DESTINY MEDIA TECHNOLOGIES INC
Form PRE 14A
August 06, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the Registrant [**X**]
Filed by a Party other than the Registrant [ ]
Check the appropriate box:

[X] Preliminary Proxy Statement
[ ] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
[ ] Definitive Proxy Statement
[ ] Definitive Additional Materials
[ ] Soliciting Material Pursuant to Section 240.14a -12

DESTINY MEDIA TECHNOLOGIES INC.

(Name of Registrant as Specified in its Charter)

_____

(Name of Person(s) Filing Proxy Statement, if other than Registrant)

Payment of Filing Fee (Check the appropriate box):

[**X**] No fee required

[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

[ ] Fee paid previously with preliminary materials.

[ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:
2) Form, Schedule or Registration Statement No.:
3) Filing Party:
4) Date Filed:

TABLE OF CONTENTS

NOTICE OF 2014 SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON
SEPTEMBER 25, 2014

To Our Stockholders:

Notice is hereby given that the 2014 Special Meeting (the Meeting) of the stockholders of Destiny Media Technologies Inc., a Colorado corporation (the Company), will be held Suite 750, 650 West Georgia Street, Vancouver, British Columbia on September 25, 2014, commencing at 10:00 a.m. (Pacific Time), for the following purposes (the Corporate Actions):

1. to approve the Plan of Conversion, a copy of which is attached as Schedule A to this Proxy Statement whereby our corporate jurisdiction will be changed from the State of Colorado to the State of Nevada by means of a process called a Conversion ; and

2. to transact such other business as may properly come before the Special Meeting or any adjournment thereof.

These proposed Corporate Actions are described more fully in the Proxy Statement accompanying this Notice. The accompanying Proxy Statement provides additional information in relation to the Special Meeting and is supplemental to, and expressly made part of the Notice of Special Meeting. Our Board of Directors approved the Plan of Conversion to change our corporate jurisdiction from Colorado to Nevada. Therefore, our Board of Directors recommends that you vote FOR the conversion of Destiny Media Technologies Inc. from Colorado to Nevada.

Only stockholders of record at the close of business on July 28, 2014 are entitled to notice of, and to vote at, the Special Meeting.

Stockholders unable to attend the Special Meeting in person are requested to read the enclosed proxy statement and proxy and then complete and deposit the proxy in accordance with its instructions. Unregistered stockholders must deliver their completed proxies in accordance with the instructions given by their financial institution or other intermediary that forwarded the proxy to them.

Under Colorado law, stockholders of record who do not vote in favor of the Plan of Conversion may exercise their dissent rights to obtain fair value of their shares of stock if the Conversion is completed. You must strictly follow the procedures of Colorado law including, among other things, submitting a written demand before the vote is taken on the adoption of the Plan of Conversion and you must not vote in favor of the Plan of Conversion.

BY ORDER OF THE BOARD OF DIRECTORS OF
DESTINY MEDIA TECHNOLOGIES INC.

/s/ Steve Vestergaard

_____

Steve Vestergaard,
Chief Executive Officer, President and Director
Vancouver, British Columbia
August 5, 2014

IMPORTANT

Whether or not you expect to attend in person, we urge you to sign, date, and return the enclosed proxy at your earliest convenience. This will help to ensure the presence of a quorum at the Special Meeting. PROMPTLY SIGNING, DATING, AND RETURNING THE PROXY WILL SAVE DESTINY MEDIA TECHNOLOGIES INC. THE EXPENSE AND EXTRA WORK OF ADDITIONAL SOLICITATION. Sending in your proxy will

not prevent you from voting your stock at the Special Meeting if you desire to do so, as your proxy is revocable at your option.

As used in this Proxy Statement, unless the context otherwise requires, we, us, our, the Company, Destiny and Destiny CO refers to Destiny Media Technologies Inc. The term Destiny NV means Destiny Media Technologies Inc., a Nevada corporation, whose shares you are expected to own after we change our corporate jurisdiction from the State of Colorado to the State of Nevada. You should read the entire Proxy Statement before making a decision

DESTINY MEDIA TECHNOLOGIES INC.
Suite 750, 650 West Georgia Street
Vancouver, British Columbia, Canada V6B 4N7
Tel: (604) 609-7736

PROXY STATEMENT
FOR THE 2014 SPECIAL MEETING OF THE STOCKHOLDERS
TO BE HELD ON SEPTEMBER 25, 2014

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of Destiny Media Technologies Inc. (we , us , our and the Company) for use at the 2014 Special Meeting of our Stockholders (Meeting) to be held on September 25, 2014 at 10:00 a.m. (Pacific Time) at Suite 750, 650 West Georgia Street, Vancouver, British Columbia and at any adjournment thereof, for the purposes set forth in the preceding Notice of Special Meeting.

This Proxy Statement, the Notice of Special Meeting and the enclosed Form of Proxy are expected to be mailed to our stockholders on or about August 13, 2014.

We do not expect that any matters other than those referred to in this Proxy Statement and the Notice of Special Meeting will be brought before the Special Meeting. However, if other matters are properly presented before the Special Meeting, the persons named as proxy appointees will vote upon such matters in accordance with their best judgment. The grant of a proxy also will confer discretionary authority on the persons named as proxy appointees to vote in accordance with their best judgment on matters incidental to the conduct of the Special Meeting.

Important Notice Regarding the Availability of Proxy Materials for the Special Meeting to be held on September 25, 2014. This Proxy Statement to the stockholders is available at our principal office.

QUESTIONS AND ANSWERS ABOUT THE PROXY MATERIALS AND THE SPECIAL MEETING

Why am I receiving this Proxy Statement and proxy card?

You are receiving this Proxy Statement and proxy card because you are a stockholder of record as at the close of business on July 28, 2014 (the Record Date), and are entitled to vote at this Meeting. This Proxy Statement describes issues on which we would like you, as a stockholder, to vote. It provides information on these issues so that you can make an informed decision. You do not need to attend the Special Meeting to vote your shares.

When you sign the proxy card you appoint Steve Vestergaard, our Chief Executive Officer, President and a Director, and Fred Vandenberg, our Chief Financial Officer, Corporate Secretary and Treasurer, as your representatives at the Special Meeting. As your representatives, they will vote your shares at the Special Meeting (or any adjournments or postponements) as you have instructed them on your proxy card. With proxy voting, your shares will be voted whether or not you attend the Special Meeting. Even if you plan to attend the Special Meeting, it is a good idea to complete, sign and return your proxy card in advance of the Special Meeting, just in case your plans change.

If an issue comes up for vote at the Special Meeting (or any adjournments or postponements) that is not described in this Proxy Statement, your representatives will vote your shares, under your proxy, at their discretion, subject to any limitations imposed by law.

Who is soliciting my vote?

Our Board of Directors is soliciting your proxy to vote at the Special Meeting.

Who pays for this proxy solicitation?

We will bear the entire cost of solicitation of proxies, including preparation, assembly and mailing of this proxy statement, the proxy and any additional information furnished to stockholders. Copies of solicitation materials will be furnished to banks, brokerage houses, depositories, fiduciaries and custodians holding shares in their names that are beneficially owned by others to forward to these beneficial owners. We may reimburse persons representing beneficial owners for their costs of forwarding the solicitation material to the beneficial owners of the shares at our discretion. Original solicitation of proxies by mail may be supplemented by telephone, facsimile, electronic mail or personal solicitation by our directors, officers or other regular employees. No additional compensation will be paid to directors, officers or other regular employees for such services.

Who is entitled to attend and vote at the Special Meeting?

Only our stockholders of record at the close of business on July 28, 2014 (the Record Date), will be entitled to vote at the Special Meeting. Stockholders entitled to vote may do so by voting those shares at the Special Meeting or by proxy.

What matters am I voting on?

You are being asked to vote upon a proposal to approve and adopt a Plan of Conversion, a copy of which is attached as Schedule A to this Proxy Statement, whereby our corporate jurisdiction will be changed from the State of Colorado to the State of Nevada by a process called a Conversion .

We will also consider any other business that properly comes before the Special Meeting.

How do I vote?

You have several voting options. You may vote:

- by signing your proxy card and mailing it to our transfer agent at the address on the proxy card;
- by signing and e-mailing your proxy card to our transfer agent for proxy voting at the e-mail address provided on the proxy card;
- through the internet by following the instructions set out in the proxy card; and
- b attending the Special Meeting and voting in person.

If your shares are held in an account with a brokerage firm, bank, dealer, or other similar organization, then you are the beneficial owner of shares held in a street name and these proxy materials are being forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the Special Meeting. As a beneficial owner, you have the right to direct your broker, bank or other nominee on how to vote the shares in your account. You are also invited to attend the Special Meeting. However, since you are not the stockholder of record, you may not vote your shares in person at the Special Meeting unless you request and obtain a valid proxy card from your broker, bank, or other nominee.

What if I share an address with another person and we received only one copy of the proxy materials?

We will only deliver one Proxy Statement to multiple stockholders sharing an address unless we have received contrary instructions from one or more of the stockholders. We will promptly deliver a separate copy of this Proxy Statement to a stockholder at a shared address to which a single copy of the document was delivered upon oral or

written request to:

Destiny Media Technologies Inc.
Attention: Fred Vandenberg, Corporate Secretary
Suite 750, 650 West Georgia Street

Vancouver, British Columbia, Canada V6B 4N7

Stockholders may also address future requests for separate delivery of Proxy Statements and/or annual reports by contacting us at the address listed above.

What if I change my mind after I return my proxy?

You may revoke your proxy and change your vote at any time before the polls close at the Special Meeting. You may do this by:

(a) executing and delivering a written notice of revocation of proxy to our office at any time before the taking of the vote at the Special Meeting;

(b) executing and delivering a later-dated proxy relating to the same shares to our office at any time before taking of the vote at the Special Meeting; or

(c) attending the Special Meeting in person and:

(i) giving affirmative notice at the Special Meeting of your intent to revoke their proxy; and
(ii) voting in person.

Any written revocation of proxy or subsequent later-dated proxy should be delivered to our office as follows: Destiny Media Technologies Inc., Attention: Fred Vandenberg, Corporate Secretary, Suite 750, 650 West Georgia Street, Vancouver, British Columbia, Canada V6B 4N7. Attendance at the Special Meeting will not, by itself, revoke a stockholder s proxy without the giving of notice of intent to revoke that proxy.

What constitutes a quorum?

In order to hold a valid meeting of our stockholders, a quorum is equal to one-third of the shares of the Common Stock outstanding and must be represented at the Special Meeting. These shares may be represented in person or represented by proxy.

Stockholders who abstain from voting on any or all proposals, but who are present at the Special Meeting or represented at the Special Meeting by a properly executed proxy will have their shares counted as present for the purpose of determining the presence of a quorum. Broker non-votes will also be counted as present at the Special Meeting for the purpose of determining the presence of a quorum. However, abstentions and broker non-votes will not be counted either in favor or against any of the proposals brought before the Special Meeting. A broker non-vote occurs when shares held by a broker for the account of a beneficial owner are not voted for or against a particular proposal because the broker has not received voting instructions from that beneficial owner and the broker does not have discretionary authority to vote those shares.

In the event that a quorum is not present at the Special Meeting, or in the event that a quorum is present but sufficient votes to approve the proposal are not received, the persons named as proxies on the enclosed proxy card may propose one or more adjournments of the Special Meeting to permit further solicitation of proxies. The persons named as proxies will vote upon such adjournment after consideration of all circumstances that may bear upon a decision to adjourn the Special Meeting. Any business that might have been transacted at the Special Meeting originally called may be transacted at any such adjourned session(s) at which a quorum is present. We will pay the costs of preparing and distributing to stockholders additional proxy materials, if required in connection with any adjournment. Any adjournment will require the affirmative vote of a majority of those securities represented at the Special Meeting in person or by proxy.

How are abstentions and broker non-votes treated?

Stockholders may vote for or against the proposals or they may abstain from voting. Abstentions and broker non-votes will be counted for purposes of determining the presence of a quorum at the Special Meeting. As abstentions and broker non-votes are not counted in favor of the proposals, they will have the effect of being a vote against the proposal.

What vote is required to approve the Plan of Conversion?

In order for the Plan of Conversion to be approved, a majority of the issued and outstanding shares of our common stock must vote in favor of the Plan of Conversion. As of the Record Date, there were 52,993,874 shares of common stock outstanding and entitled to vote. Accordingly, stockholders holding a total of 26,496,937 shares of common stock must vote in favor of the Plan of Conversion.

Will my shares be voted if I do not sign and return my proxy card?

If your shares are held through a brokerage account, your brokerage firm, under certain circumstances, may vote your shares.

If your shares are registered in your name, and you do not sign and return your proxy card, your shares will not be voted at the Special Meeting.

Will I be entitled to dissenters rights under Colorado law?

Under Colorado Revised Statutes, our stockholders are entitled to dissenters rights in connection with proposals. See the section titled Dissenters Rights .

When are the stockholder proposals due for the 2015 Annual Meeting?

The deadline for submitting a stockholder proposal for inclusion in our proxy statement and form of proxy for our 2015 annual meeting of stockholders pursuant to Rule 14a-8 of the Securities Exchange Act of 1934, as amended, (the Exchange Act) is September 22, 2014; provided, however, that in the event we hold our 2015 annual meeting more than 30 days before or after the one year anniversary date of the 2014 Annual Meeting, we will disclose the new deadline by which proxies must be received under Item 5 of our earliest possible Quarterly Report on Form 10-Q or, if impracticable, by any means reasonably calculated to inform stockholders. In addition, stockholder proposals must otherwise comply with the requirements of Rule 14a-8 of the Exchange Act.

Any stockholders who wish to submit a proposal are encouraged to seek independent counsel about SEC requirements. We will not consider any proposals that do not meet the SEC requirements for submitting a proposal. Notices of intention to present proposals for our next annual meeting should be delivered to Destiny Media Technologies Inc., Suite 750, 650 West Georgia Street, Vancouver, British Columbia, Canada V6B 4N7, Attention: Fred Vandenberg, Corporate Secretary.

PROPOSAL NUMBER ONE APPROVAL TO CHANGE OUR STATE OF INCORPORATION FROM STATE OF COLORADO TO STATE OF NEVADA

Proposal The Conversion

We are proposing to change our jurisdiction of incorporation from Colorado to Nevada through a process known as a conversion under Colorado and Nevada corporate law (the "Conversion").

If the stockholders approve the Conversion at the Special Meeting, we intend to file a Statement of Conversion with the Secretary of State of Colorado and Articles of Conversion with the Secretary of State of Nevada. Upon filing the Articles of Conversion with the Secretary of State of Nevada, we will be converted into a Nevada corporation and will be governed by the laws of the State of Nevada. The assets and liabilities of the Nevada corporation immediately after the Conversion will be identical to the assets and liabilities of the Colorado corporation immediately prior to the Conversion. The officers and directors of our company immediately before the Conversion becomes effective will be the officers and directors of the Nevada corporation. The change of our corporate jurisdiction will not result in any material change to our business and will not have any effect on the relative equity or voting interests of our stockholders. Each previously outstanding share of our common stock will become one common share of the Nevada corporation.

The Plan of Conversion is also subject to approval by the holders of a majority of the outstanding shares of our common stock and by the TSX Venture Exchange.

Our directors and executive officers, who currently hold an aggregate of 13,570,144 shares of our common stock, approximately 25.6% of our outstanding common stock, have approved the Conversion and indicated that they intend to vote their shares for the approval of the Conversion and adopt the Plan of Conversion.

Our Board of Directors recommends that you vote FOR the approval of the Plan of Conversion.

The Conversion is set out in detail under the section titled Conversion to Nevada .

Regulatory Approvals

In order for our company to carry out the Conversion, it will be necessary for us to comply with the provisions of the corporate law of the Colorado Revised Statutes (CRS) and the Nevada Revised Statutes (NRS). Under the CRS, a Colorado corporation is required to obtain approval from the holders of a majority of its issued and outstanding shares in order to carry out a conversion.

If our stockholders adopt the Plan of Conversion, then we intend to file articles of conversion with the Secretary of State of Colorado and with the Secretary of State of Nevada. Upon the filing of the articles of conversion with the Secretary of State of Nevada, we will be continued as a Nevada corporation.

The Conversion is subject to the approval of the TSX Venture Exchange.

Comparative Rights of Stockholders

You will continue to hold the same shares you now hold following the Conversion from Colorado to Nevada. However, the rights of stockholders under the CRS differ in certain ways from the rights of shareholders under NRS. See the section titled Material Differences of the Rights of our Stockholders After the Change of our Corporate Jurisdiction .

Dissenters Rights

Holders of shares of our common stock who do not vote in favor of the Conversion or consent thereto in writing and who properly demand payment for their shares may be entitled to dissenters' rights in connection with the Conversion under Sections 7-113-101 though 7-113-302 of the CRS. We will require strict compliance with the statutory procedures. A copy of the relevant provisions of the CRS is attached as Schedule B to this Proxy Statement. A more comprehensive discussion of dissenters rights is set out in the section titled Dissenters Rights .

Listing on the TSX Venture Exchange and Quotation on the OTCQX

Our stock is listed for trading under the symbol DSNY on the OTCQX in the United States, under the symbol DSY on the TSX Venture Exchange and under the symbol DME on the Berlin, Frankfurt, Xetra and Stuttgart exchanges in Germany. Immediately following the Conversion, our common stock of will continue to be quoted on the OTCQX and listed on the TSX Venture Exchange and Berlin, Frankfurt, Xetra and Stuttgart exchanges under the same symbols.

CONVERSION TO NEVADA

Overview of the Conversion

On July 28, 2014, our Board of Directors determined that it would be in the best interest of our company to change our corporate jurisdiction from the State of Colorado to the State of Nevada. A copy of the Plan of Conversion is attached as Schedule A.

If our stockholders approve the Conversion, we intend to file a statement of conversion with the Secretary of State of Colorado and articles of conversion with the Secretary of State of Nevada. Upon filing the articles of conversion with the Secretary of State of Nevada, we will be converted into a Nevada corporation and will be governed by the laws of the State of Nevada. The assets and liabilities of the Nevada corporation immediately after the Conversion will be identical to the assets and liabilities of the Colorado corporation immediately prior to the Conversion. Our officers and directors immediately before the Conversion becomes effective will be the officers and directors of the Nevada corporation. The change of our corporate jurisdiction will not result in any material change to our business and will not have any effect on the relative equity or voting interests of our stockholders. Each previously outstanding share of our common stock will become one common share of the Nevada corporation.

The Conversion and the Plan of Conversion are subject to approval by the holders of a majority of the outstanding shares of our common stock and the TSX Venture Exchange.

The change of our corporate jurisdiction will result in changes in the rights and obligations of our current stockholders under applicable corporate laws. A detailed discussion of these differences is set forth under the section titled Material Differences of the Rights of our Stockholders after the Change of our Corporate Jurisdiction below.

Principal Terms of the Conversion

The Plan of Conversion provides that, at the effective time of the Conversion, Destiny CO will be converted into Destiny NV. At the effective time of the Conversion, the Articles of Conversion and Bylaws of Destiny NV, in the forms attached as Appendix A and Appendix B , respectively, to the Plan of Conversion will replace the articles of incorporation and bylaws of Destiny CO.

Effective Time of the Conversion

The Plan of Conversion provides that, as promptly as practicable after the approval of the Plan of Conversion by our stockholders, we will file the statement of conversion with the Secretary of State of Colorado and the articles of conversion with the Secretary of State of Nevada. The Plan of Conversion provides that the effective date and time of the Conversion will be the date and time on and at which the Conversion becomes effective under the laws of Colorado or the date and time on and at which the Conversion becomes effective under the laws of Nevada, whichever occurs later.

Conditions to Effectuating the Conversion

The Plan of Conversion is subject to: (i) approval by our stockholders, (ii) approval by the TSX Venture Exchange, and (iii) stockholders holding no more than an aggregate of five percent (5%) of our shares of common stock exercising their dissenters rights.

Manner and Basis of Converting Shares of Common Stock

At the effective time of the Conversion, each share of our common stock, with a par value of $0.001 per share, issued and outstanding immediately before the effective time of the Conversion will, by virtue of the Conversion and without any action on the part of the holder thereof, be converted into and become one validly issued, fully paid and non-assessable share of common stock, with a par value of $0.001 per share, of Destiny NV.

Manner and Basis of Converting Warrants, Options and Other Rights

At the effective time of the Conversion, each option, warrant, option or other right to acquire shares of our common stock that is or was outstanding immediately before the effective time of the Conversion will, by virtue of the Conversion and without any action on the part of the holder thereof, be converted into and become a warrant, option or right, respectively, to acquire, upon the same terms and conditions, the number of shares of common stock of Destiny NV that such holder would have received had such holder exercised such warrant, option or right, respectively, in full immediately before the effective time of the Conversion (whether or not such warrant, option or right was then exercisable) and the exercise price per share under each such warrant, option or right, respectively will be equal to the exercise price per share thereof immediately before the effective time of the Conversion, unless otherwise provided in the instrument or agreement granting such warrant, option or right, respectively.

Effect of the Conversion

At the effective time of the Conversion, Destiny CO will cease to exist as a Colorado corporation, and the title to all real estate vested by deed or otherwise under the laws of any jurisdiction, and the title to all other property, real and personal, owned by Destiny CO, and all debts due to Destiny CO on whatever account, as well as all other things in action or belonging to Destiny CO immediately before the Conversion, will be vested in Destiny NV, without reservation or impairment. Destiny NV will have all of the debts, liabilities and duties of Destiny CO, and all rights of creditors accruing and all liens placed upon any property of Destiny CO up to the effective time of the Conversion will be preserved unimpaired, and all debts, liabilities and duties of Destiny CO immediately before the Conversion will attach to Destiny NV and may be enforced against it to the same extent as if it had incurred or contracted such debts, liabilities and duties. Any proceeding pending against Destiny CO may be continued as if the Conversion had not occurred or Destiny NV may be substituted in the proceeding in place of Destiny CO.

Amendment

Our Board of Directors may amend the Plan of Conversion at any time before the effective time of Conversion, provided, however, that an amendment made subsequent to the approval of the Conversion by our stockholders must not (a) alter or change the manner or basis of exchanging a stockholder s shares of Destiny CO for a stockholder s shares, rights to purchase a stockholder s shares, or other securities of Destiny NV, or for cash or other property in whole or in part or (b) alter or change any of the terms and conditions of the Plan of Conversion in a manner that adversely affects our stockholders.

Termination

At any time before the effective time of the Conversion, the Plan of Conversion may be terminated and the Conversion may be abandoned by our Board of Directors of Destiny CO, notwithstanding approval of the Plan of Conversion by our stockholders. We anticipate that the Plan of Conversion will be terminated if the proposed Conversion is not approved by our stockholders at the Special Meeting.

Reasons for the Conversion

Our Board of Directors believes that the change of corporate jurisdiction will give us a greater measure of flexibility and simplicity in corporate governance than is available under Colorado law and will increase the marketability of our securities.

The State of Nevada is recognized for adopting comprehensive modern and flexible corporate laws which are periodically revised to respond to the changing legal and business needs of corporations. We believe that Nevada corporate law is more flexible than Colorado corporate law. We also believe that Nevada corporate law has a more substantive body of corporate law. For these reasons, our Board of Directors believes that our business and affairs can be conducted to better advantage if we are able to operate under Nevada law.

The Conversion from a Colorado corporation to a Nevada corporation may also make it easier to attract future candidates willing to serve on our Board of Directors, because many such candidates are already familiar with Nevada corporate law, including provisions relating to director indemnification, from their past business experience.

In addition, in the opinion of the Board of Directors and us and members of the financial services industry may be more willing and better able to assist in capital-raising programs for corporations having the greater flexibility afforded by the NRS.

Corporate Law Requirements

In order for us to carry out the Conversion, it will be necessary for us to comply with the provisions of the CRS and the NRS.

The CRS allows a corporation that is incorporated under Colorado corporate law to convert into a foreign entity pursuant to a Conversion approved by the stockholders of the Colorado corporation. Pursuant to the CRS, our Board of Directors has adopted the Plan of Conversion attached as Schedule A to this Proxy Statement.

If holders of a majority of the voting power of our stockholders vote to approve the Plan of Conversion, we intend to file a statement of conversion with the Colorado Secretary of State. After we file the statement of conversion and pay to the Colorado Secretary of State all prescribed fees, and we comply with all other requirements, the Conversion will become effective in accordance with the Colorado corporate law.

As we are proposing to convert into a Nevada corporation, we must also comply with the applicable provisions of the NRS in order to successfully complete the Conversion.

A foreign entity is permitted to convert into a Nevada corporation by filing with the Nevada Secretary of State the articles of conversion. We expect that our Conversion into Nevada will be effective on the date and time that the articles of conversion, the form of which is attached hereto as Appendix A of the Plan of Conversion, is filed with the Nevada Secretary of State, assuming we provide the Nevada Secretary of State with any records and information it may require.

If the Conversion is approved by our stockholders, we expect to file the statement of conversion and articles of conversion promptly.

Description of Our Securities after the Conversion

Upon completion of the Conversion, we will be authorized to issue 100,000,000 shares of common stock, par value $0.001.

The holders of our common stock will be entitled to receive notice of and to attend and vote at all meetings of the shareholders of Destiny NV. and each share of common stock shall confer the right to one vote in person or by proxy at all meetings of the stockholders of Destiny NV. The holders of our common stock, subject to the prior rights, if any, of any other class of shares of Destiny NV, are entitled to receive such dividends in any financial year as our Board of Directors may by resolution determine. In the event of the liquidation, dissolution or winding-up of Destiny NV, whether voluntary or involuntary, the holders of our common stock are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of Destiny NV, the remaining property and assets of Destiny NV. Our common stock does not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Recommendation of the Board of Directors

Our Board of Directors recommends that you vote FOR the approval of the Plan of Conversion.

MATERIAL DIFFERENCES OF THE RIGHTS OF OUR STOCKHOLDERS AFTER THE CHANGE OF OUR CORPORATE JURISDICTION

After the Conversion, the stockholders of the former Colorado corporation will become the holders of shares of common stock in the capital of a Nevada corporation. Differences between the Colorado Revised Statutes (the CRS) and the Nevada Revised Statutes (the NRS) will result in various changes in the rights of our stockholders. The following is a summary description of the more significant differences. The summary provided below does not purport to be a complete description of the differences between Colorado and Nevada corporate law and is qualified in its entirety by reference to the CRS and the NRS. Persons seeking to exercise their rights under the Colorado or Nevada corporate law are advised to consult with their own legal counsel.

Subject Matter	Colorado	Nevada
Voting Rights With Respect To Extraordinary Corporate Transactions	Unless the corporation s articles of incorporation or bylaws require a greater vote, mergers and conversions generally require the approval of a majority of the outstanding voting shares of the corporation. However, approval by the stockholders of the surviving corporation to a merger is not required if: (i) the merger does not amend or alter, in any way the articles of incorporation of the surviving corporation; (ii) each share outstanding immediately prior to the merger remains outstanding after the merger, and, is otherwise identical in every way; (iii) the number of voting shares that are issued or are issuable as a result of the merger is less than or equal to 20% of the total number of voting shares of the surviving corporation outstanding immediately prior to the merger; (iv) the number of shares entitled to participate on distributions of the corporation that are issued or are issuable as a result of the merger is less than or equal to the 20% of the number of participating shares of the surviving corporation outstanding immediately prior to the merger. Unless the corporation s articles of incorporation or bylaws require a greater vote, share exchanges generally require the approval of a majority of all of the outstanding voting shares of the corporation and a majority of the outstanding shares of each class to be included in the share exchange. Unless the corporation s articles of incorporation or bylaws require a greater vote, sales, leases or exchanges of all or substantially all of the corporation s assets requires the approval of a majority of the outstanding shares	Unless the corporation s articles of incorporation provide for a greater percentage, mergers and conversions generally require the approval of holders of a majority of the outstanding shares of the corporation entitled to vote. However, approval by the stockholders of the surviving corporation to a merger is not required if: (i) the merger does not amend or alter, in any way the articles of incorporation of the surviving corporation; (ii) each share outstanding immediately prior to the merger remains outstanding after the merger, and, is otherwise identical in every way; (iii) the number of voting shares that are issued or are issuable as a result of the merger is less than or equal to 20% of the total number of voting shares of the surviving corporation outstanding immediately prior to the merger; (iv) the number of shares entitled to participate on distributions of the corporation that are issued or are issuable as a result of the merger is less than or equal to the 20% of the number of participating shares of the surviving corporation outstanding immediately prior to the merger. Unless the corporation s articles of incorporation provide for a greater percentage, share exchanges generally require the approval of a majority of the outstanding each class or series of shares to be exchanged. Unless otherwise provided in the corporation s articles of incorporation, sales, leases or exchanges of all of the property and assets of a corporation generally require approval of holders of a majority of the outstanding shares entitled to vote. Stockholder approval is not required to

	entitled to vote. A corporation may sell all of its property in the usual and ordinary course of its business, encumber all of its property, and transfer all of its property to a wholly owned subsidiary without the approval of its stockholders.	encumber its property or assets.

Subject Matter	Colorado	Nevada
Shareholders Consent without a Meeting	Any action requiring the vote of the shareholders may be taken without a meeting if all the shareholders entitled to vote consent to take the action in writing or if the articles of incorporation expressly provide that shareholders having not less than the minimum number of votes that would be necessary to take such action at a meeting consent to such action in writing. However, no action taken shall become effective until the corporation receives a writing that describes and consents to the action being taken. Any such action taken shall have the same effect as any action taken at a meeting of shareholders. Under our Colorado charter documents, unanimous consent of the shareholders is required.	Unless otherwise provided in the articles of incorporation or bylaws of the corporation, any action requiring the vote of stockholders may be taken without a meeting, without prior notice and without a vote, by the written consent of stockholders holding at least a majority of the voting power of the corporation, except that, where the action to be approved requires a greater vote, that greater proportion of consents is required.
Special Meetings of Shareholders	Unless otherwise provided in the articles of incorporation or bylaws, a special meeting of shareholders shall be held by the corporation if called by the board of directors, the person or persons authorized by the bylaws to call a special meeting, or written demands from the holders of shares representing at least 10% of all votes entitled to be cast on any issue proposed to be considered at the special meeting. The corporation shall give notice of the date, time and place of the meeting no fewer than 10 and no more than 60 days before the meeting. Notice of a special meeting must include a description of the purposes for which the special meeting is called, and unless otherwise specified by the articles of incorporation or bylaws, the special meeting need not be held within the state of incorporation; however if there be no place specified in the articles of incorporation or bylaws, the meeting shall be held at the corporation's principal place of business.	Unless otherwise provided in the articles of incorporation or bylaws of the corporation, annual or special meetings of the stockholders may be called by only the board of directors, any two directors or the corporation s president. Unless otherwise provided in the corporation s articles of incorporation, stockholders meetings need not be held in the State of Nevada
Notice and Adjournment of Shareholders Meetings	The CRS provides that notice of shareholders' meetings be given between 10 and 60 days before a meeting. If notice is given to change the number of authorized shares, a corporation is required to give a minimum of 30 days notice under the CRS. If a shareholders meeting is adjourned, a corporation is not required to send out a new	Notice of meetings must be given to a corporation s stockholders between 10 and 60 days prior to the meeting. The notice must disclose the purposes for which the meeting has been called, and the time and location of the meeting. Notice may be waived in writing either before or after the meeting.

	notice of meeting provided that there is no change in the record date.	
Election and Removal of Directors	Directors are elected at the annual meeting of the shareholders. Under the CRS, the shareholders may remove one or more directors with or without cause unless the articles of incorporation provide that directors may be removed only for cause, and only if the number of votes cast in favor of removal exceeds the number of votes cast against removal at a meeting called for the purpose of removing the director. Vacancies on the board occurring by reason of the resignation or removal of director with or without cause shall be filled only by the shareholders of the corporation or a majority of the directors then in office, although less than a quorum	Unless the corporation s articles of incorporation or bylaws require a greater proportion, directors are elected by a plurality of the votes cast at the election. Unless otherwise provided in the articles of incorporation or bylaws of the corporation, directors hold office until his or her successor is elected and qualified or until he or she resigns or is removed. Directors may be removed from office by the vote or written consent of stockholders representing at least 2/3 of the total outstanding voting power of the corporation. Unless otherwise provided in the corporation s articles of incorporation, all vacancies, including those caused by an increase in the number of directors or the removal of a director, may be filled by the remaining directors. .

Subject Matter	Colorado	Nevada
Quorum of Directors	A quorum of the board of directors consists of a majority of the fixed number of directors if the corporation has a fixed board size, or if the corporation's bylaws provide for a variable board size, a majority of the number of directors prescribed, or if no number is prescribed, the number in office. The corporation s bylaws may provide that a quorum consists of a majority of the number of directors fixed, or no fewer than a majority of the number of directors fixed, or if no fixed number then no fewer than a majority of the number of directors in office immediately prior to the beginning of the meeting.	Unless a greater or lesser proportion is set forth in a corporation s articles of incorporation or bylaws, a majority of the directors then in office constitutes a quorum for meetings of the directors.
Directors Consent without a Meeting	Colorado law provides that, unless the bylaws require that the action be taken at a meeting, any action required or permitted by the Board of Directors may be taken without a meeting if all members of the board consent to such action in writing.	Unless otherwise restricted by the corporation s articles of incorporation or bylaws, any action required or permitted to be taken at a meeting of the directors may be taken by written consent of all of the directors then in office.
Anti-Takeover Statutes	The CRS does not contain any specific anti-takeover laws.	Nevada corporate law provides for restrictions on the acquisition of controlling interests and on combinations with certain interested stockholders. In addition, Nevada corporation specifically permits directors to take action to protect the interests of the corporation and its stockholders by adopting stockholders rights plans or similar arrangements. Under the control shares provisions of the Nevada corporate statute, persons acquiring a controlling interest in the corporation may be denied voting rights unless a majority of the disinterested stockholders vote in favor of permitting such voting rights. The Nevada control share provisions provide for staged triggers, requiring a separate vote whenever a person acquires (i) 1/5 or more but less than 1/3 of the voting power of the corporation; (ii) 1/3 or more but less than a majority of the voting power of the corporation; and (iii) a majority or more of the voting power of the corporation. Dissent rights are provided for where stockholders vote to grant full voting rights to the acquiring person. These control share provisions apply only if the corporation has 200 or more stockholders of record, at least 100 of whom have addresses in

		Nevada, and the corporation does business in Nevada, either directly or through an affiliated corporation. Further, Nevada corporations may opt out of these provisions by providing in their articles of incorporation or bylaws, each as in effect on the 10th day following the acquisition of a controlling interest, that the Nevada control share provisions do not apply. Nevada corporate law also contains provisions limiting the ability of resident domestic corporations from effecting certain combinations with interested stockholders. The NRS defines a resident domestic corporation as a Nevada corporation with 200 or more stockholders of record. An interested stockholder is any stockholder beneficially owning 10% or more of the voting power of the corporation or any stockholder that is otherwise an affiliate of the corporation that, within the last 2 years beneficially owned 10% or more of the corporation s voting power. If

Subject Matter	Colorado	Nevada
		applicable, the NRS combinations between resident domestic corporations and interested stockholders is only permitted in if: (1) before the interested stockholder became interested, the corporation s board of directors approved the transaction by which the interested stockholder became interested (2) before the interested stockholder became interested, the combination was approved by the corporation s board of directors; (3) the corporation s board of directors approves of the transaction and: (i) if the combination is to occur within 2 years of the interested director becoming interested, 60% of the voting power of the corporation not owned by the interested stockholder approves the transaction, or (ii) if the combination is to occur more than 2 years after the interested director became interested, a simple majority of the voting power of the corporation approves the transaction. Corporations may opt out of these restrictions in their original articles of incorporation or, after incorporation, if the amendment is made before the corporation becomes subject to their provisions or amendment is approved by a majority of the outstanding voting power of the corporation, not counting stock beneficially owned by an interested stockholder.
Amendments to Articles and Bylaws	Generally, amendments to the articles of incorporation under Colorado law requires that either the board of directors or the holders of at least 10% of the outstanding voting shares of the corporation propose the amendment for submission to the corporation s stockholders. Unless the CRS, the corporation s articles of incorporation or the corporation s bylaws require a greater vote, the amendment to the articles of incorporation is approved if, at a stockholders	Amendments to the articles of incorporation require that the board of directors adopt a resolution setting forth the proposed amendment and submitting the proposed amendment to the corporation s stockholders at a specially called meeting or at the next annual stockholders meeting. To be approved, generally the amendment must be approved by a majority of the voting power of the corporation. If the amendment would adversely alter or change the relative rights

	meeting at which there is a valid quorum, the number of votes cast in favor of the amendment exceeds the number of votes cast in opposition to the amendment. Under the CRS, a corporation s bylaws may be amended by the board of directors unless the CRS or the corporation s articles of incorporation provide otherwise, or the corporation s bylaws specifically prohibit the directors from amending the bylaws. A corporation s articles or bylaws may not limit the stockholders right to amend the corporation s bylaws.	of any particular class or series of outstanding shares, then a majority of the voting power of that class or series must also approve the amendment. Subject to any bylaws that may be adopted by the corporation s stockholders, directors have the power under Nevada law to adopt or amend the corporation s bylaws. Under Nevada law, a corporation s articles of incorporation may grant to the directors exclusive power to adopt or amend a corporation s bylaws.
Transactions with Officers and Directors	Under Colorado corporate law, contracts or transactions in which a director or officer is financially interested are not automatically void or voidable if:	Under Nevada corporate law, contracts or transactions in which a director or officer is financially interested are not automatically void or voidable if:

Subject Matter	Colorado	Nevada
	(i) the material facts as to the director's relationship or interest are disclosed or are known to the board of directors, and the board in good faith authorizes, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested directors, even if the disinterested directors are less than a quorum; (ii) the material facts as to the director's relationship or interest are disclosed or are known to the stockholders entitled to vote thereon, and the transaction is specifically authorized, approved, or ratified in good faith by a vote of the stockholders; or (iii) the transaction is fair as to the corporation.	(i) the interest is known to the board of directors, and the board approves, authorizes or ratifies the contract in good faith by a majority vote of the remaining directors without counting the interested director(s); (ii) the interest is disclosed to the stockholders, and they approve or ratify the transaction in good faith by a majority of the outstanding voting power of the corporation, including the interested directors or officers votes; (iii) the interest is not known to the interested director or officer at the time the transaction is brought before the corporation s board; or (iv) the contract is fair to the corporation at the time it is authorized or approved.
Limitation on Liability of Directors and Officers; Indemnification of Officers and Directors	Colorado corporate law permits corporations to provide for the elimination or limitation of director liability to the corporation or its stockholders provided that this limitation is set forth in the corporation s articles of incorporation. However, a corporation is not permitted to eliminate or limit the liability of directors for: (i) breaches of the duty of loyalty owed to the corporation and its stockholders; (ii) acts or omissions not made in good faith or which involve intentional misconduct or knowing violations of law; (iii) unlawful distributions or dividends to the corporation s stockholders; or (iv) any transaction in which the director derived an improper personal benefit. Colorado corporate law provides for mandatory indemnification of directors that are wholly successful in the defense of any proceeding to which the person was a party because the person is or was a director of the corporation.	Generally, unless the corporation s articles of incorporation provide for greater individual liability, Nevada corporate law provides that directors and officers are not personally liable to the corporation or its stockholders or creditors for any damages as a result of any act or failure to act unless it is proven that: (i) The director or officer s action or failure to act constituted a breach of his or her fiduciary duties as a director or officer; and (ii) That breach involved intentional misconduct, fraud or a knowing violation of law. Nevada corporate law provides that corporations are required to indemnify its officers and directors to the extent that they are successful in defending any actions or claims brought against them as a result of serving in that position, including criminal, civil, administrative or investigative actions and actions brought by or on behalf of the corporation. Nevada corporate law further provides

	Colorado corporate law further provides that corporations are permitted (but not required) to indemnify directors against liability incurred in any proceeding so long as the director: (i) acted in good faith; (ii) in proceedings involving conduct in an official capacity for the corporation, reasonably believed the conduct was in the corporation best interests, or, in other situations, reasonably believed the conduct	that corporations are permitted (but not required) to indemnify its officers and directors for criminal, civil, administrative or investigative actions brought against them by third parties and for actions brought by or on behalf of corporation (derivative actions), even if they are unsuccessful in defending that action, if the officer or director: (i) is not found liable for a breach of his or her fiduciary duties as an officer or director or to have engaged in intentional misconduct, fraud or a knowing violation of the law; or (ii) acted in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no

Subject Matter	Colorado	Nevada
	was at least not opposed to the corporation s best interests; and (iii) if the proceedings are criminal, had no reasonable cause to believe the conduct was unlawful. For proceedings by or in the right of the corporation (derivative actions), indemnity is limited to the reasonable expenses incurred by the director in connection with the proceeding. Under Colorado law directors may not be indemnified in actions by or in right of the corporation (derivative actions) where the director has been adjudged liable to the corporation or in any other action charging the director with deriving an improper personal benefit, where the director was adjudged liable as a result of that personal benefit. Colorado law provides that corporations may advance expenses incurred in defending an action if (i) the director provides a written affirmation of the directors good faith belief that he met the standard of conduct necessary to be eligible for indemnification, (ii) the director provides a written undertaking to repay the advances if he is ultimately determined not to have met the necessary standard of conduct, and (iii) the corporation makes a determination that the facts do not otherwise preclude indemnification.	reasonable cause to believe that his conduct was unlawful. However, with respect to derivative actions against the corporation s officers or directors, the corporation is not permitted to indemnify its officers or directors where they are adjudged by a court, after the exhaustion of all appeals, to be liable to the corporation or for amounts paid in settlement to the corporation, unless, and only to the extent that, a court determines that the officers or directors are entitled to be indemnified. Nevada corporate law also provides that a corporation may, as authorized in its articles of incorporation or bylaws, or in an agreement made by the corporation, advance expenses to officers or directors incurred in defending an action brought against them provided that the director or officer provides an undertaking to the corporation to repay those advances if it is ultimately determined by a court of competent jurisdiction that the director or officer is not entitled to be indemnified by the corporation.
Appraisal Rights; Dissenters' Rights	Colorado corporate law provides stockholders with dissent rights in the case of mergers, share exchanges where the corporation shares are to be acquired and conversions. Dissent rights are also provided in the case of sales of all or substantially all of the assets or property of the corporation.	Nevada corporate law provides stockholders with dissent rights in the case of mergers, share exchanges where the corporation s shares are to be acquired, conversions, and where full voting rights are granted to control shares under the control share provisions of Nevada corporate law. Stockholders of a Nevada corporation may also be granted dissent rights to the extent provided in the corporation s articles of incorporation or bylaws, or as may be granted by the corporation s board of directors. Stockholders are not afforded dissent rights in the sale of all of the assets of the corporation.

THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE APPROVAL OF PROPOSAL TO CHANGE OUR STATE OF INCORPORATION FROM THE STATE OF COLORADO TO THE STATE OF NEVADA.

BYLAWS AMENDMENT

In conjunction with the Conversion, we will be adopting the Amended and Restated Bylaws set forth in Exhibit B to the Plan of Conversion. The Amended and Restated Bylaws are intended to meet the legal requirements of the NRS as well as utilizing certain benefits provided under Nevada corporate law. A summary of the material amendments to our bylaws is set forth below.

Advance Notice Provisions

Section 5(b) of the Amended and Restated Bylaws include advance notice procedures and requirements for stockholder proposals to be brought before an annual meeting of the stockholders, including the nomination of directors. In order for a proposal to be properly brought before a meeting, the proposed business must be (i) specified in the notice of meeting given at the direction of the Board of Directors, (ii) otherwise properly brought before a meeting by the Board of Directors, or (iii) properly brought before the meeting by a stockholder. For business to be properly brought before an annual meeting by a stockholder, a stockholder must timely deliver a notice to us not more than one hundred twenty days prior to the first anniversary of the preceding year's annual meeting of stockholders. The requisite content of the notice is set forth in the Amended and Restated Bylaws.

In addition, the Amended and Restated Bylaws further provides that nominations of persons for election to the Board of Directors at an annual meeting of stockholders may be made (i) by or at the direction of the Board of Directors or (ii) by a stockholder. Nominations by stockholders must comply with the notice requirements set out above and the content requirements set forth in the Amended and Restated Bylaws.

The current bylaws do not contain advance notice procedures for our stockholders to nominate directors or propose other business to be brought before a meeting of stockholders.

Quorum

Section 8 of the Amended and Restated Bylaws provides that one percent (1%) of the outstanding shares of stock entitled to vote, in person or by proxy, will constitute quorum for the purpose of an annual or special meeting of the stockholders. Our current bylaws provide that one-third (33%) of the holders entitled to vote constitutes quorum for the purpose of an annual or special meeting.

Action by Written Consent

Section 13 of the Amended and Restated Bylaws provides that stockholder action may be taken by written consent in accordance with Chapter 78 of the NRS. Under the NRS, any action required or permitted to be taken at a meeting of stockholders may be taken without the meeting provided that a written consent is signed by stockholders holding a majority of the voting power. The current bylaws permit action to be taken by written consent provided that that unanimous approval of the stockholders is obtained.

Number of Directors and Notice of Meetings of Directors

Section 15 of the Amended and Restated Bylaws sets the authorized number of directors to be not less than one (1) and not more than fifteen (15). Our current bylaws provide that the authorized number of directors consist of a minimum of one (1) director and not more than five (5) directors.

Our current bylaws provide that notice of Board of Directors meeting must be given to each director at least two days prior to such meeting. Section 20 of the Amended and Restated Bylaws will provide that notice must be given at least twenty-four (24) hours prior to the Board of Directors meeting.

Indemnification

The current bylaws provide for indemnification of officers and directors to the extent authorized by the CRS, and sets forth procedures relating to our indemnification obligations, to the extent indemnification is sought pursuant to the current bylaws.

Under section 43 of the Amended and Restated Bylaws, we will indemnify our directors and officers to the fullest extent not prohibited by the NRS provided that, except where such indemnification is required pursuant to the provisions of the NRS, we shall not be required to indemnify any director or officer in connection with any proceeding (or part thereof) initiated by such person unless the person: (i) acted honestly and in good faith with a view to our best interests, or, as the case may be, to the best interests of the other entity for which the individual acted as a director or officer or in a similar capacity at our request; and (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the person had reasonable grounds for believing that the person s conduct was lawful.

The Amended and Restated Bylaws also provide that we will advance to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was our director or officer, or is or was serving at our request as a director or executive officer of another corporation, partnership, joint venture, trust or other enterprise, prior to the final disposition of the proceeding, promptly following request therefor, all expenses incurred by any director or officer in connection with such proceeding upon receipt of an undertaking by or on behalf of such person to repay said amounts if it should be determined ultimately that such person is not entitled to be indemnified under the Amended and Restated Bylaws or otherwise.

No advance will be made by us to an officer of us (except by reason of the fact that such officer is or was our director in which event this paragraph shall not apply) in any action, suit or proceeding, whether civil, criminal, administrative or investigative, if a determination is reasonably and promptly made (i) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to the proceeding, or (ii) if such quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, that the facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to our best interests.

The Amended and Restated Bylaws provide that, to the fullest extent permitted by the NRS, we, upon approval by the Board of Directors, may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to our Bylaws.

DISSENTERS RIGHTS

We are subject to the provisions of the CRS. Under CRS Section 7-111-103, the approval of the board of directors of a company and the affirmative vote of the holders of at least a majority of the issued and outstanding shares is required to approve and adopt a Plan of Conversion. Our Board of Directors has approved and adopted the Plan of Conversion by unanimous written consent, and our stockholders have been asked to consider and vote upon the Conversion at the special meeting. If the Conversion is approved, eligible holders of our shares of common stock that follow the procedures summarized below may be entitled to dissenters rights under CRS Article 113.

The following is a discussion of the material provisions of the law pertaining to dissenters rights as set forth in CRS Article 113, a copy of which is attached hereto as Schedule B, which stockholders should read in its entirety. Beneficial stockholders must act promptly to cause the stockholder of record to follow the steps summarized below to properly, and in a timely manner, perfect their dissenters rights. Failure to properly demand and perfect dissenters rights in accordance with CRS Article 113 will result in the loss of dissenters rights.

Eligible stockholders who wish to assert dissenters rights must, before the vote is taken, provide us with written notice of their intention to demand payment for their shares if the Conversion is effective. In addition, stockholders wishing to assert dissenting rights must not vote for the Conversion and must follow the steps set forth in the dissenters notice described below.

If the Conversion is authorized by our stockholders at the special meeting, we will send a written dissenters notice within ten (10) days after the effective date of the Conversion to all eligible stockholders who did not vote FOR the Conversion and who, before the vote was taken, gave written notice of their intent to demand payment for their shares of our common stock.

The notice will:

- state the Conversion was authorized and state the effective date or proposed effective date of the Conversion.
- state where the demand for payment must be sent and where and when stock certificates are to be deposited;
- inform the holders of shares of our common stock not represented by certificates to what extent the transfer of shares of our common stock will be restricted after the demand for payment is received;
- supply a form for demanding payment;
- set a date by which we must receive the demand for payment, which may not be less than thirty (30) after the date the notice is delivered; and
- be accompanied by a copy of CRS Article 113.

An eligible stockholder to whom a dissenters notice is sent must, by the date set forth in the dissenters notice:

- demand payment; and
- deposit his or her certificates in accordance with the terms of the dissenters notice.

Eligible stockholders who do not demand payment or deposit their certificates where required, each by the date set forth in the dissenters notice, will not be entitled to demand payment for their shares of our common stock under the CRS governing dissenters rights.

Upon the later of the effective date of the Conversion or receipt of a valid demand for payment, we will pay each dissenter who complied with the procedures described by the Colorado dissenters rights statute the amount we have estimated to be the fair value of the shares of our common stock, plus accrued interest. The payment will be accompanied by:

- our balance sheet as of the end of a fiscal year end, a statement of income for that fiscal year, a statement of changes in stockholders equity for that fiscal year and the latest available interim financial statements, if any;
- a statement of our estimate of the fair value of the shares of our common stock;
- an explanation of how the interest was calculated;
- a statement of dissenters rights to demand payment under CRS Section 7-113-209; and
- a copy of CRS Article 113.

An eligible dissenter may notify us in writing of the dissenter s own estimate of the fair value of the shares of our common stock and interest due, and demand payment based upon his or her estimate, less our estimated fair value payment, or reject the offer for payment made by us and demand payment of the fair value of the dissenter s shares of our common stock and interest due if:

- the dissenter believes that the amount paid or offered is less than the fair value of the dissenter s shares of our common stock or that the interest due is incorrectly calculated. A dissenter waives his right to demand such payment unless the dissenter notifies us of his demand in writing within thirty (30) days after we have made or offered payment for the dissenter s shares of our common stock;
- we fail to make payment within sixty (60) days after the date set by which we must require the demand for payment; or
- we do not return the deposited stock certificates or release the transfer restrictions imposed on uncertificated shares.

If a demand for payment remains unresolved, we will commence a proceeding within sixty (60) days after receiving the demand for payment and petition the Colorado Court to determine the fair value of the shares of our common stock and accrued interest. If we do not commence the proceeding within the 60-day period, we will be required to pay each dissenter whose demand remains unsettled the amount demanded.

Each dissenter who is made a party to the proceeding is entitled to a judgment:

- for the amount, if any, by which the Colorado Court finds the fair value of the dissenter s shares of our common stock, plus interest, exceeds the amount paid by us; or
- for the fair value, plus accrued interest, of the dissenter s after-acquired shares for which we elected to withhold payment pursuant to Colorado law.

Under Colorado law, the fair value of a dissenter s shares of stock means the value of the shares of our common stock immediately before the effective date of the Conversion, excluding any increase or decrease in value in anticipation of the Conversion unless excluding such increase or decrease is inequitable. The value determined by the Colorado Court for a dissenter s shares of our common stock could be more than, less than, or the same as the consideration we offer pursuant to the dissenters notice. The Colorado Court may, but it is not required, to appoint one or more appraisers to assist the Colorado Court in determining the fair market value of the shares of our common stock. Accordingly, no stockholder has a right to compel an appraisal of the shares of our common stock.

The Colorado Court will determine all of the costs of the proceeding, including the reasonable compensation and expenses of any appraisers appointed by the Colorado Court. The Colorado Court will assess the costs against us, except that the court may assess costs against all or some of the dissenters, in the amounts the Colorado Court finds equitable, to the extent that the Colorado Court finds the dissenters acted arbitrarily, vexatiously or not in good faith in demanding payment. The Colorado Court may also assess the fees and expenses of the counsel and experts for the respective parties, in amounts the court finds equitable:

- against us in favor of all dissenters if the Colorado Court finds that we did not substantially comply with the Nevada dissenters rights statute; or
- against either us or a dissenter in favor of any other party, if the Colorado Court finds that the party against whom the fees and expenses are assessed acted arbitrarily, vexatiously or not in good faith with respect to the dissenters rights provided under the Colorado dissenters rights statute.

If the Colorado Court finds that the services of counsel for any dissenter were of substantial benefit to other dissenters similarly situated, and that the fees for those services should not be assessed against us, the court may award to those counsel reasonable fees to be paid out of the amounts awarded to the dissenters who were benefited.

The foregoing summary of the material rights of eligible dissenting stockholders does not purport to be a complete statement of such rights and the procedures to be followed by stockholders desiring to exercise any available dissenters rights. The preservation and exercise of dissenters rights require strict adherence to the applicable provisions of the CRS.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information concerning the number of shares of our common stock owned beneficially as of July 28, 2014 by: (i) each person (including any group) known to us to own more than five percent (5%) of any class of the voting securities, (ii) each of our directors and each of the named executive officers, and (iii) officers and directors as a group. Unless otherwise indicated, the stockholders listed possess sole voting and investment power with respect to the shares shown.

Title Of Class	Name And Address Of Beneficial Owner	Amount And Nature Of Beneficial Ownership	Percentage Of Common Stock[1]
DIRECTORS AND OFFICERS			
Common Stock	Steven Vestergaard President, Chief Executive Officer and Director	11,688,011 Shares (direct)	22.1%
Common Stock	Frederick Vandenberg Chief Financial Officer, Treasurer and Corporate Secretary	871,901 Shares[2] (direct)	1.6%
Common Stock	Edward Kolic Director	318,373 Shares (direct)	*
Common Stock	Lawrence J. Langs Director	418,790 Shares (direct)	*
Common Stock	Yoshitaro Kumagai Director	423,069 Shares (direct)	*
Common Stock	**All Directors and Officers (five persons)**	13,720,144 Shares	25.9%
HOLDERS OF MORE THAN 5% OF OUR COMMON STOCK			
Common Stock	Steve Vestergaard 750 650 W. Georgia Street Vancouver, BC V6B 4N7	11,688,011 Shares (direct)	22.1%

Notes:

* Less than 1%.

(1) Under Rule 13d-3 of the Exchange Act, a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares: (i) voting power, which includes the power to vote, or to direct the voting of shares; and (ii) investment power, which includes the power to dispose or direct the disposition of shares. Certain shares may be deemed to be beneficially owned by more than one person (if, for example, persons share the power to vote or the power to dispose of the shares). In addition, shares are deemed to be beneficially owned by a person if the person has the right to acquire the shares (for example, upon exercise of an option) within 60

days of the date as of which the information is provided. In computing the percentage ownership of any person, the amount of shares outstanding is deemed to include the amount of such shares beneficially owned by such person (and only such person) by reason of these acquisition rights. As a result, the percentage of outstanding shares of any person as shown in this table does not necessarily reflect the person s actual ownership or voting power with respect to the number of shares of common stock actually outstanding on July 28, 2014. As of July 28, 2014, there were 52,993,874 shares of our common stock issued and outstanding.

(2) Consists of 721,901 shares held by Mr. Vandenberg and 150,000 shares that may be acquired upon the exercise of stock options held by Mr. Vandenberg.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended. We file reports, proxy statements and other information with the SEC. You may read and copy these reports, proxy statements and other information at the SEC s Public Reference Section of the SEC, Room 1580, 100 F Street NE, Washington D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet website, located at www.sec.gov that contains reports, proxy statements and other information regarding companies and individuals that file electronically with the SEC.

Our Annual Report on Form 10-K for the fiscal year ended August 31, 2013 accompanies this Proxy Statement but does not constitute a part of the proxy soliciting material. A copy of our Annual Report on Form 10-K for the fiscal year ended August 31, 2013, including financial statements but without exhibits, is available without charge to any person whose vote is solicited by this proxy upon written request to Destiny Media Technologies Inc., Suite 750, 650 West Georgia Street, Vancouver, British Columbia, Canada V6B 4N7, Attention: Corporate Secretary. Copies also may also be obtained through the SEC s web site at www.sec.gov.

BY ORDER OF THE BOARD OF DIRECTORS OF
DESTINY MEDIA TECHNOLOGIES INC.

Date: August 5, 2014

/s/ Steve Vestergaard
STEVE VESTERGAARD
Chief Executive Officer, President and Director

SCHEDULE A - PLAN OF CONVERSION

PLAN OF CONVERSION
of
DESTINY MEDIA TECHNOLOGIES INC.
From a Colorado Corporation into a Nevada Corporation

This Plan of Conversion shall govern the conversion of **DESTINY MEDIA TECHNOLOGIES INC.** from a corporation organized under and governed by the laws of the State of Colorado into a corporation organized under and governed by the laws of the State of Nevada (the Conversion).

Name and Jurisdiction of Law of Constituent Entity Prior to Completing the Conversion (the Constituent Entity):	**DESTINY MEDIA TECHNOLOGIES INC.** Colorado
Name and Jurisdiction of Law of Resulting Entity After Completing the Conversion (the Resulting Entity):	**DESTINY MEDIA TECHNOLOGIES INC.** Nevada

1. **Conversion to a Nevada Corporation**: The Constituent Entity shall effect the Conversion by causing:

(a) statement of conversion (the Colorado Statement of Conversion) in such form as required by Article 90 of the Colorado Revised Statutes (the CRS) to be properly executed and acknowledged and filed with the Colorado Secretary of State (the COSOS) as provided in Article 90 of the CRS.

(b) articles of conversion (the Nevada Articles of Conversion) in such form as required by the provisions of Chapter 92A of the Nevada Revised Statutes (the NRS) to be properly executed and acknowledged and filed with the Nevada Secretary of State (the NVSOS) as provided in Chapter 92A of the NRS; and

6. **Conversion of Common Stock**: At the Effective Time of the Conversion:

(a) Each issued and outstanding share of the Constituent Entity s common stock, par value $0.001 per share, shall, without any action on the part of the stockholders thereof, be converted into and become one validly issued, fully paid and non-assessable share of the Resulting Entity s common stock, par value $0.001 per share.

(b) Each option to acquire shares of the Constituent Entity s common stock shall, without any action on the part of the holders thereof, be converted into and become an equivalent option to acquire, on the same terms and conditions, the number of shares of the Resulting Entity s common stock that is equal to the number of shares of common stock of the Constituent Entity that the optionee would have received had the optionee exercised such option in full immediately prior to the Effective Time (whether or not such option was then exercisable) and the exercise price per share under each option shall be equal to the exercise price per share thereunder immediately prior to the Effective Time, unless otherwise provided in the instrument granting such option.

(c) Each warrant to acquire shares of the Constituent Entity s common stock shall, without any action on the part of the holders thereof, be converted into and become an equivalent warrant to acquire, on the same terms and conditions, the number of shares of the Resulting Entity s common stock that is equal to the number of shares of common stock of the Constituent Entity that the warrantholder would have received had the warrantholder exercised such warrant in full immediately prior to the Effective Time (whether or not such warrant was then exercisable) and the exercise price per share under such warrant shall be equal to the exercise price per share thereunder immediately prior to the Effective Time, unless otherwise provided in the instrument granting such warrant.

(d) Any other right, by contract or otherwise, to acquire shares of the Constituent Entity s common stock shall, without any action on the part of the holder thereof, be converted into and become an equivalent right, by contract or otherwise, to acquire, on the same terms and conditions, the number of shares of the Resulting Entity s common stock that is equal to the number of shares of common stock of the Constituent Entity that the holder would have received had the holder exercised such right in full immediately prior to the Effective Time (whether or not such right was then exercisable) and the exercise price per share under each such right shall be equal to the exercise price per share thereunder immediately prior to the Effective Time unless otherwise provided in the instrument granting such right.

(b) Alter or change any terms and conditions of this Plan of Conversion in a manner that adversely affects the stockholders of the Constituent Entity.

9. **Termination**: At any time prior to the Effective Time, this Plan of Conversion may be terminated and the Conversion contemplated hereby may be abandoned by the Board of Directors of the Constituent Entity, notwithstanding the approval of this Plan of Conversion by the stockholders of the Constituent Entity.

Dated as of the _____day of _____, 20____.

DESTINY MEDIA TECHNOLOGIES INC.

Per:

_____

Steve Vestergaard,
CEO and President

EXHIBIT A
To Plan Of Conversion Of
DESTINY MEDIA TECHNOLOGIES INC.
From a Colorado Corporation to a Nevada Corporation

Articles of Conversion

EXHIBIT A
To Plan Of Conversion Of
DESTINY MEDIA TECHNOLOGIES INC.
From a Colorado corporation to a Nevada corporation

Articles of Conversion

EXHIBIT B
To Plan Of Conversion Of
DESTINY MEDIA TECHNOLOGIES INC.
From a Colorado Corporation to a Nevada Corporation

Bylaws

BYLAWS
OF
DESTINY MEDIA TECHNOLOGIES INC.

(A NEVADA CORPORATION)

ARTICLE I

OFFICES

Section 1. Registered Office. The registered office of Destiny Media Technologies Inc. (the Corporation) in the State of Nevada shall be in such location as the directors determine in the State of Nevada.

Section 2. Other Offices. The Corporation shall also have and maintain an office or principal place of business at such place as may be fixed by the Board of Directors, and may also have offices at such other places, both within and without the State of Nevada as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II

CORPORATE SEAL

Section 3. Corporate Seal. The corporate seal shall consist of a dye bearing the name of the Corporation and the inscription, Corporate Seal-Nevada." Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE III

STOCKHOLDERS MEETINGS

&nb