Disclosure Statement; and
3. Based on my knowledge, 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 13, 2009



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Danny Alex  
President / CEO