

Schedule K-1
(Form 1065)

Department of the Treasury
Internal Revenue Service

For calendar year 2012, or tax
year beginning **NOVEMBER 13, 2012**
ending **DECEMBER 31, 2012**

2012

Final K-1 Amended K-1 OMB No. 1545-0099

**Partner's Share of Income, Deductions,
Credits, etc.**

▶ See separate instructions.

**Part III Partner's Share of Current Year Income,
Deductions, Credits, and Other Items**

1 Ordinary business income (loss)	0.	16 Credits
2 Net rental real estate income (loss)	-1,115.	16 Foreign transactions
3 Other net rental income (loss)		
4 Guaranteed payments		
5 Interest income		
6a Ordinary dividends		17 Alternative min tax (AMT) items
6b Qualified dividends		A 151.
7 Royalties		
8 Net short-term capital gain (loss)		18 Tax-exempt income and nondeductible expenses
9a Net long-term capital gain (loss)		
9b Collectibles (28%) gain (loss)		19 Distributions
9c Unrecaptured sec 1250 gain		
10 Net section 1231 gain (loss)		20 Other information
11 Other income (loss)		
12 Section 179 deduction		
13 Other deductions	W* 502.	
14 Self-employment earnings (loss)	A 0.	

*See attached statement for additional information.

Part I Information About the Partnership

A Partnership's employer identification number
[REDACTED]

B Partnership's name, address, city, state, and ZIP code
MIDWAY CADENCE, LLC
270 LAFAYETTE STREET, SUITE 409
NEW YORK, NY 10012

C IRS Center where partnership filed return
E-FILE

D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
[REDACTED]

F Partner's name, address, city, state, and ZIP code
BLUE CHIP CAPITAL, LLC
27 HIGH TECH BLVD.
THOMASVILLE, NC 27360

G General partner or LLC member-manager Limited partner or other LLC member

H Domestic partner Foreign partner

I What type of entity is this partner? **PARTNERSHIP**

J Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	1.5562250%	1.5562250%
Loss	2.0080320%	2.0080320%
Capital	2.0080320%	2.0080320%

K Partner's share of liabilities at year end:

Nonrecourse	\$ 211.
Qualified nonrecourse financing	\$
Recourse	\$ 158,875.

L Partner's capital account analysis:

Beginning capital account	\$
Capital contributed during the year	\$ 50,000.
Current year increase (decrease)	\$ -1,652.
Withdrawals & distributions	\$()
Ending capital account	\$ 48,348.

Tax basis GAAP Section 704(b) book

Other (explain)

M Did the partner contribute property with a built-in gain or loss?
 Yes No

If "Yes", attach statement (see instructions)

For IRS Use Only

MIDWAY CADENCE, LLC

CONFIDENTIAL

MIDWAY CADENCE, LLC



SCHEDULE K-1 OTHER DEDUCTIONS, BOX 13, CODE W

DESCRIPTION	PARTNER FILING INSTRUCTIONS	AMOUNT
CONSULTING FEES		502.
TOTAL TO SCHEDULE K-1, BOX 13, CODE W		502.

SCHEDULE K-1 CURRENT YEAR INCREASES (DECREASES)

DESCRIPTION	AMOUNT	TOTALS
RENTAL REAL ESTATE INCOME (LOSS)	-1,115.	
SCHEDULE K-1 INCOME SUBTOTAL		-1,115.
OTHER DEDUCTIONS	-502.	
SCHEDULE K-1 DEDUCTIONS SUBTOTAL		-502.
NET INCOME (LOSS) PER SCHEDULE K-1		-1,617.
PREPAID RENT-CY	-35.	
OTHER INCREASES OR DECREASES SUBTOTAL		-35.
TOTAL TO SCHEDULE K-1, ITEM L		-1,652.



PARTNER NUMBER 1
MIDWAY CADENCE, LLC



CONFIDENTIAL

SDNY_GM_00032029

EFTA_00142642

EFTA01280122

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.

	Report on	Code	Report on
1. Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.		J Work opportunity credit	See the Partner's Instructions
Passive loss	Report on	K Disabled access credit	
Passive income	See the Partner's Instructions	L Empowerment zone and renewal community employment credit	
Nonpassive loss	Schedule E, line 28, column (g)	M Credit for increasing research activities	
Nonpassive income	Schedule E, line 28, column (h)	N Credit for employer social security and Medicare taxes	
	Schedule E, line 28, column (i)	O Backup withholding	
2. Net rental real estate income (loss)	See the Partner's Instructions	P Other credits	
3. Other net rental income (loss)		18. Foreign transactions	
Net income	Schedule E, line 28, column (g)	A Name of country or U.S. possession	Form 1116, Part I
Net loss	See the Partner's Instructions	B Gross income from all sources	
	Schedule E, line 28, column (g)	C Gross income sourced at partner level	
4. Guaranteed payments	Form 1040, line 8a	Foreign gross income sourced at partnership level	Form 1116, Part I
5. Interest income	Schedule E, line 4	D Passive category	
6a. Ordinary dividends	Schedule D, line 5	E General category	
6b. Qualified dividends	Schedule D, line 12	F Other	
7. Royalties	28% Rate Gain Worksheet, line 4 (Schedule D Instructions)	Deductions allocated and apportioned at partner level	Form 1116, Part I
8. Net short-term capital gain (loss)	See the Partner's Instructions	G Interest expense	
9a. Net long-term capital gain (loss)	See the Partner's Instructions	H Other	
9b. Collectibles (28%) gain (loss)		Deductions allocated and apportioned at partnership level to foreign source income	Form 1116, Part I
9c. Unrecaptured section 1250 gain		I Passive category	
10. Net section 1231 gain (loss)		J General category	
11. Other income (loss)		K Other	
Code		Other information	Form 1116, Part II Form 1116, Part II Form 1116, line 12 Form 8873 Form 8873 See the Partner's Instructions
A Other portfolio income (loss)	See the Partner's Instructions	L Total foreign taxes paid	
B Involuntary conversions	See the Partner's Instructions	M Total foreign taxes accrued	
C Sec. 1256 contracts & straddles	Form 6781, line 1	N Reduction in taxes available for credit	
D Mining exploration costs recapture	See Pub. 535	O Foreign trading gross receipts	
E Cancellation of debt	Form 1040, line 21 or Form 982	P Extraterritorial income exclusion	
F Other income (loss)	See the Partner's Instructions	Q Other foreign transactions	
12. Section 179 deduction	See the Partner's Instructions	17. Alternative minimum tax (AMT) items	
13. Other deductions		A Post-1986 depreciation adjustment	See the Partner's Instructions and the instructions for Form 8251
A Cash contributions (50%)	See the Partner's Instructions	B Adjusted gain or loss	
B Cash contributions (30%)		C Depletion (other than oil & gas)	
C Noncash contributions (50%)		D Oil, gas, & geothermal - gross income	
D Noncash contributions (30%)		E Oil, gas, & geothermal - deductions	
E Capital gain property to a 50% organization (30%)		F Other AMT items	
F Capital gain property (20%)		18. Tax-exempt income and nondeductible expenses	
G Contributions (100%)		A Tax-exempt interest income	Form 1040, line 8b
H Investment interest expense		B Other tax-exempt income	See the Partner's Instructions
I Deductions - royalty income		C Nondeductible expenses	See the Partner's Instructions
J Section 59(e)(2) expenditures		19. Distributions	
K Deductions - portfolio (2% floor)	A Cash and marketable securities	See the Partner's Instructions	
L Deductions - portfolio (other)	B Distribution subject to section 737		
M Amounts paid for medical insurance	C Other property		
N Educational assistance benefits	20. Other information		
O Dependent care benefits	A Investment income	Form 4952, line 4a	
P Preproductive period expenses	B Investment expenses	Form 4952, line 5	
Q Commercial revitalization deduction from rental real estate activities	C Fuel tax credit information	Form 4138	
R Pensions and IRAs	D Qualified rehabilitation expenditures (other than rental real estate)	See the Partner's Instructions	
S Reforestation expense deduction	E Basis of energy property	See the Partner's Instructions	
T Domestic production activities information	F Recapture of low-income housing credit (section 42(j)(5))	Form 8811, line 8	
U Qualified production activities income	G Recapture of low-income housing credit (other)	Form 8811, line 8	
V Employer's Form W-2 wages	H Recapture of investment credit	See Form 4255	
W Other deductions	I Recapture of other credits	See the Partner's Instructions	
	J Look-back interest - completed long-term contracts	See Form 8897	
	K Look-back interest - income forecast method	See Form 8886	
	L Dispositions of property with section 179 deductions		
	M Recapture of section 179 deduction		
	N Interest expense for corporate partners		
	O Section 463(j)(3) information		
	P Section 463A(c) information		
	Q Section 1260(p) information		
	R Interest allocable to production expenditures	See the Partner's Instructions	
	S CCF nonqualified withdrawals		
	T Depletion information - oil and gas		
	U Amortization of reforestation costs		
	V Unrelated business taxable income		
	W Precontribution gain (loss)		
	X Section 108(j) information		
	Y Other information		
14. Self-employment earnings (loss)			
Notes. If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.			
A Net earnings (loss) from self-employment	Schedule SE, Section A or B		
B Gross farming or fishing income	See the Partner's Instructions		
C Gross non-farm income	See the Partner's Instructions		
15. Credits			
A Low-income housing credit (section 42(j)(3)) from pre-2008 buildings	See the Partner's Instructions		
B Low-income housing credit (other) from pre-2008 buildings			
C Low-income housing credit (section 42(j)(5)) from post-2007 buildings			
D Low-income housing credit (other) from post-2007 buildings			
E Qualified rehabilitation expenditures (rental real estate)			
F Other rental real estate credits			
G Other rental credits			
H Undistributed capital gains credit		Form 1040, line 71; check box a	
I Alcohol and cellulose alcohol fuels credit		See the Partner's Instructions	

2012

New York State Department of Taxation and Finance
New York Partner's Schedule K-1
Tax Law - Article 22 (Personal Income Tax)

IT-204-IP

1

Final K-1
 Amended K-1

For calendar year 2012 or tax year beginning 11-13-2012 and ending 12-31-2012

Partners: Before completing your income tax return, see Form IT-204-IP-I, Partner's Instructions for Form IT-204-IP (available at www.tax.ny.gov).

Partnership's information (see instructions)

Partnership's name (as shown on Form IT-204)

Partnership's EIN

MIDWAY CADENCE, LLC

A Mark an X in the box if either applies to your entity Publicly traded partnership Portfolio investment partnership

B Tax shelter registration number, if any B

C Business allocation percentage C %

Partner's information (see instructions)

Partner's name

Partner's identifying number

BLUE CHIP CAPITAL, LLC

Partner's address

27 HIGH TECH BLVD.

City

State

ZIP code

THOMASVILLE

NC

27360

D The partner is a (mark an X in the appropriate box) General partner or LLC member-manager Limited partner or other LLC member

E What is the tax filing status of the partner? (mark an X in the appropriate box, if known.) Individual Estate/trust Partnership

F If the partner is a disregarded entity or grantor trust,

enter the tax ID of the entity or individual reporting the income, if known F

G Did the partner sell its entire interest during the tax year? G Yes No

H Partner's share of profit, loss, and capital

Beginning

Ending

1) Profit	H1	1.5562	%	1.5562	%
2) Loss	H2	2.0080	%	2.0080	%
3) Capital	H3	2.0080	%	2.0080	%

I Partner's share of liabilities at the end of the year

1) Nonrecourse	I1	211.
2) Qualified nonrecourse financing	I2	
3) Recourse	I3	158,875.

J Partner's capital account analysis

1) Beginning capital account	J1	
2) Capital contributed during the year - cash	J2	50,000.
3) Capital contributed during the year - property	J3	
4) Current year increase (decrease)	J4	-1,652.
5) Withdrawals and distributions - cash	J5	
6) Withdrawals and distributions - property	J6	
7) Ending capital account	J7	48,348.

8) Method of accounting (mark an X in the appropriate box)

Tax basis GAAP Book Other (submit explanation)

K Resident status (mark an X in all boxes that apply)

<input type="checkbox"/> NYS full-year resident	<input type="checkbox"/> Yonkers full-year resident	<input type="checkbox"/> NYC full-year resident
<input type="checkbox"/> NYS part-year resident	<input type="checkbox"/> Yonkers part-year resident	<input type="checkbox"/> NYC part-year resident
<input checked="" type="checkbox"/> NYS nonresident	<input type="checkbox"/> Yonkers nonresident	

L If the partner was included in a group return, enter the special NYS identification number, if known L



288851
11-19-12

CONFIDENTIAL

SDNY_GM_00032031

EFTA_00142644

EFTA01280124

M 1) Was Form IT-2658-E filed with the partnership? M1 Yes No
 2) Was Form MTA-405-E filed with the partnership? M2 Yes No

N NYS estimated tax paid on behalf of partner (from Form IT-2658) Date Amount

1) First installment N1
 2) Second installment N2
 3) Third installment N3
 4) Fourth installment N4

Total NYS estimated tax paid on behalf of partner (add lines N1 through N4) N

O Estimated MCTMT paid on behalf of partner (from Form MTA-405) Date Amount

1) First installment O1
 2) Second installment O2
 3) Third installment O3
 4) Fourth installment O4

Total estimated MCTMT paid on behalf of partner (add lines O1 through O4) O

Partner's share of income, deductions, etc.

A - Partner's distributive share items	B - Federal K-1 amount	C - New York State amount
1 Ordinary business income (loss)	1	1
2 Net rental real estate income (loss)	2	2
3 Other net rental income (loss)	-1,115.	3
4 Guaranteed payments		4
5 Interest income		5
6 Ordinary dividends		6
7 Royalties		7
8 Net short-term capital gain (loss)		8
9 Net long-term capital gain (loss)		9
10 Net section 1231 gain (loss)		10
11 Other income (loss) Identify:		11
12 Section 179 deduction		12
13 Other deductions Identify: SEE STATEMENT	502.	13
14 Tax preference items for minimum tax	151.	14
Identify:		
15 Net earnings (loss) from self-employment		15
16 Tax-exempt income and nondeductible expenses		16
17 Distributions - cash and marketable securities		17
18 Distributions - other property		18
19 Other items not included above that are required to be reported separately to partners		19
Identify:		

Partner's share of New York modifications (see instructions)

20 New York State additions	A - Total amount	B - New York State allocated amount
20a EA-		
20b EA-		
20c EA-		
20d EA-		
20e EA-		
20f EA-		
21 Total addition modifications (total of column A, lines 20a through 20f)		21

288822
11-19-12

CONFIDENTIAL

Partner's share of New York modifications *(continued)*

22	New York State subtractions		
	Number	A - Total amount	B - New York State allocated amount
22a	ES-		
22b	ES-		
22c	ES-		
22d	ES-		
22e	ES-		
22f	ES-		
23	Total subtraction modifications <i>(total of column A, lines 22a through 22f)</i>		23
24	Additions to federal itemized deductions		
	Letter	Amount	
24a			
24b			
24c			
24d			
24e			
24f			
25	Total additions to federal itemized deductions <i>(add lines 24a through 24f)</i>		25
26	Subtractions from federal itemized deductions		
	Letter	Amount	
26a			
26b			
26c			
26d			
26e			
26f			
27	Total subtractions from federal itemized deductions <i>(add lines 26a through 26f)</i>		27
28	New York adjustments to tax preference items		28

Partner's other information

29a	Partner's share of New York source gross income	29a	
29b	MCTD allocation percentage <i>(see instructions)</i>	29b	%

Partner's credit information

Part 1 - Flow-through credit bases and factors

Brownfield redevelopment tax credit *(Form IT-611 or IT-611.1)*

		A - Form IT-611	B - Form IT-611.1
30	Site preparation credit component	30	30
31	Tangible property credit component	31	31
32	On-site groundwater remediation credit component	32	32



28861
11-19-12

CONFIDENTIAL

Partner's credit information *(continued)*

EZ capital tax credit *(Form IT-602)*

33 Contributions of money to EZ community development projects 33
 34 Recapture of credit for investments in certified EZ businesses 34
 35 Recapture of credit for contributions of money to EZ community development projects 35

QEZE tax reduction credit *(Form IT-604)*

36 QEZE employment increase factor 36
 37 QEZE zone allocation factor 37
 38 QEZE benefit period factor 38

Excelsior jobs program tax credit *(Form IT-607)*

39 Excelsior jobs tax credit component 39
 40 Excelsior investment tax credit component 40
 41 Excelsior research and development tax credit component 41
 42 Excelsior real property tax credit component 42

Farmers' school tax credit *(Form IT-217)*

43 Acres of qualified agricultural property 43
 44 Acres of qualified conservation property 44
 45 Eligible school district property taxes paid 45
 46 Acres of qualified agricultural property converted to nonqualified use 46

Other flow-through credit bases and factors

Credit bases

Code	Amount	Code	Amount
47a		47d	
47b		47e	
47c		47f	

Credit factors

Code	Factor	Code	Factor	Code	Factor
47g		47i		47k	
47h		47j		47l	

Part 2 - Flow-through credits, addbacks and recaptures

48 Long-term care insurance credit *(Form IT-249)* 48
 49 Investment credit *(including employment incentive credit and historic barn rehabilitation credit; Form IT-212)* 49
 50 Research and development - investment credit *(Form IT-212)* 50
 51 Other flow-through credits

Code	Amount	Code	Amount
51a		51e	
51b		51f	
51c		51g	
51d		51h	

52 Addbacks of credits and recaptures

Code	Amount	Code	Amount
52a		52d	
52b		52e	
52c		52f	

MIDWAY CADENCE, LLC



NY IT-204-IP

OTHER DEDUCTIONS

DESCRIPTION	AMOUNT FROM FEDERAL SCHEDULE K-1	NEW YORK STATE AMOUNT
CONSULTING FEES	502.	0.
TOTAL TO FORM IT-204-IP, PAGE 2, LINE 13	502.	0.

PARTNER NUMBER 1

CONFIDENTIAL

SDNY_GM_00032035

EFTA_00142648

EFTA01280128

NC K-1 (39)
(D-403)
10-11-12

**2012 Partner's Share of
N.C. Income, Adjustments, and Credits**
North Carolina Department of Revenue

For calendar year or fiscal year beginning 11 13 12 and ending 12 31 12

Partner's Identifying Number

Federal Employer ID Number

Partner's Name, Address, and ZIP Code

Partnership's Name, Address, and ZIP Code

BLUE CHIP CAPITAL LLC
27 HIGH TECH BLVD
THOMASVILLE NC 27360

MIDWAY CADENCE LLC
270 LAFAYETTE STREET SUITE 409
NEW YORK NY 10012

THERE ARE NO ADJUSTMENTS OR CREDITS FOR THIS PARTNER

Partnership's Pro Rata Share Items	Amount	Individuals Filing Form D-400 Enter Amount on:
All Partners		
1. Share of partnership income (loss)	-1115	
2. Additions to income (loss)		
a. Addition for bonus depreciation	0	Page 2, Line 35
b. Other additions to income (loss)	0	Page 2, Line 36
3. Deductions from income (loss)		
a. Deduction for bonus depreciation	0	Page 2, Line 44e
b. Other deductions from income (loss)	0	Page 2, Line 49
4. Share of tax credits	0	Form D-400TC
5. Share of tax withheld from nonwage compensation paid for personal services performed in N.C.	0	Page 2, Line 23
Nonresidents Only		
6. Nonresident's share of N.C. taxable income (loss)	0	Page 2, Line 51
7. Nonresident's share of net tax paid by the manager of the partnership	0	Page 2, Line 24c