

PHOTOTRON HOLDINGS, INC.
Form PRE 14C
October 31, 2011

SCHEDULE 14C

INFORMATION REQUIRED IN INFORMATION STATEMENT
SCHEDULE 14C INFORMATION

Information Statement Pursuant to Section 14(c) of the
Securities Exchange Act of 1934
(Amendment No.)

Check the appropriate box:

- Preliminary information statement Confidential, for use of the Commission only (as permitted by Rule 14c-5(d)(2))
- Definitive information statement

PHOTOTRON HOLDINGS, INC.
(Name of Registrant as Specified in Charter)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14c-5(g) and 0-11.
- (1) Title of each class of securities to which transaction applies:
N/A
- (2) Aggregate number of securities to which transactions applies:
N/A
- (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):
N/A
- (4) Proposed maximum aggregate value of transaction:
N/A
- (5) Total fee paid:
N/A
- 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:
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PHOTOTRON HOLDINGS, INC.
20259 Ventura Boulevard
Woodland Hills, CA 91364

To the Holders of Common Stock of
Phototron Holdings, Inc.:

Phototron Holdings, Inc., a Delaware corporation (“Company”), on October 26, 2011, obtained written consents from stockholders holding a majority in voting power of the outstanding shares of common stock on the following actions:

1. To approve the amendment of the Company’s certificate of incorporation to increase the number of authorized shares of common stock from 200,000,000 to 1,000,000,000; and
2. To approve the adoption of the Company’s 2011 Stock Incentive Plan.

The details of the foregoing actions and other important information are set forth in the accompanying Information Statement. The board of directors of the Company has unanimously approved the above actions.

Under Section 228 of the Delaware General Corporation Law, action by stockholders may be taken without a meeting, without prior notice, by written consent of the holders of outstanding capital stock having not less than the minimum number of votes that would be necessary to authorize the action at a meeting at which all shares entitled to vote thereon were present and voted. On that basis, the stockholders holding a majority of the outstanding shares of common stock approved the foregoing actions. No other vote or stockholder action is required. You are hereby being provided with notice of the approval of the foregoing actions by less than unanimous written consent of the stockholders of the Company.

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY.

By Order of the Board of Directors,

Craig Ellins
Executive Chairman

Woodland Hills, CA
October 31, 2011

PHOTOTRON HOLDINGS, INC.

INFORMATION STATEMENT

CONCERNING CORPORATE ACTIONS AUTHORIZED BY WRITTEN
CONSENTS OF STOCKHOLDERS

WE ARE NOT ASKING YOU FOR A PROXY AND
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General Information

This Information Statement is being furnished to the stockholders of Phototron Holdings, Inc., a Delaware corporation (“Company,” “we,” “us” or “our”), to advise them of the corporate actions described herein, which have been authorized by the written consents of stockholders owning a majority of the outstanding shares of our common stock. This action is being taken in accordance with the requirements of the Delaware General Corporation Law (“DGCL”).

This Information Statement will first be mailed to stockholders on or about November 16, 2011 and is being furnished for informational purposes only.

Our board of directors has determined that the close of business on October 26, 2011 was the record date (“Record Date”) for the stockholders entitled to notice about the actions authorizing: (i) the amendment of our certificate of incorporation to increase the number of authorized shares of common stock from 200,000,000 to 1,000,000,000; and (ii) the adoption of our 2011 Stock Incentive Plan. The foregoing actions are referred to herein collectively as the “Actions.”

Under Section 228 of the DGCL, any action required or permitted by the DGCL to be taken at an annual or special meeting of stockholders of a Delaware corporation may be taken without a meeting, without prior notice and without a vote, if consents in writing, setting forth the action so taken, are signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Prompt notice of the approval of the Actions must be given to those stockholders who have not consented in writing to the action and who, if the action had been taken at a meeting, would otherwise have been entitled to notice of the meeting.

As of the Record Date, stockholders who then owned of record 80,669,386 shares of our common stock executed and delivered to us written consents authorizing and approving each of the Actions. Such approving stockholders then held approximately 55.6% of the outstanding shares of our common stock.

Accordingly, all of the above Actions have been approved by the holders of a majority of the outstanding shares of our common stock and no further vote or further action of our stockholders is required to approve the Actions. You are hereby being provided with notice of the approval of the Actions by less than unanimous written consent of our stockholders. However, under federal law, these Actions will not be effective until at least 20 days after this Information Statement has first been sent to stockholders. Stockholders do not have any dissenter or appraisal rights in connection with the Actions.

On May 17, 2011, our board of directors approved the adoption of the 2011 Stock Incentive Plan. On October 26, 2011, our board of directors approved the amendment of our certificate of incorporation to increase the number of authorized shares of common stock from 200,000,000 to 1,000,000,000 and authorized our officers to deliver this Information Statement.

Our executive offices are located at 20259 Ventura Boulevard, Woodland Hills, CA 91634, and our telephone number is (818) 992-0200.

Interest of Persons in Matters to be Acted Upon

No officer, director or principal stockholder has a substantial or material interest in the favorable outcome of these Actions other than as discussed herein.

Change of Control

On February 14, 2011, we entered into an Agreement and Plan of Merger (the “Merger Agreement”) with PHI Merger Corporation (“MergerCo”) and Phototron, Inc. (“Phototron”). The closing (the “Closing”) of the transactions contemplated by the Merger Agreement (the “Merger”) occurred on March 9, 2011. At the Closing, (i) MergerCo was merged with and into Phototron; (ii) Phototron became our wholly-owned subsidiary; (iii) all of Phototron’s shares and options outstanding prior to the Merger were exchanged (or assumed, in the case of options) for comparable securities of our company; and (iv) 95% of our fully-diluted shares were owned by Phototron’s former shareholders and option holders. At the Closing, we issued to Phototron’s former shareholders, in exchange for the 1,666,666 shares of Phototron’s common stock outstanding prior to the Merger, 130,621,421 shares of our common stock. As a result of the Merger we are solely engaged in Phototron’s business and Phototron’s officers and directors became our officers and directors. In connection with the Merger, we changed our name from Catalyst Lighting Group, Inc. to Phototron Holdings, Inc., on March 9, 2011.

We are presently authorized under our certificate of incorporation, as amended to date, to issue 200,000,000 shares of common stock, par value \$0.0001 per share. As of the Closing, we had 139,283,683 shares of common stock issued and outstanding.

On the Record Date, Phototron’s former stockholders and our existing stockholders held approximately 90% and 6%, respectively, of the total outstanding shares of our common stock. The ownership interests of Phototron’s former stockholders and our existing stockholders are subject to dilution for Phototron’s outstanding options assumed by us in connection with the Merger.

Effective as of the Closing, Eric Stoppenhagen resigned as our sole director and officer and we appointed the following persons as our executive officers and directors:

Name	Age	Position
Craig Ellins	58	Executive Chairman
Brian B. Sagheb	45	Chief Executive Officer, Chief Financial Officer, Secretary and Director
Todd Denkin	47	President and Director

As of the Record Date, Mr. Denkin was no longer serving as our President.

On February 17, 2011, in our Current Report on Form 8-K dated January 24, 2011, we reported the execution of the Merger Agreement and included a copy of the Merger Agreement therein as Exhibit 2.1. On February 17, 2011, we filed an Information Statement on Schedule 14f-1 reporting the proposed acquisition of Phototron and a pending change of control of our company at the Closing. Additionally, on March 9, 2011, in our Current Report on Form 8-K dated March 9, 2011, we reported the closing of the Merger.

VOTING SECURITIES

At the time of the stockholder action our only issued and outstanding voting securities were shares of our common stock. There were 145,173,683 shares of our common stock issued and outstanding as of the Record Date.

Each share of our common stock is entitled to one vote on all matters submitted to the holders of our common stock for their approval. The written consents of the holders of a majority of the outstanding shares of our common stock were necessary to authorize each of the Actions described herein.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information regarding our common stock beneficially owned on the Record Date for (i) each stockholder known to be the beneficial owner of more than 5% of our outstanding common stock, (ii) each executive officer and director, and (iii) all executive officers and directors as a group. In general, a person is deemed to be a “beneficial owner” of a security if that person has or shares the power to vote or direct the voting of such security, or the power to dispose or to direct the disposition of such security. A person is also deemed to be a beneficial owner of any securities of which the person has the right to acquire beneficial ownership within 60 days, through the exercise of a warrant or stock option, conversion of a convertible security or otherwise. Unless otherwise indicated, each person in the table will have sole voting and investment power with respect to the shares shown. For purposes of this table, shares not outstanding which are subject to issuance on exercises of stock options, that are held by one or more person(s) are deemed to be outstanding for the purpose of computing the percentage(s) of outstanding shares beneficially owned by such person(s) but are not deemed to be outstanding for the purpose of computing the percentage for any other person. The table assumes a total of 145,173,683 shares of our common stock outstanding as of the Record Date.

Name of Beneficial Owner(1)	Amount of Beneficial Ownership	Percent of Beneficial Ownership
Executive Officers and Directors		
Craig Ellins(2)	3,000,000	2.0%
Brian B. Sagheb(3)	18,221,696	12.4%
Todd Denkin(4)	2,351,187	1.6%
All Executive Officers and Directors as a Group(5)	23,572,883	15.5%

Name of Beneficial Owner(1)	Amount of Beneficial Ownership	Percent of Beneficial Ownership
5% Stockholders		
W-Net Fund I, L.P.(6) 12400 Ventura Boulevard, Suite 327 Studio City, CA 91604	13,006,242	9%
MER Investments, Inc.(7) 12400 Ventura Boulevard, Suite 327 Studio City, CA 91604	11,755,933	8.1%
Lee Mendelson 20058 Ventura Boulevard, Suite 54 Woodland Hills, CA 91364	11,755,933	8.1%
Europa International, Inc.(8) 1114 Avenue of the Americas, 45th Floor New York, NY 10036	9,337,288	6.4%
Sara Sagheb 10009 Keokuk Avenue Chatsworth, CA 91311	7,455,424	5.1%
Susan Sagheb 4073 Farmdale Avenue Studio City, CA 91604	7,445,424	5.1%

(1) Unless otherwise stated, the address is c/o Phototron Holdings, Inc., 20259 Ventura Boulevard, Woodland Hills, CA 91364.

(2) Consists of 3,000,000 shares of our common stock that may be acquired pursuant to the exercise of options within 60 days of October 26, 2011.

(3) Includes 1,763,390 shares of our common stock that may be acquired pursuant to the exercise of options within 60 days of October 26, 2011.

(4) Consists of 2,351,187 shares of our common stock that may be acquired pursuant to the exercise of options within 60 days of October 26, 2011.

(5) Includes of 7,114,577 shares of our common stock that may be acquired pursuant to the exercise of options within 60 days of October 26, 2011.

(6) David Weiner, as the manager of W-Net Fund GP I, LLC, the general partner of W-Net Fund I, L.P., exercises voting and dispositive power over the shares held by W-Net Fund I, L.P., but disclaims any beneficial interest in such shares except to the extent of his pecuniary interest therein.

(7)

Michael E. Rosen, the President of MER Investments, Inc., exercises voting and dispositive power over the shares of Phototron's common stock held by MER Investments, Inc., but disclaims any beneficial interest in such shares except to the extent of his pecuniary interest therein.

(8) Fred Knoll, the principal of Knoll Capital Management, L.P., the investment manager for Europa International, Inc., exercises voting and dispositive power over the shares held by Europa International, Inc., but disclaims any beneficial interest in such shares except to the extent of his pecuniary interest therein.

DIRECTOR AND OFFICER COMPENSATION

Executive Compensation of the Company

The following table and related footnotes show the compensation paid during the fiscal years ended December 31, 2010 and 2009, to our named executive officers. No other executive officers received salary and bonus in excess of \$100,000 for the prior two fiscal years.

Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Total (\$)
Eric Stoppenhagen(1)	2010	44,000	44,000
CEO, CFO, President, Treasurer & Secretary	2009	-	-
Kevin R. Keating(2)	2010	-	-
CEO, CFO, President, Treasurer & Secretary	2009	-	-

(1) Mr. Stoppenhagen served as our CEO, CFO, President, Treasurer and Secretary from February 3, 2010 through March 9, 2011. Represents consulting fees paid to Mr. Stoppenhagen's company, Venor, Inc.

(2) Mr. Keating served as our CEO, CFO, President, Treasurer and Secretary from August 23, 2007 through February 3, 2010.

On February 3, 2010, we entered into a Consulting, Confidentiality and Proprietary Rights Agreement with Venor, Inc. pursuant to which Venor, Inc. provided financial services as well as services, through Eric Stoppenhagen, in the capacity of Chief Executive Officer, Chief Financial Officer, President, Treasurer, Secretary and sole director. These services were provided for a fixed fee of \$4,000 on a month-to-month basis. We terminated this agreement on March 9, 2011.

Executive Compensation of Phototron

The following table and related footnote show the compensation paid during the fiscal years ended December 31, 2010 and 2009, to Phototron's named executive officers. No other executive officers received salary and bonus in excess of \$100,000 for the prior two fiscal years.

Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Total (\$)
Brian B. Sagheb(1)	2010	57,000	57,000
CEO, CFO & Secretary	2009	50,000	50,000

(1) Mr. Sagheb has served as Phototron's Chief Executive Officer since September 2002. He was appointed as Phototron's Chief Financial Officer and Secretary on November 1, 2010.

Outstanding Equity Awards at Fiscal Year-End

We did not grant equity awards to our executive officers during 2010.

Phototron did not grant equity awards to its executive officers during 2010.

Compensation of Directors

We did not pay any separate compensation to our directors during 2010.

Phototron did not pay any separate compensation to any director in 2010.

INCREASE IN AUTHORIZED COMMON STOCK

We are currently authorized by our certificate of incorporation, as amended, to issue 200,000,000 shares of common stock. As of the Record Date, there were 145,173,683 shares of our common stock issued and outstanding.

In connection with the ongoing operation of our business we will likely be required to issue shares of our common stock, options, awards and warrants in connection with employee benefit and incentive plans and employment arrangements, for financing our future operations, for acquiring other businesses, for forming strategic partnerships and alliances, and for stock dividends and stock splits. No specific issuances are currently anticipated; however, to the extent such issuances occur, they will result in dilution to our current stockholders.

Accordingly, our board of directors believes it is in our best interests and the best interests of our stockholders to increase the number of authorized shares of our common stock to provide a sufficient number of authorized but unreserved shares to allow for the issuance of shares of our common stock or other securities in connection with employee benefit and incentive plans and arrangements, the financing of our operations, the acquisition of other businesses, the establishment of joint ventures, and such other purposes as our board of directors determines.

The increase in the number of authorized shares of our common stock to a level that continues to provide a meaningful number of authorized but unreserved shares will permit our board of directors to issue additional shares of our common stock without further approval of our stockholders, and our board of directors does not intend to seek stockholder approval prior to any issuance of the authorized capital stock unless stockholder approval is required by applicable law or stock market or exchange requirements. Our issuance of additional shares of our common stock may result in substantial dilution to our existing stockholders, and such issuances may not require stockholder approval.

Although from time to time we review various transactions that could result in the issuance of shares of our common stock, we have not reviewed any specific transaction to date that we presently anticipate will result in a further issuance of shares of our common stock.

The DGCL expressly permits our board of directors, when evaluating any proposed tender or exchange offer, any merger, consolidation or sale of substantially all of our assets, or any similar extraordinary transaction, to consider all relevant factors including, without limitation, the social, legal, and economic effects on the employees, customers, suppliers, and other constituencies of our company and its subsidiaries, and on the communities and geographical areas in which they operate. Our board of directors may also consider the amount of consideration being offered in relation to the then current market price for our outstanding shares of common stock and our then current value in a freely negotiated transaction. Our board of directors believes such provisions are in our long-term best interests and the long-term best interests of our stockholders.

We are subject to the Delaware control share acquisitions statute. This statute is designed to afford stockholders of public corporations in Delaware protection against acquisitions in which a person, entity or group seeks to gain voting control. With enumerated exceptions, the statute provides that shares acquired within certain specific ranges will not possess voting rights in the election of directors unless the voting rights are approved by a majority vote of the public corporation's disinterested stockholders. Disinterested shares are shares other than those owned by the acquiring person or by a member of a group with respect to a control share acquisition, or by any officer of the corporation or any employee of the corporation who is also a director. The specific acquisition ranges that trigger the statute are: acquisitions of shares possessing one-fifth or more but less than one-third of all voting power; acquisitions of shares possessing one-third or more but less than a majority of all voting power; or acquisitions of shares possessing a majority or more of all voting power. Under certain circumstances, the statute permits the acquiring person to call a special stockholders meeting for the purpose of considering the grant of voting rights to the holder of the control shares. The statute also enables a corporation to provide for the redemption of control shares with no voting rights

under certain circumstances.

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Other than the provisions noted above, we do not have in place provisions which may have an anti-takeover effect. The increase in the number of authorized shares of our common stock to provide a sufficient number of authorized but unreserved shares to allow for the issuance of shares of our common stock under various scenarios may be construed as having an anti-takeover effect by permitting the issuance of shares of our common stock to purchasers who might oppose a hostile takeover bid or oppose any efforts to amend or repeal certain provisions in our certificate of incorporation or bylaws. The increase in the authorized number of shares of our common stock did not result from our knowledge of any specific effort to accumulate our securities or to obtain control of us by means of a merger, tender offer, proxy solicitation in opposition to management or otherwise, and we did not take such action to increase the authorized shares of our common stock to enable us to frustrate any efforts by another party to acquire a controlling interest or to seek representation on our board of directors.

The issuance of additional shares of our common stock may have a dilutive effect on earnings per share and on the equity and voting power of existing holders of our common stock. It may also adversely affect the market price of our common stock. However, if additional shares are issued in transactions whereby favorable business opportunities are provided which allow us to pursue our business plans, the market price of our common stock may increase.

The holders of our common stock are entitled to one vote for each share held of record on all matters to be voted on by our stockholders.

The holders of our common stock are entitled to receive dividends when, as, and if declared by our board of directors out of funds legally available therefor. While we declared and paid a dividend to holders of record of our common stock as of February 28, 2011, we do not intend to declare and pay dividends in the near future. In the event of our liquidation, dissolution or winding up, the holders of the shares of our common stock are entitled to share ratably in all assets remaining available for distribution to them after payment of liabilities and after provision has been made for each class of stock, if any, having preference over our common stock. Holders of shares of our common stock have no conversion, preemptive or other subscription rights, and there are no redemption provisions applicable to our common stock.

On the Record Date, the amendment of our certificate of incorporation to authorize the increase of the number of authorized shares of our common stock to 1,000,000,000 was approved by the written consents of holders representing approximately 55.6% of the outstanding shares of our common stock. On October 26, 2011, our board of directors approved such amendment. The approval of the amendment of our certificate of incorporation to authorize the increase of the number of authorized shares of our common stock to 1,000,000,000 required such board approval and the affirmative consents of a majority of the outstanding shares of our common stock. Such requirements have been met, so no vote or further action of our stockholders is required to approve the amendment of our certificate of incorporation to authorize the increase of the number of authorized shares of our common stock to 1,000,000,000. You are hereby being provided with notice of the approval of such amendment and restatement by less than unanimous written consent of our stockholders. The form of the Certificate of Amendment of the Certificate of Incorporation of Phototron Holdings,