

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

Pursuant to Regulation D, Rule 506(c)

STEEPED, INC.

A Delaware Public Benefit Corporation



MINIMUM INVESTMENT AMOUNT: \$10,000

**UP TO \$5,000,000
IN
SIMPLE AGREEMENT FOR FUTURE EQUITY (SAFE)**

JUNE 7, 2022

IMPORTANT NOTICES

This Confidential Private Placement Memorandum (this “**Memorandum**”) has been prepared on a strictly confidential basis to enable the recipient to evaluate the offering of Simple Agreements for Future Equity (the “**Crowd SAFEs**”, “**SAFEs**”, or “**Securities**”) described therein. Each recipient, by accepting delivery of this Memorandum, agrees not to make a copy of the same or to divulge the contents hereof to any person other than a legal, business, investment or tax advisor in connection with obtaining the advice of any such persons with respect to this offering.

Unless the context requires otherwise, in this Memorandum the terms “**Company**,” “**Steeped Coffee**,” “**Issuer**,” “**we**,” “**us**”, and “**our**” refer to Steeped, Inc. dba Steeped Coffee. Purchasers of Securities are sometimes referred to herein as “**Purchasers**” or “**Investors**”.

Each recipient hereof acknowledges and agrees that (i) the contents of this Memorandum constitute proprietary and confidential information, (ii) the Company and its affiliates derive independent economic value from such confidential information not being generally known, and (iii) such confidential information is the subject of reasonable efforts to maintain its secrecy. The recipient further agrees that the contents of this Memorandum are a trade secret, the disclosure of which is likely to cause substantial and irreparable competitive harm to the Company. Any reproduction or distribution of this Memorandum, in whole or in part, or the disclosure of its contents, without the prior written consent of the Company, is prohibited. The existence and nature of all conversations regarding the Company and this Offering must be kept confidential. Each recipient hereby agrees to destroy any copies (including electronic copies) of this Memorandum promptly upon request of the Company.

This Memorandum has been prepared in connection with a private offering of the Securities (the “**Offering**”) to accredited investors in reliance on Regulation D, Rule 506(c) under the Securities Act of 1933, as amended (the “**Securities Act**”). The Offering will be conducted via <https://republic.com> (the “**Platform**”) which is operated for the benefit of OpenDeal Broker LLC dba Capital R (“**ODB**”). ODB is a registered FINRA/SEC broker dealer. Each Investor will be required to electronically deliver to the Company a fully completed, dated and signed copy of the SAFE instrument through Platform, together with any (i) exhibits and (ii) documents requested by the Company and its agents, including ODB and its representatives, for the purpose of satisfying the Company and ODB’s accreditation, customer identification and due diligence obligations prior to the Offering Deadline (as defined below) and send full payment of any consideration to the Company to effect its purchase of the Securities. Investors will not be provided wire instructions until completion of ODB’s know your customer (KYC), anti-money laundering (AML), and Reg BI policies, as well as verification of accredited investor status, after which Investors may send full payment of any consideration to the Company.

This Memorandum contains a summary of the terms of the Securities and certain other documents referred to herein. However, the summaries in this Memorandum do not purport to be complete and are subject to and qualified in their entirety by reference to the actual text of the relevant documents. Each prospective Purchaser should review the form of Crowd SAFE attached as **Exhibit B** and such other documents for complete information concerning the rights, privileges and obligations related to a purchase of the Securities. If any of the terms, conditions or other provisions of the SAFE or such other documents are inconsistent with or contrary to the descriptions or terms in this Memorandum, the SAFE or such other documents shall control. The Company reserves the right to modify the terms of this Offering and the Securities described in this Memorandum, and the Securities are offered subject to the Company’s ability to reject any commitment in whole or in part.

An investment in the Securities involves a high degree of risk, volatility and illiquidity. A prospective Purchaser should thoroughly review the confidential information contained herein and the terms of the SAFE, and carefully consider whether an investment in the Securities is suitable to the Investor’s financial situation and goals.

Investors should make their own investigations and evaluations of the Securities that will be delivered pursuant thereto, including the merits and risks involved in an investment therein. Prior to any investment, the Company will give Investors the opportunity to ask questions of and receive answers and additional information from it concerning the terms and conditions of this Offering and other relevant matters to the extent the Company possesses the same or can acquire it without unreasonable effort or expense. Investors should inform themselves as to the legal requirements applicable to

them in respect of the acquisition, holding and disposition of the Securities upon their delivery, and as to the income and other tax consequences to them of such acquisition, holding and disposition.

This Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy in any jurisdiction in which it is unlawful to make such an offer or solicitation. Neither the United States Securities and Exchange Commission (the “**SEC**”) nor any other federal, state or foreign regulatory authority has approved an investment in the Securities. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Memorandum, nor is it intended that the foregoing authorities will do so. Any representation to the contrary is a criminal offense. This Memorandum is not, and under no circumstances is to be construed as a prospectus or advertisement for a public offering of the Securities referred to therein.

Engagement Agreement with ODB

We are currently party to an offering listing agreement, as effective as of May 27, 2022 (the “**Engagement Agreement**”), with ODB, who has agreed to provide certain offering facilitation services, including executing and delivering evidence of the SAFEs sold in this Offering to each Investor and the use of the Platform. ODB has made no commitment to purchase all or any part of the SAFEs. The term of the Engagement Agreement will continue until the later of the SAFEs are no longer being listed on the Platform or all fees due to ODB being remitted unless otherwise terminated by either party upon thirty (30) days’ prior written notice or for cause pursuant to the Engagement Agreement.

ODB is not purchasing any of the SAFEs in this Offering and are not required to sell any specific number or dollar amount of securities but will instead arrange and manage this Offering on their fundraising platform, Republic.co.

Reimbursable expenses in the event of termination. In the event the Offering does not close or we decide not to pursue this Offering, we have agreed to reimburse ODB the greater of (a) \$25,000, (b) all costs incurred by ODB in enabling this Offering to be listed on Republic.co or (c) the dollar amount equal to the processing fees as described below, for the Maximum Offering Amount (as described below).

Commission and Expenses. We have agreed to pay ODB 5.0% of the gross proceeds. We have also agreed to pay ODB a securities commission equivalent to 1.0% of the dollar value of SAFEs sold in this Offering, such amounts will not effect the net proceeds, but will have a dilutive effect on the Securities issued to Investors. Non-accountable expenses shall be limited to one-half percent (0.5%) of the Offering’s proceeds to ODB.

The aggregate commission to be paid to ODB will have a maximum value of no more than 5.5% of the total proceeds of the Offering. ODB will ensure that the maximum commission amount will not exceed this 5.5% cap. Any other fees that we may pay to ODB or third parties will not be commissions for these purposes.

While our management may promote the Company and this Offering, no other commissions will be paid to anyone in connection with facilitating this Offering.

ODB has agreed, with respect to the SAFE issued to it as part of its commission, not to: (a) sell, transfer, assign, pledge or hypothecate such Securities for a period of 180 days following the date on which this Offering is qualified by the SEC to anyone other than: (i) its affiliates or any selected dealer that may participate in the Offering, or (ii) a bona fide officer or partner of ODB or of any such selected dealer, in each case in accordance with FINRA Conduct Rule 5110(e)(1), or (b) cause such Securities to be the subject of any hedging, short sale, derivative, put or call transaction that would result in the effective economic disposition of such Securities, except as provided for in FINRA Rule 5110(e)(2). On and after 180 days after the date on which this Offering is qualified by the SEC, transfers to others may be made subject to compliance with or exemptions from applicable securities laws. There are no registration rights offered to ODB.

Under the Engagement Agreement with ODB, ODB may also pass through certain administrative expenses related to FINRA fees and anti-money laundering, investor due diligence and accreditation service, in no event in excess of \$30,000 and ancillary costs related to consulting or advisory fees, without markup. We may be required to indemnify ODB and possibly other parties with respect to disclosures made in this Memorandum. Any other fees that we may pay to ODB or other third parties will not be commissions or considered as underwriting compensation. ODB has reserved the right to enter into posting agreements with equity crowdfunding firms not associated with FINRA member firms in connection with this Offering, for which we may pay non-contingent fees as compensation.

Fees for Termination of the Engagement Agreement. Should we terminate the Engagement Agreement, other than for a breach of the Engagement Agreement by ODB, we have agreed to pay ODB the greater of \$25,000 or an amount equal to the number of Investors in this Offering multiplied by \$25.00.

Indemnification and Control.

We have agreed to indemnify ODB against liabilities relating to any investigation, claim, or proceeding stemming from the Offering, liabilities arising from breaches of some or all of the representations and warranties contained in the Engagement Agreement, and to contribute to payments that ODB may be required to make for these liabilities.

ODB and their respective affiliates are engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. ODB and their respective affiliates may in the future perform various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

Procedures for Subscribing

We plan to market this Offering to potential Investors through the Platform. We will hold an initial closing on any number of SAFEs at any time during the Offering after we have received notification of approval when we and ODB determine, and thereafter may hold one or more additional closings until we determine to cease having any additional closings during the Offering. We will close on proceeds based upon the order in which they are received. We will consider various factors in determining the timing of any additional closings following the initial closing, including the amount of proceeds received at the initial closing and any prior additional closings. Investment commitments are not binding on the Company until they are accepted by the Company. Once accepted by the Company, subscriptions are irrevocable.

OPENDEAL HAS NOT INVESTIGATED (NOR HAVE ANY OF ITS AFFILIATES INVESTIGATED) THE DESIRABILITY OR ADVISABILITY OF AN INVESTMENT IN THIS OFFERING OR THE SECURITIES OFFERED HEREIN. OPENDEAL AND ITS AFFILIATES MAKE NO REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGMENT ON THE MERITS OF THE OFFERING OR THE SECURITIES OFFERED HEREIN. OPENDEAL BROKER'S CONNECTION TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSES OF ACTING AS A SERVICE PROVIDER.

We are offering the Securities on a "best efforts" basis with no prescribed offering minimum. Subscription proceeds will be available for use by us as soon as we accept such subscriptions and receive the funds.

Except as otherwise noted, all references herein to "\$" or monetary amounts refer to United States ("U.S.") dollars.

EXCLUSIVE NATURE OF THIS MEMORANDUM

The Company has not authorized any person to provide any information or to make any representations except to the extent contained in this Memorandum. If any such representations are given or made, such information and representations must not be relied upon as having been authorized by the Company.

RESTRICTED AND UNREGISTERED SECURITIES

The Securities have not been nor shall they be registered under the Securities Act, or any other law or regulation governing the offering, sale or exchange of securities in the United States or any other jurisdiction. This Offering is being made to "accredited investors" as defined in Rule 501(a) of Regulation D of the Securities Act. Prospective Investors must acknowledge the fact that the SAFEs will be treated as securities by US regulators, including the SEC and that accordingly they will be subject to mandatory securities holding periods that apply to restricted securities, which can only be transferred subject to certain SEC rules, such as but not limited to SEC Rule 144. See '*Additional Notice; Reliance Upon Specific Registration Exemptions*,' '*Restrictions on Transfer*' and '*Risk Factors*.' We will not be required nor do we currently intend to offer to exchange the Securities for any securities registered under the Securities Act or any other law or register the Securities for resale under the Securities Act. The Company will not be registered as an investment company under the United States Investment Company Act of 1940, as amended (the "***Investment Company Act***"). Consequently, Investors will not be afforded the protections of the Investment Company Act.

RESTRICTIONS ON TRANSFER

The Securities may not be sold or transferred unless they are registered under the Securities Act or an exemption from that registration under the Securities Act and under any other applicable securities law registration requirements is available. The Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time. There is no public market for the Securities and no public market is expected to develop in the future.

Neither the SAFE instrument nor the rights contained herein may be assigned, by operation of law or otherwise, by either party thereto without the prior written consent of the other party; provided, however, that the SAFE instrument and/or the rights contained herein may be assigned without the Company's consent by the Investor to any other entity who directly or indirectly, controls, is controlled by or is under common control with the Investor, including, without limitation, any general partner, managing member, officer or director of the Investor, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or shares the same management company with, the Investor; and provided, further, that the Company may assign the SAFE instrument in whole, without the consent of the Investor, in connection with a reincorporation to change the Company's domicile.

FORWARD-LOOKING STATEMENT DISCLOSURE

Certain statements in this Memorandum constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"). All statements that address expectations or projections about the future, including statements about product development, market position, expected expenditures and financial results, are forward-looking statements. Some of the forward-looking statements may be identified by words like "may," "should," "estimates," "expects," "anticipates," "plans," "intends," "believes", "projects," "indicates, or the negative of these words or other variations or similar expressions or terminology. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. These statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions. Accordingly, actual results or performance of the Company may differ significantly, positively or negatively, from forward-looking statements made herein. Unanticipated events and circumstances are likely to occur. Factors that might cause such differences include, but are not limited to, those discussed under the heading '*Risk Factors*' which recipients of this Memorandum should carefully consider. These factors include, but are not limited to, risks that our products and services may not receive the level of market acceptance anticipated; anticipated funding may prove to be unavailable; intense competition in our market may result in lower than anticipated revenues or higher than anticipated costs, and general economic conditions, such as the rate of employment, inflation, interest rates and the condition of the capital markets may change in a way that is not favorable to us. This list of factors is not exclusive. We undertake no obligation to update any forward-looking statements.

ADDITIONAL NOTICE; RELIANCE UPON SPECIFIC REGISTRATION EXEMPTIONS

NASAA UNIFORM DISCLOSURE

IN MAKING AN INVESTMENT DECISION PURCHASERS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. PURCHASERS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO RESIDENTS OF COLORADO

THIS INFORMATION IS DISTRIBUTED PURSUANT TO AN EXEMPTION FOR SMALL OFFERINGS UNDER THE RULES OF THE COLORADO SECURITIES DIVISION. THE SECURITIES DIVISION HAS NEITHER REVIEWED NOR APPROVED ITS FORM OR CONTENT. THE SECURITIES DESCRIBED MAY ONLY BE PURCHASED BY "ACCREDITED INVESTORS" AS DEFINED BY RULE 501 OF SEC REGULATION D AND THE RULES OF THE COLORADO SECURITIES DIVISION.

NOTICE TO RESIDENTS OF CONNECTICUT

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE BANKING COMMISSIONER OF THE STATE OF CONNECTICUT NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THE OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO RESIDENTS OF FLORIDA

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE FLORIDA SECURITIES ACT. EACH OFFEREE WHO IS A FLORIDA RESIDENT SHOULD BE AWARE THAT SECTION 517.061(11)(A)(5) OF THE FLORIDA SECURITIES AND INVESTOR PROTECTION ACT PROVIDES, IN RELEVANT PART, AS FOLLOWS: WHEN SALES ARE MADE TO FIVE OR MORE PERSONS IN FLORIDA, ANY SALE IN FLORIDA MADE PURSUANT TO SECTION 517.061(11) IS VOIDABLE BY THE PURCHASER IN SUCH SALE EITHER WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE PURCHASER TO THE ISSUER, AN AGENT OF THE ISSUER OR AN ESCROW AGENT OR WITHIN THREE DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO SUCH PURCHASER, WHICHEVER OCCURS LATER. THE AVAILABILITY OF THE PRIVILEGE TO VOID SALES PURSUANT TO SECTION 517.061 OF THE FLORIDA ACT IS HEREBY COMMUNICATED TO EACH FLORIDA OFFEREE.

NOTICE TO RESIDENTS OF GEORGIA

THESE SECURITIES HAVE BEEN ISSUED OR SOLD IN RELIANCE ON PARAGRAPH (13) OF CODE SECTION 10- 5-9 OF THE "GEORGIA SECURITIES ACT OF 1973," AND MAY NOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SUCH ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SUCH ACT.

NOTICE TO RESIDENTS OF MARYLAND

THE SECURITIES REPRESENTED BY THIS DOCUMENT HAVE BEEN ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM THE REGISTRATION PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS AND

MAY NOT BE SOLD OR TRANSFERRED WITHOUT COMPLIANCE WITH THE REGISTRATION PROVISIONS OF APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR APPLICABLE EXEMPTIONS THEREFROM.

NOTICE TO RESIDENTS OF NEW HAMPSHIRE

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE NEW HAMPSHIRE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER NEW HAMPSHIRE RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO RESIDENTS OF NEW MEXICO

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISK INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICE TO RESIDENTS OF NEW YORK

THIS IS NOT A FIRM OFFER IN THE STATE OF NEW YORK. NO FIRM OFFER MAY BE MADE IN NEW YORK, AND NO SUBSCRIPTION PAYMENT, DEPOSIT, OR SUBSCRIPTION COMMITMENT MAY BE RECEIVED UNLESS AN EXEMPTION IS GRANTED FROM THE FILING OF AN OFFERING STATEMENT OR PROSPECTUS UNDER NEW YORK LAW. THIS PRELIMINARY OFFERING LITERATURE IS SUBJECT TO REVISION AND AMENDMENT.

NOTICE TO RESIDENTS OF NORTH DAKOTA

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICE TO RESIDENTS OF OREGON

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. YOU WILL NOT BE ABLE TO TRANSFER OR RESELL THESE SECURITIES EXCEPT PURSUANT TO REGISTRATION UNDER THE FEDERAL SECURITIES ACT OF 1933 OR AN EXEMPTION FROM REGISTRATION IF AVAILABLE. CONSEQUENTLY, YOU MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO RESIDENTS OF PENNSYLVANIA

ACCORDING TO SECTION 207(M)(2) OF THE PENNSYLVANIA SECURITIES ACT OF 1972: "IF YOU HAVE ACCEPTED AN OFFER TO PURCHASE THESE SECURITIES AND HAVE RECEIVED A WRITTEN NOTICE EXPLAINING YOUR RIGHT TO WITHDRAW YOUR ACCEPTANCE PURSUANT TO SECTION 207(M)(2) OF THE PENNSYLVANIA SECURITIES ACT OF 1972, YOU MAY ELECT, WITHIN TWO BUSINESS DAYS FROM THE DATE OF RECEIPT BY THE ISSUER OF YOUR BINDING CONTRACT OF PURCHASE OR, IN THE CASE OF A TRANSACTION IN WHICH THERE IS NO BINDING CONTRACT OF PURCHASE, WITHIN TWO BUSINESS DAYS AFTER YOU MAKE THE INITIAL PAYMENT FOR THE SECURITIES BEING OFFERED, TO WITHDRAW YOUR ACCEPTANCE AND RECEIVE A FULL REFUND OF ALL MONEYS PAID BY YOU. YOUR WITHDRAWAL OF ACCEPTANCE WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, YOU NEED ONLY SEND A WRITTEN NOTICE (INCLUDING A NOTICE BY FACSIMILE OR ELECTRONIC MAIL) TO THE ISSUER (OR PLACEMENT AGENT IF ONE IS LISTED ON THE FRONT PAGE OF THE OFFERING MEMORANDUM) INDICATING YOUR INTENTION TO WITHDRAW.

NOTICE TO RESIDENTS OF SOUTH CAROLINA

THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER ONE OR MORE SECURITIES ACTS. IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSIONER OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO RESIDENTS OF TENNESSEE

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO RESIDENTS OF VERMONT

(I) INVESTMENT IN THESE SECURITIES INVOLVES SIGNIFICANT RISKS AND IS SUITABLE ONLY FOR PERSONS WHO HAVE NO NEED FOR IMMEDIATE LIQUIDITY IN THEIR INVESTMENT AND WHO CAN BEAR THE ECONOMIC RISK OF A LOSS OF THEIR ENTIRE INVESTMENT. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

(II) IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE

NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

(III) THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933 AND THE VERMONT SECURITIES ACT, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM.

NOTICE TO RESIDENTS OF VIRGINIA

THE SECURITIES REPRESENTED BY THIS DOCUMENT HAVE BEEN ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM THE REGISTRATION OR QUALIFICATION PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS AND SHALL NOT BE SOLD OR TRANSFERRED WITHOUT COMPLIANCE WITH THE REGISTRATION OF QUALIFICATION PROVISIONS OF APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR APPLICABLE EXEMPTIONS THEREFROM.

FOR ALL NON-U.S. INVESTORS

NO ACTION HAS BEEN OR WILL BE TAKEN IN ANY JURISDICTION OUTSIDE THE UNITED STATES OF AMERICA THAT WOULD PERMIT AN OFFERING OF THE SECURITIES, OR POSSESSION, OR DISTRIBUTION OF OFFERING MATERIAL IN CONNECTION WITH THE ISSUE OF THE SECURITIES, IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. IT IS THE RESPONSIBILITY OF ANY PERSON WISHING TO PURCHASE THE SECURITIES TO SATISFY HIMSELF OR HERSELF AS TO FULL OBSERVANCE OF THE LAWS OF ANY RELEVANT TERRITORY OUTSIDE THE UNITED STATES OF AMERICA IN CONNECTION WITH ANY SUCH PURCHASE, INCLUDING OBTAINING ANY REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER APPLICABLE FORMALITIES.

YOUR INVESTMENT WILL BE DENOMINATED IN UNITED STATES DOLLARS (\$) AND, THEREFORE, WILL BE SUBJECT TO ANY FLUCTUATION IN THE RATE OF EXCHANGE BETWEEN UNITED STATES DOLLARS (\$), THE CURRENCY OF YOUR OWN JURISDICTION AND THE CURRENCY OF THE JURISDICTION IN WHICH ANY FUND PORTFOLIO ASSET OPERATES OR GENERATES INVESTMENT PROCEEDS, AS APPLICABLE. SUCH FLUCTUATIONS MAY HAVE AN ADVERSE EFFECT ON THE VALUE, PRICE OR INCOME OF YOUR INVESTMENT.

TABLE OF CONTENTS

DIRECTORY	1
SUMMARY OF KEY TERMS	2
RISK FACTORS	4
CERTAIN RISK FACTORS	5
COMPANY OVERVIEW	16
DIRECTORS, OFFICERS, MANAGERS, AND KEY PERSONS	20
CAPITALIZATION, DEBT, AND OWNERSHIP	23
THE OFFERING AND THE SECURITIES	30
CONCURRENT OFFERING	34
TRANSACTIONS WITH RELATED PERSONS AND CONFLICTS OF INTEREST	35
FINANCIAL DATA	36
USE OF PROCEEDS	38
ANTI-MONEY LAUNDERING	40
PLAN OF DISTRIBUTION	43
SUITABILITY OF INVESTMENT	45
CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS	48
WHERE YOU CAN FIND MORE INFORMATION	49
EXHIBIT A	50
EXHIBIT B	51
EXHIBIT C	52
EXHIBIT D	53

DIRECTORY

The Company:

Steeped, Inc. dba Steeped Coffee
103 Whispering Pines Drive
STE E
Scotts Valley, CA 95066, United States

Attn: Steeped Coffee

E-mail: investors@steepedcoffee.com

SUMMARY OF KEY TERMS

The following is a summary of certain principal terms governing an investment in the Securities offered by the Company. This summary is not complete and is qualified in its entirety by reference to the more detailed information set forth elsewhere in this Memorandum and by the terms and conditions of the SAFE, each of which should be read carefully by any prospective Investor before investing. Prospective Investors are urged to read the entire Memorandum and seek the advice of their own counsel, tax consultants and business advisors with respect to the legal, tax, and business aspects of investing in the Securities. Capitalized terms used herein and not otherwise defined will have the same meaning as set forth in the SAFE. If any disclosure made herein is inconsistent with any provision of the SAFE, the provision of the SAFE will control. Please refer to **Exhibit B** to review the form of SAFE.

Issuer:	Steeped, Inc. dba Steeped Coffee, a Delaware Public Benefit Corporation (the “ Company ”, “ Steeped Coffee ,” the “ Issuer ”).
Purchaser:	An accredited investor, as that term is defined under the rules and regulations of the Securities Act of 1933, as amended (a “ Purchaser ” or “ Investor ”).
Nominee:	By investing in this Offering, Investors will designate Republic Investment Services LLC (f/k/a NextSeed Services, LLC) (the “ Nominee ”) to act on their behalf as agent and proxy in all respects. The Nominee is an affiliate of ODB.
Type of Security:	Simple Agreement for Future Equity (SAFE) (the “ Securities ”, or the “ Crowd SAFEs ”, or “ SAFES ”).
Amount of Offering:	Up to a maximum offering amount of \$5,000,000.00 (the “ Maximum Offering Amount ”).
Minimum Offering Amount:	We are offering the Securities on a “best efforts” basis with no prescribed minimum. There is no minimum number of Securities that must be sold for the Offering to close. Subscription proceeds will be available for use by us as soon as we accept such subscriptions and receive the funds.
Purchase Price:	\$1.00 per Security (the “ Purchase Price ”).
Minimum Investor Amount:	\$10,000.00 subject to adjustment in the Company’s sole discretion. The Company and ODB reserves the right to reject any proposed investment in part or in its entirety in their sole discretion. No assurance can be given that each Purchaser that wishes to participate in the Offering will be able to do so, or to do so at the level at which such Purchaser desires.
Maximum Investor Amount:	\$500,000.00 subject to adjustment in the Company’s sole discretion.
Exemption:	Rule 506(c) of Regulation D under the Securities Act of 1933, as amended (the “ Securities Act ”).
Offering Deadline:	The Offering will end on August 7, 2022 <i>provided</i> the Company may extend the Offering Deadline one or more times at its sole discretion.
Placement Agent:	The Company has engaged OpenDeal Broker LLC dba the Capital R (“ ODB ”) to provide a landing page for the Company’s Offering and perform related services, including broker-dealer services. The Company has agreed to pay a fee to ODB equal to five percent (5.0%) of the dollar value of the Securities issued to Investors in this Offering. Additionally, ODB shall receive a securities commission equivalent to one and half percent (1.5%) of the dollar value of the Securities issued to Investors in this Offering.
Use of Proceeds:	The proceeds will be used as general working capital, which may include but not be limited to inventory. The Company may alter the use of proceeds in its sole discretion. See ‘ <i>Use of Proceeds</i> ’ for more information.
Subscription Procedures :	To subscribe, prospective Investors will be required to electronically deliver to the Company a fully completed, dated, and signed copy of the SAFE instrument through the online platform found at https://republic.co (the “ Platform ”) together with any (i) exhibits and (ii) documents requested by the Company and its agents, including ODB and its representatives, for the purpose of satisfying the Company’s and ODB’s accreditation, customer identification, and due diligence obligations prior to the Offering Deadline and send full payment of any

	consideration to the Company. The Company and ODB reserves the right to reject any proposed investment in part or in its entirety in their sole discretion. Once accepted by the Company, subscriptions are irrevocable.
Pre-money Valuation Cap:	\$33,000,000
First Equity Financing:	In the event of a first sale or series of related sales pursuant to which the Company issues and sells capital stock, including, without limitation, Common Stock and Preferred Stock (“ Capital Stock ”) from which the Company receives gross proceeds of not less than \$1,000,000 (an “ Equity Financing ”), the Company will have the option to continue the term of the SAFE without conversion, or to issue a number of shares Shadow Series of the Capital Stock sold in such first Equity Financing equal to the amount the Purchaser paid for the Securities (the “ Purchase Amount ”) divided by the First Equity Financing Price (as defined in the SAFE instrument).
Subsequent Equity Financing:	If the Company elects to continue the term of the SAFE past the First Equity Financing and another Equity Financing occurs, the Company will have the option to continue the term of the SAFE without conversion, or to issue a number of shares Shadow Series of the Capital Stock sold such subsequent Equity Financing equal to the Purchase Amount divided by the First Equity Financing Price (as defined in the SAFE instrument)
Liquidity Event:	If there is a change of control or an initial public offering (each, a “ Liquidity Event ”) before any Equity Financing, the Investor will, at its option, either (i) receive a cash payment equal to the Purchase Amount (or a lesser amount as described in the SAFE instrument) or (ii) automatically receive from the Company a number of shares of Common Stock equal to the Purchase Amount divided by the Liquidity Price (as described in the SAFE instrument). If there is a Liquidity Event after one or more Equity Financings, the Investor will, at its option, either (i) receive a cash payment equal to the Purchase Amount (or a lesser amount as described in the SAFE instrument) or (ii) automatically receive from the Company a number of shares of the most recent issued Capital Stock equal to the Purchase Amount divided by the First Equity Financing Price (as described in the SAFE instrument).
Dissolution Event:	If there is (i) a voluntary termination of operations, (ii) a general assignment for the benefit of the Company’s creditors, (iii) the commencement of a case seeking relief under Title 11 of the United States Code, or (iv) any other liquidation, dissolution, or winding up of the Company (excluding a Liquidity Event), whether voluntary or involuntary (each, a “ Dissolution Event ”) before the SAFE instrument terminates in connection with an Equity Financing or a Liquidity Event, the Company will distribute its entire assets legally available for distribution with equal priority among the (i) Investors, (ii) all other holders of investments sharing in the assets of the Company at the same priority as holders of Common Stock upon a Dissolution Event, and (iii) all holders of Common Stock.
Amendment:	Any provision of the SAFE instrument may be amended, waived, or modified upon the written consent of either (i) the Company and the Investor or (ii) the Company and the Majority of the Investors.
Voting Rights:	The SAFEs carry no voting, management, or control rights in the Company.
Dividend Rights:	The Investor is not entitled, as a holder of the SAFE instrument, to receive dividends or be deemed the holder of Capital Stock for any purpose.
Governing Law:	All rights and obligations under the SAFE instrument are governed by the laws of the State of Delaware.
Other:	This Summary of Key Terms is intended as an outline of certain of the material terms of the SAFE and does not purport to summarize all of the conditions, covenants, representations, warranties and other provisions that would be contained in definitive documentation for the SAFE.

RISK FACTORS

An investment in the SAFEs issued in the financing of Steeped, Inc. involves a high degree of risk.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

Forward-Looking Statements

The documents being distributed herewith contain forward-looking statements. These forward-looking statements are not historical facts but rather are based on current expectations, estimates and projections about our industry, our beliefs, and our assumptions. All statements, other than statements of historical fact, in this statement of Risk Factors including, among other things, statements regarding our competitive strengths, technologies, strategies, financial projections, budgets, projected costs, management, and plans and objectives of management are forward-looking statements. You can identify these statements by forward-looking words such as “may”, “will”, “anticipates,” “expects,” “intends,” “plans,” “believes,” “seeks,” “propose”, “should”, “continue”, and “estimates,” and variations of these words and similar words and expressions, are intended to identify forward looking statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. These statements are not guarantees of future performance and are subject to risks, uncertainties, and other factors, some of which are beyond our control, are difficult to predict, and could cause actual results to differ materially from those expressed, implied, or forecasted in the forward-looking statements. Additionally, the forward-looking events discussed therein might not occur. These risks and uncertainties include, among others, those described in these “Risk Factors”. Prospective Investors are cautioned not to place undue reliance on these forward-looking statements which reflect our management’s view only as of the date hereof. Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

We believe it is important to communicate our expectations to our Investors. Before you invest in the Company, you should be aware that the occurrence of any of the events described in the Risk Factors below or elsewhere in the offering documents, in addition to other events that we have not predicted or assessed, could have an adverse material effect on our earnings, financial condition, or business. In such case, the value, if any, of our Securities could decline and you may lose all or part of your investment.

CERTAIN RISK FACTORS

The following risk factors, in addition to the other information contained in the materials being distributed to prospective Investors in connection with the Offering of SAFEs, should be considered carefully in evaluating the Company and our business before purchasing the SAFEs offered hereby.

Additional risks and uncertainties not presently known to the Company or that it currently deems immaterial may also impair its business operations. If any of the following risks actually occur, the Company's business, prospects, financial condition or results of operations could be materially adversely affected. In such case, the Investor may lose all or part of the Investor's investment.

The SAFEs being offered hereby should be regarded as speculative, and should be purchased only by individuals or entities that could afford to lose all or part of their investment.

Risks Related to the Company's Business and Industry

We have a limited operating history upon which you can evaluate our performance, and accordingly, our prospects must be considered in light of the risks that any new company encounters.

The Company is still in an early phase and we are just beginning to implement our business plan. There can be no assurance that we will ever operate profitably. The likelihood of our success should be considered in light of the problems, expenses, difficulties, complications, and delays usually encountered by early-stage companies. The Company may not be successful in attaining the objectives necessary for it to overcome these risks and uncertainties.

Global crises, such as COVID-19, can have a significant effect on our business operations and revenue projections.

The Company's revenue was adversely affected related to the COVID-19 crisis. Conditions have eased. If another significant outbreak of COVID-19 or another contagious disease were to occur, we may lose a significant portion of our revenue.

In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, including the United States where we principally operate, resulting in an economic downturn that could reduce the demand for our products and services and impair our business prospects, including as a result of being unable to raise additional capital on acceptable terms to us, if at all.

The amount of capital the Company is attempting to raise in this Offering may not be enough to sustain the Company's current business plan.

In order to achieve the Company's near and long-term goals, the Company may need to procure funds in addition to the amount raised in the Offering. While the Company is currently conducting an offering pursuant to Section 4(a)(6) under the Securities Act, there is no guarantee that such offering will be successful and that the Company will be able to close on sufficient investment proceeds, if any (See 'Concurrent Offering' for more information). Similarly, there is no guarantee that the Company will be able to raise sufficient funds in this Offering on acceptable terms or at all. If we are not able to raise sufficient capital in the future, we may not be able to execute our business plan, our continued operations will be in jeopardy, and we may be forced to cease operations and sell or otherwise transfer all or substantially all of our remaining assets, which could cause an Investor to lose all or a portion of their investment..

We may face potential difficulties in obtaining capital.

We may have difficulty raising needed capital in the future as a result of, among other factors, our lack of revenues from sales, as well as the inherent business risks associated with our Company and present and future market conditions. Our business currently has limited sales and future sources of revenue may not be sufficient to meet our future capital requirements. We will require additional funds to execute our business strategy and conduct our operations. If adequate funds are unavailable, we may be required to delay, reduce the scope of or eliminate one or more of our research, development or commercialization programs, product launches or marketing efforts, any of which may materially harm our business, financial condition and results of operations.

We may implement new lines of business or offer new products and services within existing lines of business.

As an early-stage company, we may implement new lines of business at any time. There are substantial risks and uncertainties associated with these efforts, particularly in instances where the markets are not fully developed. In developing and marketing new lines of business and/or new products and services, we may invest significant time and resources. Initial timetables for the introduction and development of new lines of business and/or new products or services may not be achieved, and price and profitability targets may not prove feasible. We may not be successful in introducing new products and services in response to industry trends or developments in technology, or those new products may not achieve market acceptance. As a result, we could lose business, be forced to price products and services on less advantageous terms to retain or attract clients or be subject to cost increases. As a result, our business, financial condition or results of operations may be adversely affected.

We rely on other companies to provide components and services for our products.

We depend on suppliers and contractors to meet our contractual obligations to our customers and conduct our operations. Our ability to meet our obligations to our customers may be adversely affected if suppliers or contractors do not provide the agreed-upon supplies or services in compliance with customer requirements and in a timely and cost-effective manner. Likewise, the quality of our products may be adversely impacted if companies to whom we delegate the production of our products, or from whom we acquire such items, do not provide the products which meet required specifications and perform to our, and our customers', expectations. Our suppliers may also be unable to quickly recover from natural disasters and other events beyond their control and may be subject to additional risks such as financial problems that limit their ability to conduct their operations. The risk of these adverse effects may be greater in circumstances where we rely on only one or two contractors or suppliers for a particular product or service. Our products may utilize custom ingredients available from few worldwide sources. Continued availability of those products and their custom ingredients at acceptable prices, or at all, may be affected for any number of reasons, including if those suppliers decide to concentrate on the production of common products instead of products customized to meet our requirements. The supplies needed for a new or existing product could be delayed or constrained, or a key manufacturing vendor could delay shipments of completed products to us adversely affecting our business and results of operations.

We rely on various intellectual property rights, including trademarks and patents, in order to operate our business.

The Company relies on certain intellectual property rights to operate its business. The Company's intellectual property rights may not be sufficiently broad, may be too broad or otherwise may not provide us a significant competitive advantage. In addition, the steps that we have taken to maintain and protect our intellectual property may not prevent it from being challenged, invalidated, circumvented, or designed-around, particularly in countries where intellectual property rights are not highly developed or protected. In some circumstances, enforcement may not be available to us because an infringer has a dominant intellectual property position or for other business reasons, or countries may require compulsory licensing of our intellectual property. Our failure to obtain or maintain intellectual property rights that convey competitive advantage, adequately protect our intellectual property or detect or prevent circumvention or unauthorized use of such property, could adversely impact our competitive position and results of operations. We also rely on nondisclosure and noncompetition agreements with employees, consultants, customers, service providers and other parties to protect, in part, trade secrets and other proprietary rights. There can be no assurance that these agreements will adequately protect our trade secrets and other proprietary rights and will not be breached, that we will have adequate remedies for any breach, that others will not independently develop substantially equivalent proprietary information, and/or that third parties will not otherwise gain access to our trade secrets or other proprietary rights. As we expand our business, protecting our intellectual property will become increasingly important. The protective steps we have taken may be inadequate to deter our competitors from using our proprietary information. In order to protect or enforce our intellectual property rights, we may be required to initiate litigation against third parties, such as infringement lawsuits. Also, these third parties may assert claims against us with or without provocation. These lawsuits could be expensive, take significant time and could divert management's attention from other business concerns. We cannot assure you that we will prevail in any of these potential suits or that the damages or other remedies awarded, if any, would be commercially valuable.

The Company's success depends on the experience and skill of its executive officers, its board of directors, and key employees and advisors.

We are dependent on our executive officers, board of directors, and key employees and advisors. These persons may not devote their full time and attention to the matters of the Company. The loss of any or all of our executive officers, board of directors and key employees or advisors could harm the Company's business, financial condition, cash flow and results of operations.

Although dependent on certain key personnel, the Company does not have any key person life insurance policies on any such people.

We are dependent on certain key personnel in order to conduct our operations and execute our business plan, however, the Company has not purchased any insurance policies with respect to those individuals in the event of their death or disability. Therefore, if any of these personnel die or become disabled, the Company will not receive any compensation to assist with such person's absence. The loss of such person could negatively affect the Company and our operations. We have no way to guarantee key personnel will stay with the Company, as many states do not enforce non-competition agreements, and therefore even potentially acquiring key man insurance will not ameliorate all of the risk of relying on key personnel.

In order for the Company to compete and grow, it must attract, recruit, retain and develop the necessary personnel who have the needed experience.

Recruiting and retaining highly qualified personnel is critical to our success. These demands may require us to hire additional personnel and will require our existing management and other personnel to develop additional expertise. We face intense competition for personnel, making recruitment time-consuming and expensive. The failure to attract and retain personnel or to develop such expertise could delay or halt the development and commercialization of our product candidates. If we experience difficulties in hiring and retaining personnel in key positions, we could suffer from delays in product development, loss of customers and sales, and diversion of management resources, which could adversely affect operating results. Our consultants and advisors may be employed by third parties and may have commitments under consulting or advisory contracts with third parties that may limit their availability to us, which could further delay or disrupt our product development and growth plans.

We need to rapidly and successfully develop and introduce new products in a competitive, demanding and rapidly changing environment.

To succeed in our intensely competitive industry, we must continually improve, refresh and expand our product and service offerings to include newer features, functionality or solutions, and keep pace with changes in the industry. Shortened product life cycles due to changing customer demands and competitive pressures may impact the pace at which we must introduce new products or implement new functions or solutions. In addition, bringing new products or solutions to the market entails a costly and lengthy process, and requires us to accurately anticipate changing customer needs and trends. We must continue to respond to changing market demands and trends or our business operations may be adversely affected.

The development and commercialization of our products is highly competitive.

We face competition with respect to any products that we may seek to develop or commercialize in the future. Our competitors include major companies worldwide. Many of our competitors have significantly greater financial, technical, and human resources than we have and superior expertise in research and development and marketing approved products and thus may be better equipped than us to develop and commercialize products. These competitors also compete with us in recruiting and retaining qualified personnel and acquiring technologies. Smaller or early stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. Accordingly, our competitors may commercialize products more rapidly or effectively than we are able to, which would adversely affect our competitive position, the likelihood that our products will achieve initial market acceptance, and our ability to generate meaningful additional revenues from our products.

We face various risks as an e-commerce retailer.

As part of our growth strategy, we have made significant investments to grow our e-commerce business. We may require additional capital in the future to grow our e-commerce business. Business risks related to our e-commerce business include our inability to keep pace with rapid technological change, failure in our security procedures or operational controls, failure or inadequacy in our systems or labor resource levels to effectively process customer orders in a timely

manner, government regulation and legal uncertainties with respect to e-commerce, changes in the costs of e-commerce advertising due to additional competition, and collection of sales or other taxes by one or more states or foreign jurisdictions. If any of these risks materialize, they could have an adverse effect on our business. In addition, we face competition from other internet retailers, and more retailers could enter the market. Our failure to positively differentiate our product and services offerings or customer experience from these internet retailers could have a material adverse effect on our business, financial condition and results of operations.

Our inability to secure, maintain and increase our presence on e-commerce platforms and in retail stores could adversely impact our revenue, and in turn our business, financial condition, results of operations and prospects could be adversely affected.

Our operations include selling products to consumers through third party e-commerce platforms and in retail stores and their related websites. The success of our business is largely dependent on our continuing development of strong relationships and sales with such platforms and stores and abiding by their established rules and regulations for sellers. The loss of our relationship with any large retail partner or e-commerce platform partner could have a significant impact on our revenue. In addition, we may be unable to secure or maintain adequate shelf space in new markets, or any shelf space at all, until we develop stable relationships with the retailers that operate in such markets. Consequently, growth opportunities through our retail channel, e-commerce and direct-to-consumer channel may be limited and our revenue, business, financial condition, results of operations and prospects could be adversely affected if we are unable to successfully establish or maintain relationships with other retailers or e-commerce platforms in new or current markets.

Industry consolidation may result in increased competition, which could result in a loss of customers or a reduction in revenue.

Some of our competitors have made or may make acquisitions or may enter into partnerships or other strategic relationships to offer more comprehensive services than they individually had offered or achieve greater economies of scale. In addition, new entrants not currently considered to be competitors may enter our market through acquisitions, partnerships or strategic relationships. We expect these trends to continue as companies attempt to strengthen or maintain their market positions. The potential entrants may have competitive advantages over us, such as greater name recognition, longer operating histories, more varied services and larger marketing budgets, as well as greater financial, technical and other resources. The companies resulting from combinations or that expand or vertically integrate their business to include the market that we address may create more compelling service offerings and may offer greater pricing flexibility than we can or may engage in business practices that make it more difficult for us to compete effectively, including on the basis of price, sales and marketing programs, technology or service functionality. These pressures could result in a substantial loss of our customers or a reduction in our revenue.

The inability of any supplier, co-packer or partner manufacturer, third-party distributor or transportation provider to deliver or perform for us in a timely or cost-effective manner could cause our operating costs to increase and our profit margins to decrease.

We must continuously monitor our inventory and product mix against forecasted demand or risk having inadequate supplies to meet consumer demand or timing as well as having too much inventory on hand that may reach its expiration date and become unsaleable. Additionally, the management of such forecasting, supplies, and timing can be complex across many facilities for many customers, may rely on software and/or employees or contractors that could make errors, and those personnel and/or technological resources may be difficult to hire, maintain, or replace. If we are unable to manage our supply chain effectively and ensure that our products are available to meet consumer demand, our operating costs could increase and our profit margins could decrease or we could lose customers. Failure by our transportation providers to deliver our products on time or at all could result in lost sales. We use third-party transportation providers for our product shipments. Transportation services include scheduling and coordinating transportation of finished products to our customers, shipment tracking and freight dispatch services. Our use of transportation services for shipments is subject to risks, including increases in fuel prices, which would increase our shipping costs, and employee strikes and inclement weather, which may impact the ability of providers to provide delivery services that adequately meet our shipping needs, including keeping our products adequately regulated or refrigerated during shipment. Any such change could cause us to incur costs and expend resources. Moreover, in the future we may not be able to obtain terms as favorable as those we receive from the third-party transportation providers that we currently use, which in turn would increase our costs and thereby adversely affect our business, financial condition, and results of operations.

We also face severe competition to display our products on store shelves and obtain or maintain optimal presence on those shelves.

Due to the intense competition for limited shelf space in the food and beverage categories, retailers are in a position to negotiate favorable terms of sale, including price discounts, allowances and product return policies. To the extent we elect to increase discounts or allowances in an effort to secure shelf space, our operating results could be adversely affected. We may not be able to increase or sustain our volume of retail shelf space or offer retailers price discounts sufficient to overcome competition and, as a result, our sales and results of operations could be adversely affected. In addition, many of our competitors have significantly greater financial, manufacturing, marketing, management, and other resources than we do and may have greater name recognition, a more established distribution network and a larger base of wholesale customers and distributors. Many of our competitors also have well-established relationships with our current and potential consumers who purchase such competitors' other products at retail stores, and have extensive knowledge of our target markets. As a result, these competitors may be able to devote greater resources to the development, promotion and sale of their products and respond more quickly to evolving consumer preferences for us. If our competitors' sales surpass ours, retailers may give higher priority to our competitors' products, causing such retailers to reduce their efforts to sell our products and resulting in the loss of advantageous shelf space.

Increases in raw materials, packaging, oil and natural gas costs and volatility in the commodity markets may adversely affect our results of operations.

Our financial results depend to a large extent on the costs of raw materials, packaging, oil and natural gas, and our ability to pass the costs of these materials onto our customers. Historically, market prices for commodities have fluctuated in response to a number of factors, including economic conditions such as inflation, changes in U.S. government support programs, changes in international trading policies, impacts of disease outbreaks on material sources and the potential effect on supply and demand as well as weather conditions. Fluctuations in flexible packaging and their raw materials, coffee, paper and oil prices affect our costs for packaging materials. In addition, we have exposure to changes in the pricing of oil and natural gas, which affects our manufacturing, transportation and packaging costs. If there is any increase in the cost of raw materials, packaging, or oil and natural gas expenses, we may be required to charge higher selling prices for our products to avoid margin deterioration. We cannot provide any assurances regarding the timing or the extent of our ability to successfully charge higher prices for our products, or the extent to which any price increase will affect future sales volumes. Our results of operations may be materially and adversely affected by this volatility.

Damage to our reputation could negatively impact our business, financial condition and results of operations.

Our reputation and the quality of our brand are critical to our business and success in existing markets and will be critical to our success as we enter new markets. Any incident that erodes consumer loyalty for our brand could significantly reduce its value and damage our business. We may be adversely affected by any negative publicity, regardless of its accuracy. Also, there has been a marked increase in the use of social media platforms and similar devices, including blogs, social media websites and other forms of internet-based communications that provide individuals with access to a broad audience of consumers and other interested persons. The availability of information on social media platforms is virtually immediate as is its impact. Information posted may be adverse to our interests or may be inaccurate, each of which may harm our performance, prospects or business. The harm may be immediate and may disseminate rapidly and broadly, without affording us an opportunity for redress or correction.

Our business could be negatively impacted by cyber security threats, attacks and other disruptions.

We may face advanced and persistent attacks on our information infrastructure where we manage and store various proprietary information and sensitive/confidential data relating to our operations. These attacks may include sophisticated malware (viruses, worms, and other malicious software programs) and phishing emails that attack our products or otherwise exploit any security vulnerabilities. These intrusions sometimes may be zero-day malware that are difficult to identify because they are not included in the signature set of commercially available antivirus scanning programs. Experienced computer programmers and hackers may be able to penetrate our network security and misappropriate or compromise our confidential information or that of our customers or other third-parties, create system disruptions, or cause shutdowns. Additionally, sophisticated software and applications that we produce or procure from third-parties may contain defects in design or manufacture, including "bugs" and other problems that could unexpectedly interfere with the operation of the information infrastructure. A disruption, infiltration or failure of our information infrastructure systems or any of our data centers as a result of software or hardware malfunctions, computer viruses,

cyber-attacks, employee theft or misuse, power disruptions, natural disasters or accidents could cause breaches of data security, loss of critical data and performance delays, which in turn could adversely affect our business.

Security breaches of confidential customer information, in connection with our electronic processing of credit and debit card transactions, or confidential employee information may adversely affect our business.

Our business requires the collection, transmission, and retention of personally identifiable information, in various information technology systems that we maintain and in those maintained by third parties with whom we contract to provide services. The integrity and protection of that data is critical to us. The information, security and privacy requirements imposed by governmental regulation are increasingly demanding. Our systems may not be able to satisfy these changing requirements and customer and employee expectations, or may require significant additional investments or time in order to do so. A breach in the security of our information technology systems or those of our service providers could lead to an interruption in the operation of our systems, resulting in operational inefficiencies and a loss of profits. Additionally, a significant theft, loss or misappropriation of, or access to, customers' or other proprietary data or other breach of our information technology systems could result in fines, legal claims or proceedings.

The use of individually identifiable data by our business, our business associates and third parties is regulated at the state, federal and international levels.

The regulation of individual data is changing rapidly, and in unpredictable ways. A change in regulation could adversely affect our business, including causing our business model to no longer be viable. Costs associated with information security – such as investment in technology, the costs of compliance with consumer protection laws and costs resulting from consumer fraud – could cause our business and results of operations to suffer materially. Additionally, the success of our online operations depends upon the secure transmission of confidential information over public networks, including the use of cashless payments. The intentional or negligent actions of employees, business associates or third parties may undermine our security measures. As a result, unauthorized parties may obtain access to our data systems and misappropriate confidential data. There can be no assurance that advances in computer capabilities, new discoveries in the field of cryptography or other developments will prevent the compromise of our customer transaction processing capabilities and personal data. If any such compromise of our security or the security of information residing with our business associates or third parties were to occur, it could have a material adverse effect on our reputation, operating results and financial condition. Any compromise of our data security may materially increase the costs we incur to protect against such breaches and could subject us to additional legal risk.

The Company is not subject to Sarbanes-Oxley regulations and may lack the financial controls and procedures of public companies.

The Company may not have the internal control infrastructure that would meet the standards of a public company, including the requirements of the Sarbanes Oxley Act of 2002. As a privately-held (non-public) Company, the Company is currently not subject to the Sarbanes Oxley Act of 2002, and its financial and disclosure controls and procedures reflect its status as a development stage, non-public company. There can be no guarantee that there are no significant deficiencies or material weaknesses in the quality of the Company's financial and disclosure controls and procedures. If it were necessary to implement such financial and disclosure controls and procedures, the cost to the Company of such compliance could be substantial and could have a material adverse effect on the Company's results of operations.

Changes in federal, state or local laws and government regulation could adversely impact our business.

The Company is subject to legislation and regulation at the federal and local levels and, in some instances, at the state level. New laws and regulations may impose new and significant disclosure obligations and other operational, marketing and compliance-related obligations and requirements, which may lead to additional costs, risks of non-compliance, and diversion of our management's time and attention from strategic initiatives. Additionally, federal, state and local legislators or regulators may change current laws or regulations which could adversely impact our business. Further, court actions or regulatory proceedings could also change our rights and obligations under applicable federal, state and local laws, which cannot be predicted. Modifications to existing requirements or imposition of new requirements or limitations could have an adverse impact on our business.

We operate in a highly regulated environment, and if we are found to be in violation of any of the federal, state, or local laws or regulations applicable to us, our business could suffer.

We are also subject to a wide range of federal, state, and local laws and regulations. The violation of these or future requirements or laws and regulations could result in administrative, civil, or criminal sanctions against us, which may include fines, a cease and desist order against the subject operations or even revocation or suspension of our license to operate the subject business. As a result, we may incur capital and operating expenditures and other costs to comply with these requirements and laws and regulations.

Changes in employment laws or regulation could harm our performance.

Various federal and state labor laws govern our relationship with our employees and affect operating costs. These laws include minimum wage requirements, overtime pay, healthcare reform and the implementation of the Patient Protection and Affordable Care Act, unemployment tax rates, workers' compensation rates, citizenship requirements, union membership and sales taxes. A number of factors could adversely affect our operating results, including additional government-imposed increases in minimum wages, overtime pay, paid leaves of absence and mandated health benefits, mandated training for employees, increased tax reporting and tax payment requirements for employees who receive tips, a reduction in the number of states that allow tips to be credited toward minimum wage requirements, changing regulations from the National Labor Relations Board and increased employee litigation including claims relating to the Fair Labor Standards Act.

We may not have enough authorized capital stock to issue shares of Common Stock to investors upon the conversion of any security convertible into shares of our Common Stock, including the Securities.

Currently, our authorized Capital Stock consists of 10,000,000 shares of common stock, of which 6,644,028 shares of Common Stock are issued and outstanding. Unless we increase our authorized Capital Stock, we may not have enough authorized Common Stock to be able to obtain funding by issuing shares of our Common Stock or securities convertible into shares of our Common Stock. We may also not have enough authorized Capital Stock to issue shares of Common Stock to investors upon the conversion of any security convertible into shares of our Common stock, including the Securities.

Risks Related to the Offering

State and federal securities laws are complex, and the Company could potentially be found to have not complied with all relevant state and federal securities law in prior offerings of securities.

The Company has conducted previous offerings of securities and may not have complied with all relevant state and federal securities laws. If a court or regulatory body with the required jurisdiction ever concluded that the Company may have violated state or federal securities laws, any such violation could result in the Company being required to offer rescission rights to investors in such offering. If such investors exercised their rescission rights, the Company would have to pay to such investors an amount of funds equal to the purchase price paid by such investors plus interest from the date of any such purchase. No assurances can be given the Company will, if it is required to offer such investors a rescission right, have sufficient funds to pay the prior investors the amounts required or that proceeds from this Offering would not be used to pay such amounts.

In addition, if the Company violated federal or state securities laws in connection with a prior offering and/or sale of its securities, federal or state regulators could bring an enforcement, regulatory and/or other legal action against the Company which, among other things, could result in the Company having to pay substantial fines and be prohibited from selling securities in the future.

Neither the Offering nor the Securities have been registered under federal or state securities laws.

No governmental agency has reviewed or passed upon this Offering or the Securities. Neither the Offering nor the Securities have been registered under federal or state securities laws. Investors will not receive any of the benefits available in registered offerings, which may include access to quarterly and annual financial statements that have been audited by an independent accounting firm. Investors must therefore assess the adequacy of disclosure and the fairness of the terms of this Offering based on the information provided in this Memorandum and its accompanying exhibits.

The Company's management will have broad discretion in how the Company uses the net proceeds of the Offering.

The Company's management will have considerable discretion over the use of proceeds from the Offering. You may not have the opportunity, as part of your investment decision, to assess whether the proceeds are being used appropriately.

The Company has the right to limit individual Investor commitment amounts.

The Company may prevent any Investor from committing more than a certain amount in this Offering based on the Company's determination of the aggregate amount of commitments by, or the aggregate number of Investors. This means that your desired investment amount may be limited or lowered based solely on the Company's determination.

Because the Offering is not subject to the sale of a minimum offering amount, subscription proceeds will be available for use by us as soon as we receive funds and accept such subscriptions.

The Company is offering the Securities on a "best efforts" basis with no prescribed minimum. There is no minimum aggregate sale of Securities required for the Company to begin accepting and closing sales of Securities. A minimum offering amount is typically defined and intended to be a protection for investors and gives investors confidence that other investors, along with them, are sufficiently interested in the offering, the issuer, and its prospects to make an investment. By conducting this Offering on a "best effort" basis, this protection is essentially eliminated.

Risks Related to the Securities

The Securities will not be freely tradable under the Securities Act and each Investor should consult with their attorney.

You should be aware of the long-term nature of this investment in the Company. There is neither currently nor ever likely to be a public market for the Securities. Seeing as the Securities have not been registered under the Securities Act or other applicable securities laws and are being sold in reliance upon an exemption from registration afforded under the Securities Act, there are restrictions on their transferability or resale by an Investor. It is not currently being considered that registration under the Securities Act or other securities laws will be affected. Limitations on the transfer of the Securities may also adversely affect the price that you might be able to obtain for the Securities in a private sale.

Investors will not have voting rights, even upon conversion of the Securities and will grant a third-party nominee broad power and authority to act on their behalf.

By investing in this Offering to purchase a SAFE, Investors will designate Republic Investment Services LLC (f/k/a NextSeed Services, LLC) (the “*Nominee*”) to act on their behalf as agent and proxy in all respects. The Nominee will be entitled to, among other things, to exercise any voting rights (if any) conferred upon the holder of a SAFE or any securities acquired upon their conversion; to execute on behalf of an Investor all transaction documents related to the transaction or other corporate event causing the conversion of the SAFE; and as part of the conversion process the Nominee has the authority to open an account in the name of a qualified custodian, of the Nominee’s sole discretion, to take custody of any securities acquired upon conversion of the SAFE. Thus, by participating in the Offering, Investors will grant broad discretion to a third party (the Nominee and its agents) to take various actions on the Investor’s behalf; thereby, Investors will essentially not be able to vote upon matters related to the governance and affairs of the Company nor take or effect actions that might otherwise be available to other securities holders. Investors should not participate in the Offering unless he, she, or it is willing to waive or assign certain rights that might otherwise be afforded to other security holders and grant broad authority to the Nominee to take certain actions on behalf of the Investor, including changing title to the Security.

Investors will not become equity holders until the Company decides to convert the Securities into “Shadow Securities” (the type of equity securities issuable upon conversion of the Securities) or until there is a change of control or sale of substantially all of the Company’s assets.

Investors will not have an ownership claim to the Company or to any of its assets or revenues for an indefinite amount of time and depending on when and how the Securities are converted, the Investors may never become equity holders of the Company. Investors will not become equity holders of the Company unless the Company receives a future round of equity financing great enough to trigger a conversion and the Company elects to convert the Securities into Shadow Securities. The Company is under no obligation to convert the Securities into Shadow Securities. In certain instances, such as a sale of the Company or substantially all of its assets, an initial public offering or a dissolution or bankruptcy, the Investors may only have a right to receive cash, to the extent available, rather than equity in the Company. Further, the Investor may never become an equity holder, merely a beneficial owner of an equity interest, should the Company or the Nominee decide to move the SAFE or the securities issuable thereto into a custodial relationship.

Investors will not have voting rights, even upon conversion of the Securities into Shadow Securities.

Investors will not have the right to vote upon matters of the Company even if and when their Securities are converted into (the occurrence of which cannot be guaranteed). Upon such conversion, the Shadow Securities will have no voting rights and, in circumstances where a statutory right to vote is provided by state law, the Shadow Security holders or the party holding the Shadow Security on behalf of the Investors are required to enter into a proxy agreement with its designee to vote their Shadow Securities at the direction of the Chief Executive Officer of the Company as of the date hereof (and in the event that such Chief Executive Officer is no longer in such position, then the largest voting holder of the Company’s Capital Stock). Thus, Investors will essentially never be able to vote upon any matters of the Company unless otherwise provided for by the Company.

Investors will not be entitled to any inspection or information rights other than those required by law.

Investors will not have the right to inspect the books and records of the Company or to receive financial or other information from the Company, other than as required by law. Other security holders of the Company may have such

rights. This lack of information could put Investors at a disadvantage in general and with respect to other security holders, including certain security holders who have rights to periodic financial statements and updates from the Company such as quarterly unaudited financials, annual projections and budgets, and monthly progress reports, among other things.

Investors will be unable to declare the Security in “default” and demand repayment.

Unlike convertible notes and some other securities, the Securities do not have any “default” provisions upon which Investors will be able to demand repayment of their investment. The Company has ultimate discretion as to whether or not to convert the Securities upon a future equity financing and Investors have no right to demand such conversion. Only in limited circumstances, such as a liquidity event, may Investors demand payment and even then, such payments will be limited to the amount of cash available to the Company.

The Company may never elect to convert the Securities or undergo a liquidity event and Investors may have to hold the Securities indefinitely.

The Company may never conduct an Equity Financing (as defined in the SAFE instrument) or elect to convert the Securities if such Equity Financing does occur. In addition, the Company may never undergo a liquidity event such as a sale of the Company or an initial public offering. If neither the conversion of the Securities nor a liquidity event occurs, Investors could be left holding the Securities in perpetuity. The Securities have numerous transfer restrictions and will likely be highly illiquid, with no secondary market on which to sell them. The Securities are not equity interests, have no ownership rights, have no rights to the Company’s assets or profits and have no voting rights or ability to direct the Company or its actions.

Equity securities acquired upon conversion of the Securities (should such conversion occur) may be significantly diluted as a consequence of subsequent equity financings.

The Company’s equity securities will be subject to dilution. The Company intends to issue additional equity to employees and third-party financing sources in amounts that are uncertain at this time, and as a consequence holders of equity securities resulting from the conversion of the Securities will be subject to dilution in an unpredictable amount. Such dilution may reduce the Investor’s control and economic interests in the Company.

The amount of additional financing needed by the Company will depend upon several contingencies not foreseen at the time of this Offering. Generally, additional financing (whether in the form of loans or the issuance of other securities) will be intended to provide the Company with enough capital to reach the next major corporate milestone. If the funds received in any additional financing are not sufficient to meet the Company’s needs, the Company may have to raise additional capital at a price unfavorable to their existing investors, including the holders of the Securities. The availability of capital is at least partially a function of capital market conditions that are beyond the control of the Company. There can be no assurance that the Company will be able to accurately predict the future capital requirements necessary for success or that additional funds will be available from any source. Failure to obtain financing on favorable terms could dilute or otherwise severely impair the value of the Securities.

In addition, the Company has certain equity grants and convertible securities outstanding. Should the Company enter into a financing that would trigger any conversion rights, the converting securities would further dilute the equity securities receivable by the holders of the Securities upon a qualifying financing.

Equity securities issued upon conversion of the Securities may be substantially different from other equity securities offered or issued by the Company at the time of conversion.

In the event the Company decides to exercise the conversion right, the Company will convert the Securities into equity securities that are materially different from the equity securities being issued to new investors at the time of conversion in many ways, including, but not limited to, liquidation preferences, dividend rights, or anti-dilution protection. Additionally, any equity securities issued at the First Equity Financing Price (as defined in the SAFE instrument) shall have only such preferences, rights, and protections in proportion to the First Equity Financing Price and not in proportion to the price per share paid by new investors receiving the equity securities. Upon conversion of the Securities, the Company may not provide the holders of such Securities with the same rights, preferences, protections, and other benefits or privileges provided to other investors of the Company.

The foregoing paragraph is only a summary of a portion of the conversion feature of the Securities; it is not intended to be complete, and is qualified in its entirety by reference to the full text of the SAFE instrument, which is attached as **Exhibit B**.

There is no present market for the Securities and we have arbitrarily set the price.

The Offering price was not established in a competitive market. We have arbitrarily set the price of the Securities with reference to the general status of the securities market and other relevant factors. The Offering price for the Securities should not be considered an indication of the actual value of the Securities and is not based on our asset value, net worth, revenues or other established criteria of value. We cannot guarantee that the Securities can be resold at the Offering price or at any other price.

In the event of the dissolution or bankruptcy of the Company, Investors will not be treated as debt holders and therefore are unlikely to recover any proceeds.

In the event of the dissolution or bankruptcy of the Company, the holders of the Securities that have not been converted will be entitled to distributions as described in the SAFE instrument. This means that such holders will only receive distributions once all of the creditors and more senior security holders, including any holders of preferred stock, have been paid in full. In the event of the dissolution or bankruptcy of the Company, neither holders of the Securities nor holders of the conversion securities thereof can be guaranteed any proceeds.

While the Securities provide mechanisms whereby holders of the Securities would be entitled to a return of their purchase amount upon the occurrence of certain events, if the Company does not have sufficient cash on hand, this obligation may not be fulfilled.

Upon the occurrence of certain events, as provided in the Securities, holders of the Securities may be entitled to a return of the principal amount invested. Despite the contractual provisions in the Securities, this right cannot be guaranteed if the Company does not have sufficient liquid assets on hand. Therefore, potential Investors should not assume a guaranteed return of their investment amount.

There is no guarantee of a return on an Investor's investment.

There is no assurance that an Investor will realize a return on their investment or that they will not lose their entire investment. For this reason, each Investor should read this Memorandum and all exhibits carefully and should consult with their attorney and business advisor prior to making any investment decision.

IN ADDITION TO THE RISKS LISTED ABOVE, RISKS AND UNCERTAINTIES NOT PRESENTLY KNOWN, OR WHICH WE CONSIDER IMMATERIAL AS OF THE DATE OF THIS MEMORANDUM, MAY ALSO HAVE AN ADVERSE EFFECT ON OUR BUSINESS AND RESULT IN THE TOTAL LOSS OF YOUR INVESTMENT.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Company. Prospective Investors should consult with their own legal, tax and financial advisers before deciding to invest in the Company.

THE SECURITIES OFFERED INVOLVE A HIGH DEGREE OF RISK AND MAY RESULT IN THE LOSS OF YOUR ENTIRE INVESTMENT. ANY PERSON CONSIDERING THE PURCHASE OF THESE SECURITIES SHOULD BE AWARE OF THESE AND OTHER FACTORS SET FORTH IN THIS MEMORANDUM AND SHOULD CONSULT WITH HIS OR HER LEGAL, TAX, AND FINANCIAL ADVISORS PRIOR TO MAKING AN INVESTMENT IN THE SECURITIES. THE SECURITIES SHOULD ONLY BE PURCHASED BY PERSONS WHO CAN AFFORD TO LOSE ALL OF THEIR INVESTMENT. IN ADDITION, AS THE COMPANY'S BUSINESS PLAN DEVELOPS AND CHANGES OVER TIME, AN INVESTMENT IN THE COMPANY MAY BE SUBJECT TO ADDITIONAL AND DIFFERENT RISK FACTORS.

COMPANY OVERVIEW

This Company overview should be read in conjunction with the more detailed information and financial data appearing elsewhere in this Memorandum and exhibits hereto. Some of the information contained herein is based upon or derived from information provided by third-party consultants, advisors, and other industry sources. We cannot guarantee the accuracy of such information and have not independently verified the assumptions on which projections of future trends and performance are based.

The Company

Steeped, Inc., operating as Steeped Coffee®, the new craft standard in single-serve coffee, is brewed with the ritual of tea using simple Steeped Bags®. Steeped, Inc. was originally incorporated in the State of California on December 19, 2016, as SpecialTea Coffee, Inc. On April 5, 2017, SpecialTea Coffee, Inc., a Delaware corporation, was formed and subsequently completed a merger with SpecialTea Coffee, Inc., the California corporation, with SpecialTea Coffee, Inc., the Delaware corporation, becoming the surviving entity. On June 19, 2017, the Company changed its name to Steeped, Inc. while continuing to do business as Steeped Coffee.

The Company is located at 103 Whispering Pines Drive, Scotts Valley, CA 95066, United States.

The Company is headquartered and qualified to conduct business in California. The Company also sells its products through the Internet and throughout the United States, Canada, Australia, France, and UAE.

The Company has a wholly-owned subsidiary, Steeped International, Inc. Currently, its sole purpose is to process payroll for a Puerto Rico employee. The Company may use this entity for international operations in the future.

A description of our products, services, and business plan can be found on the Company's profile page available on the Platform under <https://republic.com/steepedcoffee-regd> (the "**Deal Page**") and the version published as of the date of this Memorandum is attached as **Exhibit C**.

The Company's website is <https://www.steepedcoffee.com>.

The information available on or through our website is not a part of this Memorandum. In making an investment decision with respect to our Securities, you should only consider the information contained in this Memorandum.

Description of the Business

Steeped Coffee® is the new standard in single serve coffee, brewed with the ritual of tea using simple Steeped Bags®. Steeped Coffee was innovated to combine the quality of craft specialty coffee with the convenience of single-serve coffee, but unplugged, without the environmental impact. Steeped Coffee directly provides its proprietary brewing method through national distributions in multiple markets, as well as by partnering with hundreds of top roasters and coffee brands. After receiving several national awards, Steeped Coffee is leading the movement to revolutionize the world's dependence on wasteful single-serve coffee pods, and has pioneered the first and only barista-approved single-serve brewing method that is completely compostable with no machines required.

Steeped Coffee is on a mission to make quality coffee more accessible and to bring sustainability to the single-serve coffee market. The Company is a Certified B Corp and Public Benefit Corporation focused on every detail from farm-to cup and beyond, to bring coffee lovers the most convenient, high quality, ethically sourced, and sustainably packaged products available. Steeped Coffee believes in Coffee Without Compromise and is focused on Purpose Beyond Profits, seeing success as the amount of good we can do together.

Business Plan

The Company plans to significantly expand its business by increasing sales and marketing and hiring additional personnel in these functions. The Company also intends to purchase additional machinery, invest in working capital, increase our inventory, and hire additional personnel in key management positions. The Company aims to achieve profitability by 2024. The capital we raise here will empower us to expand our Company, increase sales and marketing efforts and further develop our infrastructure as we continue to aggressively grow and expand our business.

The Company's Products and/or Services

Product / Service	Description	Current Market
Steeped Coffee Packs: Steeped-owned Coffee Brand(s) or Preferred Partner Brands	Steeped-owned Steeped Coffee branded or alternatively branded single-serve Steeped Coffee Packs, which are individually nitro-sealed Steeped Bags in sustainable packaging.	D2C (website and online marketplaces), Wholesale/Distribution (various Market Verticals: Grocery, Hospitality, Workplace, Retail, Healthcare, etc.) to coffee consumers spanning multiple demographics and territories.
Steeped Coffee Packs: partner-owned Licensed Partner and Private Label	Partner-owned Licensed Partner or Private Label co-branded single-serve Steeped Coffee Packs, which are individually nitro-sealed Steeped Bags in sustainable packaging.	Coffee roasters, coffee brands, and other B2B customers with private label co-branded packs, which are independently managed through various distribution channels via partners.
Branded and Non-Steeped Branded Gear	Steeped Coffee branded mugs, cups, apparel and merchandise as well as non-Steeped branded gear, accessories and kettles.	D2C (various gear sold on website and online marketplaces), and B2B (Hospitality electric kettles, cups, etc.).
Kitting Services	The service of kitting or packaging various Steeped Coffee Packs or other products into finished goods such as retail cartons, etc.	B2B (value added kitting services to kit individual partner Steeped Coffee Packs or other products into finished units for resale).
Packaging	The procurement, creation, and/or resale of various sustainable flexible films, retail cartons, corrugated mailers, and other packaging products.	B2B (Licensed Partners, CPG, and other business customers requiring packaging products for their own sustainable packaging needs).
Design Services	Custom design services for Steeped Packs, packaging and other general marketing materials.	B2B (Licensed Partners and other business customers requiring design services).
Commissions	Commissions gained by selling in strategic partner products into Steeped sales opportunities.	B2B (Strategic Partners products sold into Hospitality and other various channels).

Competition

The markets in which our products are sold are highly competitive and include both indirect and direct competitors. Our products compete against similar products of many large and small companies, including well-known global competitors. In many of the markets and industry segments in which we sell our products, we compete against

other branded products as well as retailers' private-label brands. Product quality, value and packaging are also important differentiating factors.

Several of our main indirect competitors are alternative single-serve brewing methods, including the following recognized brands: (i) Pods from Keurig and other generic/competitive brands; (ii) Capsules from Nespresso and other generic/competitive brands; (iii) Instant Coffee from Starbucks Via, Swift Cup and other generic/competitive brands; (iv) Single-serve Pour Overs from Kuju and other various generic/competitive brands; (v) Single-serve Teas; (vi) RTD coffee beverages; and (vii) Co-Packing Coffee Services.

Several of our main direct competitors are copy-cat single-serve coffee bags including the following recognized brands: (i) Single-serve filtered coffee bags from Black Riffle and various other brands; (ii) Single-serve coffee in a tea bag from Folgers and various other brands; and (iii) Copy-cat co-packing services from Nuzee or other various companies as well as any related products that these companies produce for other brands.

Customer Base

The Company sells directly under the Steeped Coffee brand to B2C and B2B distribution channels, while also licensing applicable IP and manufacturing of the Steeped Brewing Method and technology to a growing list of national and international coffee brands, and other co-branded private label partners. The Company is also offering sustainable commercially compostable packaging to its customers, roasters, printers, and CPG companies around the world through its developing Steeped Packaging arm.

Supply Chain

Although the Company is dependent upon certain third-party vendors, the Company has access to alternate suppliers and service providers in the event its current third-party vendors are unable to provide supplies or services or if any issues arise with its current vendors where a change is required to be made. The Company does not believe the loss of a current third-party vendor or service provider would cause a long-term major disruption to its business, although it could cause short-term limitations or disruptions.

Intellectual Property

Application or Registration #	Title	Description	File Date	Registration/Grant Date	Country
5,326,063	“Steeped Coffee”	Standard Character Mark	December 6, 2016	October 31, 2017	USA
6,218,713	“Steeped Pack”	Standard Character Mark	May 13, 2019	December 08, 2020	USA
6,223,920	“Steeped Bag”	Standard Character Mark	May 13, 2019	December 15, 2020	USA
5,919,966	Steeped Scope	Design Mark	May 13, 2019	November 26, 2019	USA
5,919,971	Steeped Sun Bean	Design Mark	May 13, 2019	November 26, 2019	USA
6,223,921	“Steeped Cold Brew”	Standard Character Mark	May 13, 2019	December 15, 2020	USA
5,921,015	“Steeped to Perfection”	Standard Character Mark	June 05, 2019	November 26, 2019	USA
5,919,963	“Just + Water”	Standard Character Mark	May 13, 2019	November 26, 2019	USA
5,919,916	“Convenience Meets Quality”	Standard Character Mark	May 13, 2019	November 26, 2019	USA
88428185 (U.S. Serial Number)	“Purpose Beyond Profits”	Standard Character Mark	May 13, 2019	August 04, 2020*	USA
88428150 (U.S. Serial Number)	“Take Your Moment”	Standard Character Mark	May 13, 2019	July 28, 2020*	USA
88428213 (U.S. Serial Number)	“Coffee Simplified”	Standard Character Mark	May 13, 2019	July 28, 2020*	USA
15/684,528**	"Coffee Beverage and Methods"	Patent	August 23, 2017	Pending***	USA

*Notice of Allowance received on such date

**The Company has filed for related patents in approximately 45 countries

***Published February 28, 2019

All other intellectual property is in the form of trade secrets, copyrights, trade dress, business methods and know-how, and is protected through intellectual assignment and confidentiality agreements with Company employees, advisors, service providers, and consultants.

Domain Names

The Company owns the <https://www.steepedcoffee.com/> domain name.

Governmental/Regulatory Approval and Compliance

The Company is subject to and affected by the laws and regulations of U.S. federal, state and local governmental authorities. These laws and regulations are subject to change.

Litigation

The Company is not subject to any current litigation or threatened litigation. Additionally, the Company may be pursuing possible litigation against infringing parties.

DIRECTORS, OFFICERS, MANAGERS, AND KEY PERSONS

The directors, officers, managers and key persons of the Company are listed below along with all positions and offices held at the Company and their principal occupation and employment responsibilities for the past three (3) years.

Name	Positions and Offices Held at the Company	Principal Occupation and Employment Responsibilities for the Last Three (3) Years	Education
Josh Wilbur	CEO, Founder and Director	CEO & Founder of Steeped, Inc., 2017 – Present Responsible for strategy and general CEO responsibilities	Rollins College, B.A., Art, English, Communications and Marketing, 2002 University of Sydney, Marketing, 2001
R. Stirling Vineyard, Jr.	Chief Financial Officer (CFO)	CFO of Steeped, Inc., 2020 - Present Responsible for strategic business planning, capital raising and overall financial aspects of the Company's business Owner & Founder, Vineyard Advisors & CPAs, PLLC, 2013 - Present Responsible for all aspects of firm delivering business consulting and tax services, including providing services to the Company Partner and Co-Founder, Monmouth Ventures, LLC, 2019 - Present Responsible for all aspects of Reg D, 506(b) fund management	Southern Methodist University (SMU), MBA, Finance and Strategy & Entrepreneurship, 2004; Texas Tech University, BBA, Accounting, 1994; Certified Public Accountant, State of Texas, 1997
Ron Scadina	Sr. Vice President of Sales	Sr. Vice President of Sales of Steeped, Inc., 2020 – Present Responsible for the execution of the Company's sales strategy and delivery National Director of Business Development, Aramark, 2016-2020 Responsible for developing \$4.2 million in new business contracts in the refreshments division of Aramark, and for developing the operations plan and implementation for these accounts across 40 market centers.	University of California- Santa Cruz (UCSC), B.A., Psychology, 1995; Studies from Santa Clara University Business, Marketing & Economics Studies from San Jose City College Merchandising, Marketing, Sales & Real Estate Finance

Toby Wingo	Director of Plant Operations Quality Systems Engineer	Director of Plant Operations of Steeped, Inc., 2021 – Present Responsible for all operational aspects of the business and delivery of quality product Quality Systems Engineer, Steeped, Inc., 2020 Responsible for quality assurance, including employee safety, food safety, and regulatory compliance Technical Services Manager, Farmhouse Culture, 2018-2019 Responsible for development and maintenance of contract manufacturing program	UCSC, B.A., Anthropology, 2007 PCQI, 2016 SQF Practitioner, 2016 HACCP, 2013 / 2016 Acidified Foods & GMP, 2012
Heather Rios	Director of People	Director of People of Steeped, Inc., 2021 – Present Responsible for Company culture and human resources HR Business Partner, First Alarm, 2020 - 2021 Responsible for business unit human resources Director of Human Resources, PayCertify, 2018 - 2020 Responsible for corporate and departmental human resources	SHRM-SCP, 2019 SLII Facilitator, 2021 San Jose State University / Southern New Hampshire University, BBA, Finance, candidate, 2023

Biographical Information

Josh Wilbur: Josh is the CEO and Founder of the Company. He is a graduate of Rollins College holding a B.A. with concentrations in Art, English, Communications and Marketing. Josh is a serial entrepreneur and has over 15 years of experience in fintech and consumer goods startups with the mission to simplify products that make life experiences better.

R. Stirling Vineyard, Jr.: Stirling is the CFO of the Company. He holds an MBA in Finance and Strategy and Entrepreneurship from SMU, and Stirling earned a BBA, Accounting from Texas Tech University. He has over 20 years of experience in strategy and mergers and acquisitions, over 15 years operating both early-stage and mature businesses, and over 5 years of experience in private equity and venture capital.

Ronald Scadina: Ron is the Senior Vice President of Sales of the Company. He is a graduate of UCSC holding a B.A. in Psychology, and he pursued studies in the subjects of business, marketing, economics and finance from local universities. As a serial entrepreneur with 40 years of experience in all facets of the PPG industry with a focus on the Coffee & Beverage segment, Ron has a disciplined and organized approach to building lasting partnerships where all parties gain value.

Toby Wingo: Toby is the Director of Plant Operations of the Company. He is a graduate of UCSC holding a B.A. in Anthropology. Toby has broad experience in operations, which includes leading new product development, product commercialization, quality and food safety systems, and in-house and contract manufacturing all within the natural, organic, Non-GMO project verified, and the food and beverages industry segments.

Heather Rios: Heather is Director of People for the Company. She holds in the areas of human resources and leadership two certifications: SHRM-SCP and SLII Facilitator. Bringing the “human” to HR daily with all individuals, Heather is a highly experienced human resources executive with a demonstrated history of working in Silicon Valley for high tech, non-profits, and start-ups. She is skilled in recruitment and retention, culture, career pathing, SOPs, negotiation, operations management, payroll, and benefits.

Indemnification

Indemnification is authorized by the Company to directors, officers, or controlling persons acting in their professional capacity pursuant to Delaware law. Indemnification includes expenses such as attorney’s fees and, in certain circumstances, judgments, fines, and settlement amounts actually paid or incurred in connection with actual or threatened actions, suits, or proceedings involving such person, except in certain circumstances where a person is adjudged to be guilty of gross negligence or willful misconduct, unless a court of competent jurisdiction determines that such indemnification is fair and reasonable under the circumstances.

Employees

The Company currently has 32 employees. The Company also utilizes independent contractors and advisors.

CAPITALIZATION, DEBT, AND OWNERSHIP

Capitalization

The Company's authorized capital stock consists of 10,000,000 shares of common stock, par value \$0.00001 per share (the "**Common Stock**") and 1,000,000 shares of FF preferred stock, par value \$0.00001 per share (the "**FF Preferred Stock**"). At the termination of this Offering, 6,644,028 shares of Common Stock and 666,667 shares of FF Preferred Stock will be issued and outstanding.

Additionally, the Company has established the Steeped, Inc. 2019 Stock Plan for which 740,741 shares of Common Stock are authorized for issuance thereunder. As of the date of this Memorandum, 644,028 shares of Common Stock have been issued (subject to meeting certain vesting requirements).

Outstanding Capital Stock

As of the date of this Memorandum, the Company's outstanding capital stock consists of:

Type	Common Stock
Amount Outstanding	6,644,028*
Par Value Per Share	\$0.00001
Voting Rights	1 vote per share
Anti-Dilution Rights	None
How this security may limit, dilute or qualify the Security issued pursuant to this Offering	The Company may issue additional shares of Common Stock at a later date. The issuance of such additional shares of Common Stock would be dilutive, and could adversely affect the value of the Securities issued pursuant to this Offering.
Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	64.95%

*A portion of these awards remain subject to vesting requirements.

Type	FF Preferred Stock
Amount Outstanding	666,667*
Par Value Per Share	\$0.00001
Voting Rights	Each holder of FF Preferred Stock shall be entitled to the number of votes equal to the number of shares of the Common Stock into which such shares of FF Preferred Stock could be converted.
Anti-Dilution Rights	None
Other Rights	(a) Right to receive dividends on a pro rata basis with the Common Stock when and as declared (non-cumulative); (b) Liquidation rights on a pro rata basis with the Common Stock; (c) Right to convert into Common Stock at any time by dividing \$.10 by the Conversion Price (as defined in the Company's Restated Charter) applicable to such shares, as in effect on the date the certificate is surrendered for conversion; and (d) Automatic conversion into Common Stock upon a firm commitment public offering or written consent of the holders of a majority of the FF Preferred Stock.
How this security may limit, dilute or qualify the Security issued pursuant to this Offering	The Company may issue additional shares of FF Preferred Stock at a later date. The issuance of such additional shares of FF Preferred Stock would be dilutive, and could adversely affect the value of the Securities issued pursuant to this Offering.
Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	>0.01%

*Converts into 66 shares of Common Stock

Outstanding Options, Safes, Convertible Notes, Warrants

As of the date of this Memorandum, the Company has the following additional securities outstanding:

Type of security	Convertible Notes (Seed Round 1)
Amount Outstanding	\$1,175,000
Voting Rights	None
Anti-Dilution Rights	None
Material Terms	Valuation Cap: \$8,000,000/ Discount: 10%
Interest Rate	4%
How this security may limit, dilute or qualify the Security issued pursuant to this Offering	The Company may issue additional Convertible Notes at a later date. The issuance of such additional Convertible Notes would be dilutive, and could adversely affect the value of the Securities issued pursuant to this Offering.
Ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	9.55%

Type of security	Convertible Notes (Seed Round 2)
Amount Outstanding	\$1,535,000
Voting Rights	None
Anti-Dilution Rights	None
Material Terms	Valuation Cap: \$12,000,000/ Discount: 20%
Interest Rate	4%
How this security may limit, dilute or qualify the Security issued pursuant to this Offering	The Company may issue additional Convertible Notes at a later date. The issuance of such additional Convertible Notes would be dilutive, and could adversely affect the value of the Securities issued pursuant to this Offering.
Ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	8.31%

Type of security	Convertible Notes (Seed Round 3)
Amount Outstanding	\$575,000
Voting Rights	None
Anti-Dilution Rights	None
Material Terms	Valuation Cap: \$12,000,000/ Discount: 20%
Interest Rate	4%
How this security may limit, dilute or qualify the Security issued pursuant to this Offering	The Company may issue additional Convertible Notes at a later date. The issuance of such additional Convertible Notes would be dilutive, and could adversely affect the value of the Securities issued pursuant to this Offering.
Ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	3.11%

Type of security	Convertible Notes (Seed Round 4)
Amount Outstanding	\$3,005,000
Voting Rights	None
Anti-Dilution Rights	None
Material Terms	Valuation Cap: \$20,000,000/ Discount: 20%
Interest Rate	4%
How this security may limit, dilute or qualify the Security issued pursuant to this Offering	The Company may issue additional Convertible Notes at a later date. The issuance of such additional Convertible Notes would be dilutive, and could adversely affect the value of the Securities issued pursuant to this Offering.
Ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	9.75%

Type of security	Convertible Notes (Seed Round 5)
Amount Outstanding	\$365,000
Voting Rights	None
Anti-Dilution Rights	None
Material Terms	Valuation Cap: \$25,000,000/ Discount: 20%
Interest Rate	4%
How this security may limit, dilute or qualify the Security issued pursuant to this Offering	The Company may issue additional Convertible Notes at a later date. The issuance of such additional Convertible Notes would be dilutive, and could adversely affect the value of the Securities issued pursuant to this Offering.
Ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	0.95%

Type of security	Convertible Notes (Seed Round 6)
Amount Outstanding	\$1,300,000
Voting Rights	None
Anti-Dilution Rights	None
Material Terms	Valuation Cap: \$25,000,000/ Discount: 20%
Interest Rate	4%
How this security may limit, dilute or qualify the Security issued pursuant to this Offering	The Company may issue additional Convertible Notes at a later date. The issuance of such additional Convertible Notes would be dilutive, and could adversely affect the value of the Securities issued pursuant to this Offering.
Ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	3.38%

Outstanding Debt

As of the date of this Memorandum, the Company has the following debt outstanding:

Type	Promissory Notes for Machinery and Equipment from Shareholders
Amount Outstanding	\$485,415* (as of March 31, 2022), broken down as follows: Note 2: \$77,876 Note 3: \$75,539 Note 4: \$117,519 Note 5: \$214,481
Interest Rate and Amortization Schedule	Ranging between 7-10%, broken down as follows: Note 2: 10% Note 3: 10% Note 4: 8% Note 5: 7%
Description of Collateral	Secured by the Equipment
Maturity Date	Ranging from 2025-2026, broken down as follows: Note 2: February 1, 2025 Note 3: February 1, 2025 Note 4: November 13, 2025 Note 5: September 1, 2026

*Note 1 was paid off in 2022.

Type	Line of Credit from Company CEO
Amount Outstanding	\$159,621 (as of March 31, 2022)
Interest Rate and Amortization Schedule	8%
Description of Collateral	Unsecured
Maturity Date	December 31, 2026

Type	SBA EIDL Loan*
Amount Outstanding	\$440,000
Interest Rate and Amortization Schedule	3.75% per annum. Installment payments, including principal and interest of \$2,233 monthly will begin thirty (30) months from the date of issuance of the promissory note. The balance of principal and interest will be payable thirty (30) years from the date of the promissory note.
Description of Collateral	All assets.
Other Material Terms	N/A
Maturity Date	September 2050

*The Company received an original SBA EIDL in the amount of \$141,500 during the year ending December 31, 2020. The Company received a loan modification on September 2, 2021, increasing the loan amount by an additional \$298,500, to \$440,000.

Ownership

The table below lists the beneficial owners of twenty percent (20%) or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, are listed along with the amount they own.

Name	Amount and Type or Class Held	Percentage Ownership (in terms of voting power)
Josh Wilbur	6,000,000 shares of Common Stock/ 666,667 shares of FF Preferred Stock	90.31%

THE OFFERING AND THE SECURITIES

The Offering

The Company is offering up to a maximum amount of \$5,000,000 (the “**Maximum Offering Amount**”) of SAFE (Simple Agreement for Future Equity) (the “**Crowd SAFEs**”, “**SAFES**”, or “**Securities**”) on a best-efforts basis as described in this Memorandum (this “**Offering**”). The Offering will end on August 7, 2022 (the “**Offering Deadline**”) *provided* the Company may extend the Offering Deadline one or more times at its sole discretion.

The Company is offering the Securities with no prescribed minimum. There is no minimum aggregate sale of Securities required for the Company to begin accepting and closing sales of Securities. Subscription proceeds will be available for use by the Company as soon as the Company receives the funds and accepts such subscriptions.

In addition to the Offering, the Company intends to concurrently undertake to raise up to an additional \$5,000,000 by offering to sell up to \$5,000,000 in securities outside of this Offering. See ‘*The Concurrent Offering*’ for more information.

The price of the Securities was determined arbitrarily, does not necessarily bear any relationship to the Company’s asset value, net worth, revenues, or other established criteria of value, and should not be considered indicative of the actual value of the Securities. The minimum amount that an Investor may invest in the Offering is \$10,000 (the “**Minimum Investor Amount**”) and the maximum amount that an Investor may invest in the Offering is \$500,000 each of which is subject to adjustment in the Company’s sole discretion.

The Securities

We request that you please review this Memorandum and the SAFE instrument attached as **Exhibit B**, in conjunction with the following summary information.

Not Currently Equity Interests

The Securities are not currently equity interests in the Company and merely provide a right to receive equity at some point in the future upon the occurrence of certain events.

Dividends and/or Distributions

The Securities do not entitle Investors to any dividends.

Nominee

The nominee of the Securities shall be Republic Investment Services LLC (the “Nominee”). The Nominee will act on behalf of the Investors as their agent and proxy in all respects. The Nominee will be entitled, among other things, to exercise any voting rights (if any) conferred upon the holder of Securities or any securities acquired upon their conversion, to execute on behalf of an investor all transaction documents related to the transaction or other corporate event causing the conversion of the Securities, and as part of the conversion process the Nominee has the authority to open an account in the name of a qualified custodian, of the Nominee’s sole discretion, to take custody of any securities acquired upon conversion of the Securities. The Nominee will take direction from a pre-disclosed party selected by the Company and designated below on any matter in which affects the Investors’ economic rights. The Nominee is not a fiduciary to the Investors and the Investors agree to indemnify the Nominee per the terms of the Security.

Conversion

Upon each future equity financing resulting in proceeds to the Company of not less than \$1,000,000 (each an “**Equity Financing**”), the Securities are convertible at the option of the Company, into Shadow Securities, which are non-voting securities otherwise identical to those issued in such future Equity Financing except (1) they do not provide

the right to vote on any matters except as required by law, (2) they require the Nominee to vote at the direction of the Chief Executive Officer of the Company of the date hereof (and in the event that such Chief Executive Officer is no longer in such position, then the largest voting holder of the Company's Capital Stock) with respect to any such required vote, and (3) they do not provide any inspection or information rights (other than those otherwise required by law). The Company has no obligation to convert the Securities in any Equity Financing.

Conversion Upon the First Equity Financing

If the Company elects to convert the Securities upon the first Equity Financing following the issuance of the Securities, the Investor will receive the number of Shadow Securities equal to the greater of the quotient obtained by dividing the amount the Investor paid for the Securities (the "**Purchase Amount**") by (a) or (b) immediately below (the "**Conversion Price**"):

(a) if the pre-money valuation of the Company immediately prior to the First Equity Financing is greater than the Valuation Cap the quotient of \$33,000,000 divided by the aggregate number of issued and outstanding shares of Capital Stock, assuming full conversion or exercise of all convertible and exercisable securities then outstanding, including shares of convertible Preferred Stock and all outstanding vested or unvested options or warrants to purchase Capital Stock, but excluding (i) shares of Capital Stock reserved for future issuance under any equity incentive or similar plan, (ii) convertible promissory notes, (iii) any Simple Agreements for Future Equity, including the Securities (collectively, "**Safes**"), and (iv) any equity securities that are issuable upon conversion of any outstanding convertible promissory notes or Safes;

OR

(b) if the pre-money valuation of the Company immediately prior to the First Equity Financing is less than or equal to the Valuation Cap, the lowest price per share of the securities sold in such Equity Financing.

Such Conversion Price shall be deemed the "**First Equity Financing Price**".

Conversion After the First Equity Financing

If the Company elects to convert the Securities upon an Equity Financing other than the first Equity Financing following the issuance of the Securities, at the Nominee's discretion, the Investor will receive the number of Shadow Securities equal to the quotient obtained by dividing (a) the Purchase Amount by (b) the First Equity Financing Price.

Conversion Upon a Liquidity Event Prior to an Equity Financing

In the case of the Company undergoing an IPO (as defined below) of its Capital Stock or a Change of Control (as defined below) of the Company (either of these events, a "**Liquidity Event**") prior to any Equity Financing, the Investor will receive, at the option of the Nominee and within thirty (30) days of receiving notice (whether actual or constructive), either (i) a cash payment equal to the Purchase Amount subject to the following paragraph (the "**Cash Out Option**") or (ii) a number of shares of Common Stock of the Company equal to the Purchase Amount divided by the quotient of (a) \$33,000,000 divided by (b) the number, as of immediately prior to the Liquidity Event, of shares of the Company's Capital Stock outstanding (on an as-converted basis), assuming the exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, but excluding: (w) shares of Capital Stock reserved for future issuance under any equity incentive or similar plan; (x) any Safes; (y) convertible promissory notes; and (z) any equity securities that are issuable upon conversion of any outstanding convertible promissory notes or Safes.

In connection with the Cash Out Option, the Purchase Amount (or a lesser amount as described below) will be due and payable by the Company to the Investor immediately prior to, or concurrent with, the consummation of the Liquidity Event. If there are not enough funds to pay the Investors and the holders of other Safes (collectively, the "**Cash-Out Investors**") in full, then all of the Company's available funds will be distributed with equal priority and pro rata among the Cash-Out Investors in proportion to their Purchase Amounts.

"**Change of Control**" as used above, means (i) a transaction or series of related transactions in which any person or group becomes the beneficial owner of more than fifty percent (50%) of the outstanding voting securities entitled to elect the Company's board of directors; (ii) any reorganization, merger, or consolidation of the Company, in which the

outstanding voting security holders of the Company fail to retain at least a majority of such voting securities following such transaction; or (iii) a sale, lease, or other disposition of all or substantially all of the assets of the Company.

“**IPO**” means: (A) the completion of an underwritten initial public offering of Capital Stock by the Company pursuant to: (I) a final prospectus for which a receipt is issued by a securities commission of the United States or of a province of Canada, or (II) a registration statement which has been filed with the United States Securities and Exchange Commission and is declared effective to enable the sale of Capital Stock by the Company to the public, which in each case results in such equity securities being listed and posted for trading or quoted on a recognized exchange; or (B) the Company’s initial listing of its Capital Stock (other than shares of Capital Stock not eligible for resale under Rule 144 under the Securities Act) on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Company with the SEC that registers shares of existing capital stock of the Company for resale, as approved by the Company’s board of directors, where such listing shall not be deemed to be an underwritten offering and shall not involve any underwriting services; or (C) the completion of a reverse merger or take-over whereby an entity (I) whose securities are listed and posted for trading or quoted on a recognized exchange, or (II) is a reporting issuer in the United States or the equivalent in any foreign jurisdiction, acquires all of the issued and outstanding Capital Stock of the Company.

Conversion Upon a Liquidity Event Following an Equity Financing

In the case of a Liquidity Event following any Equity Financing, the Investor will receive, at the option of the Nominee and within thirty (30) days of receiving notice (whether actual or constructive), either (i) the Cash Out Option or (ii) a number of shares of the most recently issued Capital Stock equal to the Purchase Amount divided by the First Equity Financing Price. Shares of capital stock granted in connection therewith shall have the same liquidation rights and preferences as the shares of capital stock issued in connection with the Company’s most recent Equity Financing.

If there are not enough funds to pay the Investors and the other Cash-Out Investors in full, then all of the Company’s available funds will be distributed with equal priority and pro rata among the Cash-Out Investors in proportion to their Purchase Amounts.

If the Company’s board of directors (or other applicable governing body if the Company is a limited liability company) determines in good faith that delivery of equity securities to the Investor pursuant to Liquidity Event paragraphs above would violate applicable law, rule or regulation, then the Company shall deliver to Investor in lieu thereof, a cash payment equal to the fair market value of such capital stock, as determined in good faith by the Company’s board of directors (or other applicable governing body if the Company is a limited liability company).

Dissolution

If there is a Dissolution Event (as defined below) before the Securities terminate, subject to the preferences applicable to any series of preferred stock then outstanding, the Company will distribute all proceeds legally available for distribution with equal priority among the (i) holders of the Securities (on an as converted basis based on a valuation of Common Stock as determined in good faith by the Company’s board of directors at the time of the Dissolution Event), (ii) all other holders of instruments sharing in the distribution of proceeds of the Company at the same priority as holders of Common Stock upon a Dissolution Event and (iii) all holders of Common Stock.

A “**Dissolution Event**” means (i) a voluntary termination of operations by the Company, (ii) a general assignment for the benefit of the Company’s creditors, or (iii) any other liquidation, dissolution or winding up of the Company (excluding a Liquidity Event), whether voluntary or involuntary.

Termination

The Securities terminate upon (without relieving the Company of any obligations arising from a prior breach of or non-compliance with the Securities) upon the earlier to occur of: (i) the issuance of shares in the Shadow Securities to the Investor pursuant to the conversion provisions of the SAFE instrument or (ii) the payment, or setting aside for payment, of amounts due to the Investor pursuant to a Liquidity Event or a Dissolution Event.

Voting and Control

Neither the Securities nor the securities issuable upon the conversion of the Securities have voting rights. In addition, to facilitate the Offering to SAFE Investors being able to act together and cast a vote as a group, to the extent any securities acquired upon conversion of the Securities confer the holder with voting rights (whether provided by the Company's governing documents or by law), the Nominee (as defined above) will act on behalf of the holders as agent and proxy in all respects. The Nominee will vote at the direction of the Chief Executive Officer of the Company as of the date hereof (and in the event that such Chief Executive Officer is no longer in such position, then the largest voting holder of the Company's Capital Stock).

The Company does not have any voting agreements in place.

The Company does not have any shareholder or equity holder agreements in place.

Anti-Dilution Rights

The Securities do not have anti-dilution rights, which means that future equity issuances and other events will dilute the ownership percentage that the Investor may eventually have in the Company.

Restrictions on Transfer

Due to the fact that the SAFEs have not been registered under the Securities Act or other applicable securities laws and are being sold in reliance upon an exemption from registration afforded under the Securities Act, there are restrictions on their transferability or resale by an Investor. Any transfer, sale, or other disposition of the the SAFEs requires the prior written consent of the Company and any transfer must comply with the Securities Act, including any available exemptions from registration under the Securities Act. While Rule 144 under the Securities Act provides an exemption from registration under the Securities Act in connection with the resale of limited amounts of the SAFEs in certain circumstances, the exemption under Rule 144 may not be available to Investors because the Company does not now, and does not intend in the future, to make available the public information required by Rule 144. Additionally, a trading market for the SAFEs may not develop sufficiently to satisfy the "broker's transactions" requirement of Rule 144. In the absence of the availability of Rule 144, any disposition of the SAFEs will require registration or compliance with an exemption from the Securities Act and applicable state securities laws. The Company is not obligated to register for sale under either federal or state securities laws the SAFEs purchased pursuant hereto, and the issuance of the SAFEs is being undertaken pursuant to Rule 506 of Regulation D under the Securities Act. Each prospective Investor should proceed on the assumption that they alone must bear the economic risks of the investment for an indefinite period.

Additionally, the Investor may not transfer the Securities or any Capital Stock into which they are convertible to any of the Company's competitors or adverse parties, as determined by the Company in good faith.

Furthermore, upon the event of an IPO, the Capital Stock into which the Securities are converted will be subject to a lock-up period and may not be lent, offered, pledged, or sold for up to 180 days following such IPO.

Other Material Terms

- The Company does not have the right to repurchase the Securities.
- The Securities do not have a stated return or liquidation preference.
- The Company cannot determine if it currently has enough Capital Stock authorized to issue upon the conversion of the Securities, because the amount of Capital Stock to be issued is based on the occurrence of future events.

CONCURRENT OFFERING

In addition to the Offering, the Company intends to concurrently undertake to raise up to an additional \$5,000,000 by offering to sell up to \$5,000,000 of Simple Agreements for Future Equity, pursuant to Section 4(a)(6) under the Securities Act (the “*Concurrent Offering*”).

The terms of the Simple Agreements for Future Equity offered in the Concurrent Offering are similar to the terms of the SAFE offered by the Company in this Offering.

Below is a summary of the main terms of the Concurrent Offering.

Securities Offered	Simple Agreements for Future Equity
Minimum Amount of the Securities Offered	1,000,000 ¹
Maximum Amount of the Securities Offered	5,000,000 ¹
Minimum Value of the Securities Sold	\$1,000,000 ²
Maximum Value of the Securities Sold	\$5,000,000 ²
Price Per Security	\$1.00
Minimum Individual Purchase Amount	\$100, subject to Company’s discretion
Maximum Individual Purchase Amount	\$100,000, subject to Company’s discretion
Offering Deadline	August 7, 2022
Intermediary Commission and Fees	At the conclusion of the Concurrent Offering, the Company shall pay a fee of four percent (4%) of the amount raised in the Concurrent Offering to OpenDeal Portal LLC dba Republic (the “ <i>Intermediary</i> ”). The Intermediary will also receive compensation in the form of securities equal to one percent (1%) of the total number of the securities sold in the Concurrent Offering. The Intermediary is an affiliate of ODB.

1 – Does not take into account the Intermediary’s securities commission.

2 – Represents gross proceeds.

If the Concurrent Offering is successful, the Purchaser in this Offering may incur a dilution of his or her investment in the Company.

In addition to the Concurrent Offering, the Company reserves the right to raise additional capital by concurrently offering to sell its securities, including but not limited to Common or Preferred Stock, Simple Agreement for Future Equity, or Convertible Notes in amounts that are uncertain at this time.

TRANSACTIONS WITH RELATED PERSONS AND CONFLICTS OF INTEREST

From time to time the Company may engage in transactions with related persons. Related persons are defined as any director or officer of the Company; any person who is the beneficial owner of twenty percent (20%) or more of the Company's outstanding voting equity securities, calculated on the basis of voting power; any promoter of the Company; any immediate family member of any of the foregoing persons or an entity controlled by any such person or persons.

The Company has conducted the following transactions with related persons:

- a) From May 1, 2020 to September 29, 2021, the Company issued secured notes totaling \$627,158 to certain shareholders of the Company, including to Dave Wilbur, the father of the Company's CEO, in the amount of \$246,835, for the purchase of machinery and equipment with maturity dates ranging from 2022 to 2026. As of March 31, 2022, \$485,415 was outstanding, of which \$120,000 was outstanding to Dave Wilbur. The notes accrue interest at a rate between seven and ten percent.
- b) On January 1, 2017, the Company received an unsecured line-of credit with a maximum available credit of \$500,000 from the Company's CEO, Josh Wilbur, with a maturity date set on December 31, 2026. As of March 31, 2022, \$159,621 was outstanding. The line-of-credit accrues interest at a rate of eight percent.

FINANCIAL DATA

*Please see the financial information attached hereto as **Exhibit A**, in addition to the following information.*

Operations

Steeped, Inc. was originally incorporated in the State of California on April 5, 2017, as SpecialTea Coffee, Inc. On April 5, 2017, SpecialTea Coffee, Inc., a Delaware corporation, was formed and subsequently completed a merger with SpecialTea Coffee, Inc., the California corporation, with SpecialTea Coffee, Inc., the Delaware corporation, becoming the surviving entity. On June 19, 2017, the Company changed its name to Steeped, Inc., and operates under the DBA Steeped Coffee. The Company's headquarters are located in Scotts Valley, CA.

The Company has a wholly-owned subsidiary, Steeped International, Inc. Currently, its sole purpose is to process payroll for a Puerto Rico employee. The Company may use this entity for international operations in the future. Our financial statements include the financial results of Steeped International, Inc.

Cash and Cash Equivalents

The Company considers short-term, highly liquid investment with original maturities of three months or less at the time of purchase to be cash equivalents. Cash consists of funds held in the Company's checking account.

As of May 31, 2022, the Company had an aggregate of approximately \$352,990 in cash and cash equivalents, leaving the Company with approximately 2 months of runway (not including anticipated proceeds from its Concurrent Offering).

Liquidity and Capital Resources

The proceeds from the Offering are essential to our operations. We plan to use the proceeds as set forth above, under the section titled "*Use of Proceeds*", which is an indispensable element of our business strategy. The proceeds from this Offering will be employed with those raised in the Concurrent Offering seeking to raise up to \$5,000,000.

Capital Expenditures and Other Obligations

The Company intends to spend \$800,000 on leasehold improvements focused on the production floor layout to promote lean manufacturing concepts and additional machinery that augments a solid foundation of manufacturing equipment, largely in an effort to provide automation in kitting and production operations and additional packaging capacity.

Valuation

The Company has ascribed no pre-Offering valuation to the Company; the securities are priced arbitrarily.

Material Changes and Other Information

Trends and Uncertainties

After reviewing the above discussion of the steps the Company intends to take, potential Investors should consider whether achievement of each step within the estimated time frame will be realistic in their judgment. Potential Investors should also assess the consequences to the Company of any delays in taking these steps and whether the Company will need additional financing to accomplish them.

Please see the financial statements attached as **Exhibit A** for subsequent events and applicable disclosures.

Previous Offerings of Securities

We have made the following issuances of securities within the last three years:

Security Type	Principal Amount of Securities Sold	Amount of Securities Issued/Notes	Use of Proceeds	Issue Date	Exemption from Registration Used or Public Offering
Common Stock under the Company's 2019 Stock Plan	\$0	644,028	N/A	Various Dates	Rule 701
Convertible Notes (Seed 1)	\$320,000 *	12	General Working Capital	Various dates in 2019 up to August 29, 2019	Section 4(a)(2)
Convertible Notes (Seed 2)	\$1,535,000	27	General Working Capital	Various dates between June 21, 2019 and June 1, 2020	Section 4(a)(2)
Convertible Notes (Seed 3)	\$575,000	11	General Working Capital	Between April 29, 2020 and May 8, 2020	Section 4(a)(2)
Convertible Notes (Seed 4)	\$3,005,000	40	General Working Capital	Various Dates between November 2, 2020 and January 11, 2022	Section 4(a)(2)
Convertible Notes (Seed 5)	\$365,000	7	General Working Capital	Between January 7, 2022 and June 6, 2022	Section 4(a)(2)
Convertible Notes (Seed 6)	\$1,300,000	5	General Working Capital	Between March 7, 2022 and April 18, 2022	Section 4(a)(2)

* Does not include \$855,000 of Convertible Notes (Seed 1) which were issued prior to 2019.

See the section titled '*Capitalization and Ownership*' for more information regarding the securities issued in our previous offerings of securities.

USE OF PROCEEDS

The gross proceeds to the Company from the sale of the SAFEs offered hereby are estimated to be \$5,000,000. If less than \$5,000,000 of SAFEs are actually sold in this Offering, the proceeds will be correspondingly diminished. The net proceeds from this Offering will be used for the purposes which the Company's management deems to be in the Company's interests in order to address changed circumstances or opportunities. As a result of the foregoing, the Company's success will be substantially dependent upon the Company's management's discretion and judgment with respect to application and allocation of the net proceeds of this Offering. The Company may choose to use the proceeds in a manner with which you do not agree with and you will have no recourse.

We are offering the Securities on a "best efforts" basis with no prescribed minimum. There is no minimum aggregate sale of Securities required for the Company to begin accepting and closing sales of Securities. Subscription proceeds will be available for use by us as soon as we receive the funds and accept such subscriptions.

The following table illustrates how we intend to use the proceeds received from this Offering. The values below are not inclusive of payments to financial and legal service providers fees, all of which were incurred in the preparation of this Offering and are due in advance of the Offering.

Use of Proceeds	% of Proceeds if Maximum Offering Amount Raised	Amount if Maximum Offering Amount Raised
ODB Cash Commission*	5%	\$250,000
Sales and Marketing (1)	25%	\$1,250,000
Infrastructure (2)	15%	\$750,000
General Working Capital including Inventory (3)	40%	\$2,000,000
Leadership and Management (4)	12.5%	\$625,000
ERP, Accounting Systems, Consulting and Implementation	2.5%	\$125,000
Total	100%	\$5,000,000

* The ODB Cash Commission does not take into account other offering fees and expenses to be paid to ODB, including non-accountable expenses which shall be limited to one-half percent (0.5%) of the Offering's proceeds, as well as applicable ancillary, financial consulting, and advisory fees which will not exceed \$30,000.

The Company has discretion to alter the use of proceeds set forth above to adhere to the Company's business plan and liquidity requirements. For example, economic conditions may alter the Company's general marketing or general working capital requirements.

Set forth below are detailed descriptions of how we intend to use the net proceeds of this Offering (which will be used with proceeds from the Concurrent Offering) for any category in excess of ten percent (10%) in the table above.

(1) These proceeds will be used to better target sales and marketing efforts and hire additional personnel in these functions to not only convert new leads into customers due to the expected growth but also provide account management to service accounts.

(2) We anticipate procuring additional machinery that augments a solid foundation of manufacturing equipment, largely in an effort to provide automation in kitting and production operations, and additional packaging capacity.

Moreover, we expect to incur tenant improvements on our existing production facilities.

(3) Based on the Company's sales pipeline, the Company anticipates the rapid scaling of new, sold business (i.e., customer purchase orders). Accordingly, we expect a significant demand on working capital, including the procurement of raw materials used in the production of saleable goods.

(4) These proceeds will be used to hire personnel to key leadership positions in management.

ANTI-MONEY LAUNDERING

The USA PATRIOT Act	What is money laundering?	How big is the problem and why is it important?
The USA PATRIOT Act is designed to detect, deter and punish terrorists in the United States and abroad. The Act imposes anti-money laundering requirements on brokerage firms and financial institutions. Since April 24, 2002, all United States brokerage firms have been required to have comprehensive anti-money laundering programs in effect.	Money laundering is the process of disguising illegally obtained money so that the funds appear to come from legitimate sources or activities. Money laundering occurs in connection with a wide variety of crimes, including illegal arms sales, drug trafficking, robbery, fraud, racketeering and terrorism.	The use of the United States financial system by criminals to facilitate terrorism or other crimes could taint our financial markets. According to the United States State Department estimate puts the amount of worldwide money laundering activity at \$1 trillion a year.

Patriot Act; Anti-Money Laundering; OFAC.

Each Purchaser should check the Office of Foreign Assets Control (“*OFAC*”) website at <http://www.treas.gov/ofac> before making the following representations. Each Purchase shall be required to make the following representations and warranties in the applicable purchase agreement:

- a) The Purchaser represents that (i) no part of the funds used by the Purchaser to acquire the Securities or to satisfy his/her capital commitment obligations with respect thereto has been, or shall be, directly or indirectly derived from, or related to, any activity that may contravene United States federal or state or non-United States laws or regulations, including anti-money laundering laws and regulations, and (ii) no capital commitment, contribution or payment to the Company by the Purchaser and no distribution to the Purchaser shall cause the Company to be in violation of any applicable anti-money laundering laws or regulations including, without limitation, Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001 and the United States Department of the Treasury Office of Foreign Assets Control regulations. The Purchaser acknowledges and agrees that, notwithstanding anything to the contrary contained in this Memorandum or any other agreement, to the extent required by any anti-money laundering law or regulation, the Company may prohibit capital contributions, restrict distributions or take any other reasonably necessary or advisable action with respect to the Securities, and the Purchaser shall have no claim, and shall not pursue any claim, against the Company or any other person in connection therewith. U.S. federal regulations and executive orders administered by OFAC prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of OFAC prohibited countries, territories, persons and entities can be found on the OFAC website at <http://www.treas.gov/ofac>. In addition, the programs administered by OFAC (the “*OFAC Programs*”) prohibit dealing with individuals¹ or entities in certain countries regardless of whether such individuals or entities appear on the OFAC lists.

¹ These individuals include specially designated nationals, specially designated narcotics traffickers and other parties subject to OFAC sanctions and embargo programs.

- b) To the best of the Purchaser’s knowledge, none of: (1) the Purchaser; (2) any person controlling or controlled by the Purchaser; (3) if the Purchaser is a privately-held entity, any person having a beneficial interest in the Purchaser; or (4) any person for whom the Purchaser is acting as agent or nominee in connection with this investment is a country, territory, individual or entity named on an OFAC list, or a person or entity prohibited under the OFAC Programs. Please be advised that the Company may not accept any amounts from a prospective subscriber if such prospective subscriber cannot make the representation set forth in this paragraph. The Purchaser agrees to promptly notify the Company should the Purchaser become aware of any change in the information set forth in these representations. The Purchaser understands and acknowledges that, by law, the Company may be obligated to “freeze the account” of the Purchaser, either by prohibiting additional subscriptions from the Purchaser, declining any redemption requests and/or segregating the assets in the account in compliance with governmental regulations, and any broker may also be required to report such action and to disclose the Purchaser’s identity to OFAC. The Purchaser further acknowledges that the Company may, by written notice to the Purchaser, suspend the redemption rights, if any, of the Purchaser if the Company reasonably deems it necessary to do so to comply with anti-money laundering regulations applicable to the Company or any broker or any of the Company’s other service providers. These individuals include specially designated nationals, specially designated narcotics traffickers and other parties subject to OFAC sanctions and embargo programs.
- c) To the best of the Purchaser’s knowledge, none of: (1) the Purchaser; (2) any person controlling or controlled by the Purchaser; (3) if the Purchaser is a privately-held entity, any person having a beneficial interest in the Purchaser; or (4) any person for whom the Purchaser is acting as agent or nominee in connection with this investment is a senior foreign political figure², or any immediate family³ member or close associate⁴ (4) of a senior foreign political figure, as such terms are defined in the footnotes below.
- d) If the Purchaser is affiliated with a non-U.S. banking institution (a “**Foreign Bank**”), or if the Purchaser receives deposits from, makes payments on behalf of, or handles other financial transactions related to a Foreign Bank, the Purchaser represents and warrants to the Company that: (1) the Foreign Bank has a fixed address, other than solely an electronic address, in a country in which the Foreign Bank is authorized to conduct banking activities; (2) the Foreign Bank maintains operating records related to its banking activities; (3) the Foreign Bank is subject to inspection by the banking authority that licensed the Foreign Bank to conduct banking activities; and (4) the Foreign Bank does not provide banking services to any other Foreign Bank that does not have a physical presence in any country and that is not a regulated affiliate.
- e) The Purchaser acknowledges that, to the extent applicable, the Company will seek to comply with the Foreign Account Tax Compliance Act provisions of the U.S. Internal Revenue Code and any rules, regulations, forms, instructions or other guidance issued in connection therewith (the “**FATCA Provisions**”). In furtherance of these efforts, the Purchaser agrees to promptly deliver any additional documentation or information, and updates thereto as applicable, which the Company may request in order to comply with the FATCA Provisions. The Purchaser acknowledges and agrees that, notwithstanding anything to the contrary contained in this Memorandum, any side letter or any other agreement, the failure to promptly comply with such requests, or to provide such additional information, may result in the withholding of amounts with respect to, or other limitations on, distributions made to the Purchaser and such other reasonably necessary or advisable action by the Company with respect to the Securities (including, without limitation, required withdrawal), and the Purchaser shall have no claim, and shall not pursue any claim, against the Company or any other person in connection therewith.

² A “senior foreign political figure” is defined as a senior official in the executive, legislative, administrative, military or judicial branches of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government-owned corporation. In addition, a “senior foreign political figure” includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure.

³ “Immediate family” of a senior foreign political figure typically includes the figure’s parents, siblings, spouse, children and in-laws.

⁴ A “close associate” of a senior foreign political figure is a person who is widely and publicly known to maintain an unusually close relationship with the senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of the senior foreign political figure.

PLAN OF DISTRIBUTION

“Best efforts” offering

We are offering the Securities on a “best efforts” basis with no prescribed minimum. There is no minimum aggregate sale of Securities required for the Company to begin accepting and closing sales of Securities; subscription proceeds will be available for use by the Company as soon as the Company accepts such subscriptions and receives funds.

Sale and placement of the SAFEs

The Company has engaged OpenDeal Broker LLC dba the Capital R (“**ODB**”) to provide a landing page for the Company’s Offering and perform related services, including broker-dealer services. The Offering will be conducted via <https://republic.com> (the “**Platform**”) which is operated for the benefit of ODB. The Company has agreed to pay a fee to ODB equal to five percent (5.0%) of the dollar value of the Securities issued to Investors in this Offering. Additionally, ODB shall receive a securities commission equivalent to one and half percent (1.5%) of the dollar value of the Securities issued to Investors in this Offering.

The foregoing cash commission does not take into account other offering fees and expenses to be paid to ODB, including non-accountable expenses which shall be limited to one-half percent (0.5%) of the Offering’s proceeds, as well as applicable ancillary, financial consulting, and advisory fees which will not exceed \$30,000.

Due to ODB’s cash commission and any applicable offering fees and expenses, the net proceeds to the Company from this Offering will be reduced.

Purchaser Qualifications

Only persons of adequate financial means who have no need for present liquidity with respect to this investment should consider purchasing the Securities offered hereby because: (i) an investment in the Securities involves a number of significant risks (see ‘*Risk Factors*’); and (ii) the Securities are not transferable. This Offering is being made as a private offering that is exempt from registration under the Securities Act and applicable state securities laws.

This Offering is limited solely to Purchasers who are “accredited investors” as defined in Regulation D. Please see ‘*Suitability of Investment*’ for more information regarding Purchaser eligibility and qualifications.

You must also represent in writing that you are purchasing the Securities for your own account and not for the account of others and not with a view to reselling or distributing Securities.

Sale Procedures

In order to purchase the Securities, each Investor will be required to electronically deliver to the Company, through the Platform a fully completed, dated, and signed copy of the SAFE instrument together with any (i) exhibits and (ii) documents requested by the Company and its agents, including ODB and its representatives, for the purpose of satisfying the Company and ODB’s accreditation, customer identification and due diligence obligations prior to the Offering Deadline, according to the Company’s procedures as outlined on the Platform.

Investors will not be provided wire instructions until completion of ODB’s know your customer (KYC), anti-money laundering (AML), and Reg BI policies, as well as verification of accredited investor status, after which Investors may send full payment of any consideration to the Company.

The Company and ODB reserve the right to reject any proposed investment in part or in its entirety in their sole discretion, in which case, the applicable prospective Investor’s funds will be returned without interest or

deductions. Investment commitments are not binding on the Company until they are accepted by the Company. Once accepted by the Company, subscriptions are irrevocable.

We will hold an initial closing on any number of SAFEs at any time during the Offering after we have received notification of approval when we and ODB determine, and thereafter may hold one or more additional closings until we determine to cease having any additional closings during the Offering. We will close on proceeds based upon the order in which they are received. We will consider various factors in determining the timing of any additional closings following the initial closing, including the amount of proceeds received at the initial closing and any prior additional closings.

OPENDEAL HAS NOT INVESTIGATED (NOR HAVE ANY OF ITS AFFILIATES INVESTIGATED) THE DESIRABILITY OR ADVISABILITY OF AN INVESTMENT IN THIS OFFERING OR THE SECURITIES OFFERED HEREIN. OPENDEAL AND ITS AFFILIATES MAKE NO REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGMENT ON THE MERITS OF THE OFFERING OR THE SECURITIES OFFERED HEREIN. OPENDEAL BROKER'S CONNECTION TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSES OF ACTING AS A SERVICE PROVIDER.

If an Investor makes an investment commitment under a name that is not their legal name, they may be unable to redeem their Security indefinitely, and neither ODB nor the Company are required to correct any errors or omissions made by the Investor.

SUITABILITY OF INVESTMENT

Each Purchaser will be required to represent that such Purchaser's overall commitment to investments which are not readily marketable is not disproportionate to such Purchaser's net worth, and that such Purchaser's investment in the Company will not cause such overall commitment to become excessive; that such Purchaser can sustain a complete loss of such Purchaser's investment in the Securities and has limited need for liquidity in such Purchaser's investment in the Securities; and that such Purchaser has evaluated the risks of investing in the Securities.

The Company and/or ODB may reject a Purchaser for any reason in its sole and absolute discretion. If a Purchaser is rejected, any payment remitted by the Purchaser will be returned without interest. Only persons of adequate financial means who have no need for present liquidity with respect to this investment should consider purchasing the Securities offered hereby because: (i) an investment in the Securities involves a number of significant risks (See '*Risk Factors*'); and (ii) no market for the Securities or the purchase rights contained therein, and none is likely to develop in the reasonably foreseeable future. This Offering is intended to be a private offering that is exempt from registration under the Securities Act and applicable state securities laws.

We may also request any documentation or other information regarding an Investor and its beneficial owners, if applicable, in connection with the disqualification provisions under Rule 506(d) of Regulation D under the Act, which may prohibit us from relying on the Rule 506 offering exemption if an Investor or one or more of an Investor's significant equity holders has had a disqualifying event as described in Rule 506(d).

THE BELOW SUITABILITY STANDARDS REPRESENT MINIMUM REQUIREMENTS, AND NEITHER THE SATISFACTION OF SUCH STANDARDS BY A PROSPECTIVE PURCHASER NOR THE ACCEPTANCE BY THE COMPANY OF A PROSPECTIVE PURCHASER'S SUBSCRIPTION NECESSARILY MEANS THAT THE SECURITIES ARE A SUITABLE INVESTMENT FOR THE PURCHASER. THE FINAL DETERMINATION AS TO THE SUITABILITY OF AN INVESTMENT IN THE COMPANY CAN BE MADE ONLY BY A PROSPECTIVE PURCHASER AND HIS OR HER ADVISORS, IF ANY.

We are offering the Securities only to persons who are "accredited investors" as defined in Rule 501(a) of Regulation D of the Securities and Exchange Act of 1933, as amended. As so defined, "accredited investors" include any person who meets any one of the following categories:

- Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer.
- Any individual whose net worth, or joint net worth with that person's spouse or spousal equivalent, at the time of purchase exceeds \$1 million. In calculating a person's net worth (the amount of assets in excess of liabilities):
 - the value of the person's primary residence is not included as an asset;
 - the amount of debt secured by the primary residence, up to its estimated fair market value, is not included as a liability, unless the person incurred debt within 60 days before buying securities in the unregistered offering for the purpose of buying those securities and not for buying the residence. In that situation, the amount of debt borrowed during that 60-day period must be included as a liability;
 - any debt secured by the primary residence in excess of the estimated fair market value of the home is included as a liability; and

- these additions and subtractions to the definition of net worth do not apply to a person exercising a right to buy securities if the person held that right to buy those securities, as well as other securities of the same issuer, on July 20, 2010, and met the net worth test in effect at the time the person acquired the right.
- Any individual who had an income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse or spousal equivalent in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.
- Any bank; any savings and loan association, whether acting in its individual or fiduciary capacity; any registered broker or dealer; any registered investment adviser; any investment adviser relying on registration exemptions under Section 203(l) or (m) under the Investment Company Act of 1940; any insurance company; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; any Small Business Investment Company licensed by the US Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; any Rural Business Investment Company as defined in Section 384A of the Consolidated Farm and Rural Development Act; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with total assets in excess of \$5 million; or any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 where investment decisions are made by a plan fiduciary that is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5 million or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.
- Any private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940.
- Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, partnership, or limited liability company, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5 million.
- Any trust, with total assets in excess of \$5 million, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the Securities Act.
- Any entity in which all of the equity owners are accredited investors.
- Any entity of a type not listed above, owning investments in excess of \$5 million, that is not formed for the specific purpose of acquiring the securities offered.
- Any individual holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the SEC has designated as qualifying an individual for accredited investor status. On the date of this Memorandum, the SEC designated the following certifications, when held in good standing, as qualifying natural persons for accredited investor status:
 - Licensed General Securities Representative (Series 7);
 - Licensed Investment Adviser Representative (Series 65); or
 - Licensed Private Securities Offerings Representative (Series 82).
- Any individual who is a "knowledgeable employee," as defined in Rule 3c-5(a)(4) under the Investment Company Act, of the issuer of the securities being offered where the issuer is a private fund (excluded from the definition of investment company in Section 3(c)(1) or 3(c)(7)).

- Any “family office,” as defined in Rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940:
 - with assets under management in excess of \$5 million;
 - that is not formed for the specific purpose of acquiring the securities being offered; and
 - whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that the family office is capable of evaluating the merits and risks of the prospective investment.
- Any “family client,” as defined in Rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940, of a family office meeting the requirements above and whose prospective investment in the issuer of the securities being offered is directed by the family office pursuant to the third sub-bullet above.

The term “net worth” means the excess of total assets over total liabilities, exclusive of the value of your primary residence net of any mortgage debt and other liens. In determining income, you should add to your adjusted gross income any amounts attributable to tax-exempt income received, losses claimed as a limited partner in any limited partnership, deductions claimed for depreciation, contributions to an IRA or Keogh retirement plan, alimony payments and any amount by which income from long-term capital gains had been reduced in arriving at adjusted gross income.

You will be required to represent to the Company in writing that you are an accredited investor under Regulation D, as described above, and will also be required to provide certain documentation in support of such representation. In addition to the foregoing requirement, you must also represent in writing that you are acquiring the Securities for your own account and not for the account of others and not with a view to resell or distribute such securities. You hereby agree to deliver to the Company and ODB, through the Platform such other information as to certain matters under the Act and as the Company may reasonably request in order to ensure compliance with such Act and the availability of any exemption thereunder. In addition, you may be required to provide written confirmation from a registered broker-dealer, an SEC-registered investment adviser, a licensed attorney, or a certified public accountant that such person or entity has taken reasonable steps to verify that you are accredited. In lieu of or in addition to such a letter, we may also verify that you are accredited, including but not limited to by requesting one or more of the following from you: (i) Internal Revenue Service forms that report your income for the last two years (including Form W-2, Form 1099, Schedule K-1 to Form 1065, and Form 1040) and a written representation from the Investor that he or she has a reasonable expectation of reaching the income level necessary to qualify as an accredited investor during the current year; and/or (ii) documentation disclosing your assets and liability which is dated within three months prior to the date of this Memorandum, including but not limited to bank statements, brokerage statements and other statements of securities holdings, certificates of deposit, tax assessments, appraisal reports issued by independent third parties, and a credit report from at least one of the nationwide consumer reporting agencies, as well as a written representation that all liabilities necessary to make a determination of net worth have been disclosed.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

Set forth below is a discussion, in summary form, of certain United States federal income tax consequences relating to an investment in a Securities and the acquisition, ownership and disposition of the Securities. This summary does not attempt to present all aspects of the United States federal income tax laws or any state, local or foreign laws that may affect an investment in the Securities. In particular, foreign investors, financial institutions, insurance companies, tax-exempt entities, investors subject to the alternative minimum tax and other investors of special status must consult with their own professional tax advisors regarding a prospective investment. This summary is general in nature and should not be construed as tax advice to any prospective investor. No ruling has been or will be requested from the Internal Revenue Service (the “**IRS**”) and no assurance can be given that the IRS will agree with the tax consequences described in this summary. The following discussion assumes that each prospective Investor will acquire Securities as a capital asset (generally, property held for investment).

This description is based on the U.S. Internal Revenue Code of 1986, as amended, (the “**Code**”), existing, proposed and temporary U.S. Treasury Regulations and judicial and administrative interpretations thereof, in each case as available on the date hereof. All of the foregoing is subject to change, which change could apply retroactively and could affect the tax consequences described below.

The following discussion is limited to prospective investors who are “United States Persons” within the meaning of the Code.

Each prospective Purchaser should consult with its own tax adviser in order to fully understand the United States federal, state, local and foreign income tax consequences of an investment in the Securities. No formal or legal tax advice is hereby given to any prospective Purchaser.

EACH PURCHASER SHOULD SEEK, AND MUST DEPEND UPON, THE ADVICE OF HIS OR HER TAX ADVISOR WITH RESPECT TO THEIR INVESTMENT, AND EACH PURCHASER IS RESPONSIBLE FOR THE FEES OF SUCH ADVISOR. NOTHING IN THIS MEMORANDUM IS OR SHOULD BE CONSTRUED AS LEGAL OR TAX ADVICE TO A PURCHASER. PURCHASERS SHOULD BE AWARE THAT THE IRS MAY NOT AGREE WITH ALL TAX POSITIONS TAKEN BY THE COMPANY AND THAT CHANGES TO THE CODE OR THE REGULATIONS OR RULINGS THEREUNDER OR COURT DECISIONS AFTER THE DATE OF THIS MEMORANDUM MAY CHANGE THE ANTICIPATED TAX TREATMENT TO A PURCHASER. THE COMPANY WILL NOT OBTAIN ANY RULING FROM THE IRS WITH REGARD TO THE TAX CONSEQUENCES OF AN INVESTMENT IN THE SECURITIES.

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES IN THIS MEMORANDUM IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY INVESTORS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON SUCH INVESTORS UNDER THE CODE; (B) SUCH DISCUSSION IS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING OF INVESTMENTS IN THE COMPANY; AND (C) PROSPECTIVE INVESTORS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

THE TAX TREATMENT OF THE SECURITIES, THE PURCHASE RIGHTS CONTAINED THEREIN AND THE SECURITY DISTRIBUTION IS UNCERTAIN AND THERE MAY BE ADVERSE TAX CONSEQUENCES FOR INVESTORS UPON CERTAIN FUTURE EVENTS. AN INVESTMENT PURSUANT TO THE SECURITIES PURSUANT THERETO MAY RESULT IN ADVERSE TAX CONSEQUENCES TO INVESTORS, INCLUDING WITHHOLDING TAXES, INCOME TAXES AND TAX REPORTING REQUIREMENTS. EACH PURCHASER SHOULD CONSULT WITH AND MUST RELY UPON THE ADVICE OF ITS OWN PROFESSIONAL TAX ADVISORS WITH RESPECT TO THE UNITED STATES AND NON-TAX TREATMENT OF AN INVESTMENT IN THE SECURITIES AND THE RIGHTS CONTAINED THEREIN.

WHERE YOU CAN FIND MORE INFORMATION

In this Offering, each prospective Purchaser accepts the responsibility for conducting its own due diligence investigation and consulting with its own professional advisors in connection with their investment. Prospective Purchasers and their advisors are invited to ask us questions concerning the Company, the SAFE instrument, the terms of this Offering and such other matters as the prospective Purchasers and their advisors deem pertinent in connection with this investment. We will use reasonable efforts to respond fully to such questions and to supply all information (other than confidential information) available to us that the prospective Purchasers or their advisors request.

The Company's officers may participate in the filming or recording of a various media and in the course of the filming, may present certain business information to the investor panel appearing on the show (the "**Presentation**"). The Company will not pass upon the merits of, certify, approve, or otherwise authorize the statements made in the Presentation. The Presentation commentary being made should not be viewed as superior or a substitute for the disclosures made in this Memorandum. Accordingly, the statements made in the Presentation, unless reiterated in the Offering materials provided herein, should not be applied to the Company's business and operations as of the date of this Offering. Moreover, the Presentation may involve several statements constituting puffery, that is, exaggerations not to be taken literally or otherwise as indication of factual data or historical or future performance.

EXHIBIT A
Financial Statements

Steeped, Inc.
DBA Steeped Coffee

FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021 AND 2020

Audited

(Expressed in United States Dollars)

INDEX TO FINANCIAL STATEMENTS

	Page
INDEPENDENT ACCOUNTANT’S AUDIT REPORT	1
FINANCIAL STATEMENTS:	
Balance Sheet	3
Statement of Operations	4
Statement of Changes in Stockholders’ Equity	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 17

INDEPENDENT ACCOUNTANT'S AUDIT REPORT

To the Board of Directors of
Steeped, Inc.
Scotts Valley, California

Opinion

We have audited the financial statements of Steeped, Inc., which comprise the balance sheets as of December 31, 2021, and 2020, and the related statements of income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Steeped, Inc. as of December 31, 2021, and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Steeped, Inc.. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Steeped, Inc.'s ability to continue as a going concern for period of twelve months from the end of the year ended December 31, 2021.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Steeped, Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Steeped, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

SetApart FS

May 6, 2022
Los Angeles, California

Steeped, Inc. DBA Steeped Coffee
BALANCE SHEET

As of December 31,	2021	2020
(USD \$ in Dollars)		
ASSETS		
Current Assets:		
Cash & cash equivalents	\$ 192,267	\$ 654,773
Account receivables, net	434,808	371,088
Other receivable	-	100,000
Inventories	356,079	124,127
Prepays and other current assets	40,562	18,000
Total current assets	1,023,716	1,267,988
Property and equipment, net	852,969	637,235
Intangible assets, net	-	755
Other non-current assets	20,785	20,785
Total assets	\$ 1,897,470	\$ 1,926,763
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Account payables	\$ 644,686	\$ 700,176
Credit cards	76,843	42,207
Current portion of Promissory Note and Loans	290,707	110,591
Loan payable	-	40,000
Other current liabilities	92,141	69,932
Total current liabilities	1,104,377	962,906
Promissory note and loans	7,010,943	4,434,058
Other non-current liabilities	401,188	184,562
Total liabilities	8,516,508	5,581,526
STOCKHOLDERS EQUITY		
Preferred stock	7	7
Common Stock	60	60
Additional Paid in Capital	-	-
Retained earnings/(Accumulated Deficit)	(6,619,105)	(3,654,830)
Total stockholders' equity	(6,619,038)	(3,654,763)
Total liabilities and stockholders' equity	\$ 1,897,470	\$ 1,926,763

See accompanying notes to financial statements.

Steeped, Inc. DBA Steeped Coffee
STATEMENTS OF OPERATIONS

For Fiscal Year Ended December 31,	2021	2020
(USD \$ in Dollars)		
Net revenue	\$ 2,922,061	\$ 2,242,690
Cost of goods sold	2,851,959	2,251,094
Gross profit/(loss)	70,102	(8,404)
Operating expenses		
General and administrative	1,267,249	947,148
Sales and marketing	1,564,520	870,592
Total operating expenses	2,831,769	1,817,740
Operating income/(loss)	(2,761,667)	(1,826,144)
Interest expense	275,488	167,686
Other Loss/(Income)	(72,880)	(206,063)
Income/(Loss) before provision for income taxes	(2,964,275)	(1,787,767)
Provision/(Benefit) for income taxes	-	-
Net income/(Net Loss)	\$ (2,964,275)	\$ (1,787,767)

See accompanying notes to financial statements.

Steeped, Inc. DBA Steeped Coffee
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(in , \$US)	Preferred Stock		Common Stock		Additional Paid In Capital	Retained earnings/ (Accumulated Deficit)	Total Shareholder Equity
	Shares	Amount	Shares	Amount			
Balance—December 31, 2019	666,667	\$ 7	6,000,000	\$ 60	\$ -	\$ (1,867,063)	\$ (1,866,996)
Stock issuance							-
Net income/(loss)						(1,787,767)	(1,787,767)
Balance—December 31, 2020	666,667	\$ 7	6,000,000	\$ 60	\$ -	\$ (3,654,830)	\$ (3,654,763)
Restricted stock awards granted			646,799	-			-
Net income/(loss)						(2,964,275)	(2,964,275)
Balance—December 31, 2021	666,667	\$ 7	6,646,799	\$ 60	\$ -	\$ (6,619,105)	\$ (6,619,038)

See accompanying notes to financial statements.

Steeped, Inc. DBA Steeped Coffee
STATEMENTS OF CASH FLOWS

For Fiscal Year Ended December 31,	2021	2020
(USD \$ in Dollars)		
CASH FLOW FROM OPERATING ACTIVITIES		
Net income/(loss)	\$ (2,964,275)	\$ (1,787,767)
Adjustments to reconcile net income to net cash provided/(used) by operating activities:		
Depreciation of tangible assets	115,582	62,610
Amortization of intangible assets	755	408
Changes in operating assets and liabilities:		
Inventories	(231,952)	(52,299)
Account receivables	(63,720)	(268,993)
Other receivable	100,000	(97,602)
Prepays and other current assets	(22,562)	(18,000)
Account Payables	(55,489)	616,505
Credit cards	34,636	(32,031)
Other current liabilities	22,208	15,424
Net cash provided/(used) by operating activities	(3,064,817)	(1,561,745)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(331,316)	(548,884)
Net cash provided/(used) in investing activities	(331,316)	(548,884)
CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of Common Stock	-	-
Borrowing on promissory notes	2,933,627	2,460,030
Net cash provided/(used) by financing activities	2,933,627	2,460,030
Change in cash	(462,506)	349,401
Cash—beginning of year	654,773	305,372
Cash—end of year	\$ 192,267	\$ 654,773
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	\$ 67,851	\$ 43,471
Cash paid during the year for income taxes	\$ -	\$ -
OTHER NONCASH INVESTING AND FINANCING ACTIVITIES AND SUPPLEMENTAL DISCLOSURES		
Purchase of property and equipment not yet paid for	\$ -	\$ -
Issuance of equity in return for note	\$ -	\$ -
Issuance of equity in return for accrued payroll and other liabilities	\$ -	\$ -

See accompanying notes to financial statements.

Steeped, Inc. DBA Steeped Coffee
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED TO DECEMBER 31, 2021, AND DECEMBER 31, 2020

1. NATURE OF OPERATIONS

Steeped, Inc. was originally incorporated in the state of California on December 19, 2016, as SpecialTea Coffee, Inc. On March 28, 2017, the Company completed a merger with SpecialTea Coffee, Inc. a Delaware corporation. SpecialTea Coffee, Inc., a Delaware corporation, is the surviving entity, and on June 19, 2017, the Company changed its name to Steeped, Inc. Steeped, Inc. operates under the DBA Steeped Coffee. The financial statements of Steeped, Inc. (which may be referred to as “Steeped Coffee”, “Steeped”, “Company”, “we”, “us”, or “our”) are prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Company’s headquarters are located in Scotts Valley, CA.

Steeped is Coffee simplified. Steeped Coffee® is the new standard in coffee, brewed with the ritual of tea using simple Steeped Bags®. Steeped Coffee was innovated to combine the quality of craft specialty coffee with the convenience of single-serve coffee, but unplugged, without the environmental impact. Steeped, Inc. directly provides its proprietary brewing method through national distributions in multiple markets, as well as by partnering with hundreds of top roasters and coffee brands. After receiving several national awards, Steeped is leading the movement to revolutionize the world’s dependence on wasteful single-serve coffee pods, and has pioneered the first and only barista-approved single-serve brewing method that is completely compostable with no machines required.

Steeped Coffee is on a mission to make quality coffee more accessible and to bring sustainability to the single-serve coffee market. Steeped, Inc. is a Certified B Corp and Public Benefit Corporation focused on every detail from farm-to-cup and beyond, to bring coffee lovers the most convenient, high quality, ethically sourced, and sustainably packaged products available. Steeped believes in Coffee Without Compromise and is focused on Purpose Beyond Profits, seeing success as the amount of good we can do together.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America (“US GAAP”). The Company has adopted the calendar year as its basis of reporting.

Use of Estimates

The preparation of financial statements in conformity with United States GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all cash in banks. The Company’s cash is deposited in demand accounts at financial institutions that management believes are creditworthy. The Company’s cash and cash equivalents in bank deposit accounts, at times, may exceed federally insured limits. As of December 31, 2021, and December 31, 2020, the Company’s cash and cash equivalents exceeded FDIC insured limits by \$0, and \$404,773, respectively.

Accounts Receivable and Allowance for Doubtful Accounts

Steeped, Inc. DBA Steeped Coffee
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED TO DECEMBER 31, 2021, AND DECEMBER 31, 2020

Accounts receivable are recorded at net realizable value or the amount that the Company expects to collect on gross customer trade receivables. Receivables are considered impaired and written-off when it is probable that all contractual payments due will not be collected in accordance with the terms of the agreement. As of December 31, 2021, and the Company determined that no reserve was necessary.

Inventories

Inventories are stated at lower cost using the first-in, first-out method or net realizable value.

Property and Equipment

Property and equipment are stated at cost. Normal repairs and maintenance costs are charged to earnings as incurred and additions and major improvements are capitalized. The cost of assets retired or otherwise disposed of, and the related depreciation are eliminated from the accounts in the period of disposal and the resulting gain or loss is credited or charged to earnings.

Depreciation is computed over the estimated useful lives of the related asset type or term of the operating lease using the straight-line method for financial statement purposes. The estimated service lives for property and equipment are as follows:

Category	Useful Life
Computer equipment	3 - 5 years
Furniture & fixtures	4 years
Leasehold improvements	5 years
Machinery & equipment	3 - 10 years

Impairment of Long-lived Assets

Long-lived assets, such as property, equipment, and identifiable intangibles with finite useful lives, are periodically evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. We look for indicators of a trigger event for asset impairment and pay special attention to any adverse change in the extent or manner in which the asset is being used or in its physical condition. Assets are grouped and evaluated for impairment at the lowest level of which there are identifiable cash flows, which is generally at a location level. Assets are reviewed using factors including, but not limited to, our future operating plans and projected cash flows. The determination of whether impairment has occurred is based on an estimate of undiscounted future cash flows directly related to the assets, compared to the carrying value of the assets. If the sum of the undiscounted future cash flows of the assets does not exceed the carrying value of the assets, full or partial impairment may exist. If the asset carrying amount exceeds its fair value, an impairment charge is recognized in the amount by which the carrying amount exceeds the fair value of the asset. Fair value is determined using an income approach, which requires discounting the estimated future cash flows associated with the asset.

Income Taxes

Steeped, Inc. is a C corporation for income tax purposes. The Company accounts for income taxes under the liability method, and deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying values of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. A valuation allowance is provided on deferred tax assets if it is determined that it is more likely than not that the deferred tax asset will not be realized. The Company records interest, net of any

Steeped, Inc. DBA Steeped Coffee**NOTES TO FINANCIAL STATEMENTS****FOR YEAR ENDED TO DECEMBER 31, 2021, AND DECEMBER 31, 2020**

applicable related income tax benefit, on potential income tax contingencies as a component of income tax expense. The Company records tax positions taken, or expected to be taken, in a tax return based upon the amount that is more likely than not to be realized or paid, including in connection with the resolution of any related appeals or other legal processes. Accordingly, the Company recognizes liabilities for certain unrecognized tax benefits based on the amounts that are more likely than not to be settled with the relevant taxing authority. The Company recognizes interest and/or penalties related to unrecognized tax benefits as a component of income tax expense.

Concentration of Credit Risk

The Company maintains its cash with a major financial institution located in the United States of America which it believes to be creditworthy. Balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times, the Company may maintain balances in excess of the federally insured limits.

Revenue Recognition

ASC Topic 606, "Revenue from Contracts with Customers" establishes principles for reporting information about the nature, amount, timing, and uncertainty of revenue and cash flows arising from the entity's contracts to provide goods or services to customers.

Revenues are recognized when control of the promised goods or services are transferred to a customer, in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. The Company applies the following five steps in order to determine the appropriate amount of revenue to be recognized as it fulfills its obligations under each of its agreements:

- 1) Identify the contract with a customer
- 2) Identify the performance obligations in the contract
- 3) Determine the transaction price
- 4) Allocate the transaction price to performance obligations in the contract; and
- 5) Recognize revenue as the performance obligation is satisfied.

The Company derives all revenues from the sale of coffee products, and from the manufacturing and fulfillment of Licensed Partners' coffee into the Company's Steeped Coffee delivery system. The Company sells directly to consumers online through the Company's website and online accounts, and wholesales its coffee products both directly and through distributors to various market verticals, including hospitality, office coffee, and grocery, which in turn sells or supplies the products to the end-consumer.

Cost of Sales

The Company expenses incremental costs that directly relate to the sales of our products immediately under the available practical expedient as the amortization period would be less than one year.

Steeped, Inc. DBA Steeped Coffee
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED TO DECEMBER 31, 2021, AND DECEMBER 31, 2020

Advertising and Promotion

Advertising and promotional costs are expensed as incurred. Advertising and promotional expenses for the years ended December 31, 2021, and December 31, 2020, amounted to \$94,848 and \$54,600, which is included in sales and marketing expenses.

Research and Development Costs

Costs incurred in the research and development of the Company's products are expensed as incurred.

Stock-Based Compensation

The Company accounts for stock-based compensation to both employee and non-employees in accordance with ASC 718, Compensation - Stock Compensation. Under the fair value recognition provisions of ASC 718, stock-based compensation cost is measured at the grant date based on the fair value of the award and is recognized as expense ratably over the requisite service period, which is generally the option vesting period. The Company uses the Black-Scholes option pricing model to determine the fair value of stock options.

Fair Value of Financial Instruments

The carrying value of the Company's financial instruments included in current assets and current liabilities (such as cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses approximate fair value due to the short-term nature of such instruments).

The inputs used to measure fair value are based on a hierarchy that prioritizes observable and unobservable inputs used in valuation techniques. These levels, in order of highest to lowest priority, are described below:

Level 1—Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2—Observable prices that are based on inputs not quoted on active markets but corroborated by market data.

Level 3—Unobservable inputs reflecting the Company's assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

Subsequent Events

The Company considers events or transactions that occur after the balance sheet date, but prior to the issuance of the financial statements to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. Subsequent events have been evaluated through May 6, 2022, which is the date the financial statements were issued.

Recently Issued and Adopted Accounting Pronouncements

In February 2019, FASB issued ASU No. 2019-02, leases, that requires organizations that lease assets, referred to as "lessees", to recognize on the balance sheet the assets and liabilities for the rights and obligations created by those leases with lease terms of more than twelve months. ASU 2019-02 will also require disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases and will include qualitative and quantitative requirements. The new standard for nonpublic entities will be effective for

Steeped, Inc. DBA Steeped Coffee
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED TO DECEMBER 31, 2021, AND DECEMBER 31, 2020

fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021, and early application is permitted. The standard implementation did not have a material impact.

In June 2019, FASB amended ASU No. 2019-07, Compensation – Stock Compensation, to expand the scope of Topic 718, Compensation – Stock Compensation, to include share-based payment transactions for acquiring goods and services from nonemployees. The new standard for nonpublic entities will be effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020, and early application is permitted. The standard implementation did not have a material impact.

In August 2019, amendments to existing accounting guidance were issued through Accounting Standards Update 2019-15 to clarify the accounting for implementation costs for cloud computing arrangements. The amendments specify that existing guidance for capitalizing implementation costs incurred to develop or obtain internal-use software also applies to implementation costs incurred in a hosting arrangement that is a service contract. The guidance is effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021, and early application is permitted. The standard implementation did not have a material impact.

The FASB issues ASUs to amend the authoritative literature in ASC. There have been a number of ASUs to date, including those above, that amend the original text of ASC. Management believes that those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, (iii) are not applicable to us or (iv) are not expected to have a significant impact on our financial statements.

3. INVENTORY

Inventory consists of the following items:

As of Year Ended December 31,	2021	2020
Raw Materials	\$ 270,161	124,127
Finished Goods	85,918	-
Total Inventories	\$ 356,079	\$ 124,127

4. DETAILS OF CERTAIN ASSETS AND LIABILITIES

Account receivables consist primarily of trade receivables and accounts payable consist primarily of trade payables. Prepaids and other current assets consist of the following items:

As of Year Ended December 31,	2021	2020
Prepaid Expenses	\$ 3,235	\$ 15,000
Prepaid Insurance	37,327	-
Prepaid Marketing	-	3,000
Total Prepaid Expenses	\$ 40,562	\$ 18,000

Steeped, Inc. DBA Steeped Coffee
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED TO DECEMBER 31, 2021, AND DECEMBER 31, 2020

Other current liabilities consist of the following items:

As of Year Ended December 31,	2021	2020
Payroll Taxes Payable	\$ 31,318	\$ (28,113)
Commissions Payable	\$ 1,693	
401(k) Contributions Payable	-	31
Accrued Expenses	16,616	20,764
Accrued Employee Benefits	-	-
Interest Payable	7,769	1,168
_depreciated Customer Deposits	-	75,703
Customer Deposits (2021)	34,745	380
Sales Tax Payable	-	-
Total other current liabilities	\$ 92,141	\$ 69,933

5. PROPERTY AND EQUIPMENT

As of December 31, 2021, and December 31, 2020, property and equipment consists of:

As of Year Ended December 31,	2021	2020
Computer equipment	\$ 54,999	\$ 39,302
Furniture & fixtures	2,527	2,527
Leasehold improvements	83,691	78,691
Machinery & equipment	760,733	536,327
Construction in progress	146,136	59,923
	1,048,086	716,770
Accumulated depreciation	(195,117)	(79,535)
Property & equipment, net	\$ 852,969	\$ 637,235

Depreciation expenses for property and equipment for the fiscal year ended December 31, 2021, and 2020 were in the amount of \$115,582 and \$62,611, respectively.

6. CAPITALIZATION AND EQUITY TRANSACTIONS

Common Stock

The Company is authorized to issue 10,000,000 Common Shares with at par value of \$0.00001. As of December 31, 2021, and December 31, 2020, Common Shares in the amount of 6,646,799 and 6,000,000, respectively, have been issued and are outstanding.

Steeped, Inc. DBA Steeped Coffee
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED TO DECEMBER 31, 2021, AND DECEMBER 31, 2020

Preferred Stock

The Company is authorized to issue 1,000,000 Preferred Shares with a \$0.00001 par value. As of December 31, 2021, and December 31, 2020, 666,667 shares of Preferred Shares have been issued and are outstanding.

7. SHARE-BASED COMPENSATION

The Company's Steeped, Inc. 2019 Stock Plan (the "Plan") provides both for the direct award or sale of common stock and for the grant of options to purchase common stock. Options granted under the Plan may be incentive stock option ("ISOs") intended to qualify under Internal Revenue Code Section 422 or nonqualified stock options ("NSOs"), which do not qualify as ISOs as described in Code Section 422(b) or 423(b).

Employees, outside directors, advisors, and consultants shall be eligible for the grant of NSOs or the direct award or sale of shares. Only Employees shall be eligible for the grant of ISOs.

A total of 740,741 shares have been authorized for issuance under this Plan. The exercise price of the stock options is determined by the Company's board of directors or committee of non-employee directors thereof in good faith. The granting of shares and exercise price must be approved by the Company's board of directors. As of December 31, 2021, the Company has issued 646,799 under the Plan. All shares from the Plan to date have been restricted stock grants or awards, and in general, shares vest over a period of approximately three to four years.

8. DEBT

Debt Instrument Name	Principal Amount	Interest Rate	Maturity Date	For the Year Ended December 2021					For the Year Ended December 2020				
				Interest Expense	Accrued Interest	Current Portion	Non-current Portion	Total Indebtedness	Interest Expense	Accrued Interest	Current Portion	Non-current Portion	Total Indebtedness
Term N/P - Machine 1	\$ 310	10.00%	1/31/2022	\$ 1,756	\$ -	\$ 310	\$ -	\$ 310	\$ 4,285	\$ -	\$ 32,182	\$ -	\$ 32,182
Term N/P - Machine 2	\$ 120,000	10.00%	2/1/2025	9,155	-	25,766	55,864	81,630	8,298	-	23,326	77,876	101,202
Term N/P - Machine 3	\$ 120,000	10.00%	2/1/2025	9,114	-	25,815	55,390	81,205	8,245	-	23,565	77,249	100,813
Term N/P - Machine 4	\$ 152,433	8.00%	11/13/2025	12,104	-	30,808	93,541	124,349	-	-	-	152,433	152,433
Term N/P - Machine 5 & 6	\$ 234,415	7.00%	9/1/2026	4,045	-	48,386	176,149	224,535	-	-	-	-	-
N/P - Shareholder - Line of credit	\$ 500,000	8.00%	12/31/2026	10,201	7,769	159,621	-	159,621	7,337	1,168	31,519	-	31,519
Term N/P - SBA EIDL	\$ 440,000	3.75%	30 years	8,989	10,633	-	440,000	440,000	1,644	1,644	-	141,500	141,500
Convert N/P - Seed Round 1	\$ 1,175,000	4.00%	4 Years based on CPN date	47,000	155,474	-	1,175,000	1,175,000	47,000	108,474	-	1,175,000	1,175,000
Convert N/P - Seed Round 2	\$ 1,535,000	4.00%	4 Years based on CPN date	61,400	120,056	-	1,535,000	1,535,000	51,796	58,656	-	1,535,000	1,535,000
Convert N/P - Seed Round 3 (AIN)	\$ 575,000	4.00%	4 Years based on CPN date	23,000	38,172	-	575,000	575,000	15,172	15,172	-	575,000	575,000
Convert N/P - Seed Round 4	\$ 2,905,000	4.00%	4 Years based on CPN date	76,237	76,853	-	2,905,000	2,905,000	615	615	-	700,000	700,000
N/P - PayPal	\$ 40,000	5.00%	Line of credit	1,246	-	-	-	-	1,992	-	40,000	-	40,000
Total				\$ 264,248	\$ 408,957	\$ 290,707	\$ 7,010,943	\$ 7,301,650	\$ 146,384	\$ 185,728	\$ 150,591	\$ 4,434,058	\$ 4,584,649

SBA Disaster Loan

The Company received a thirty-year SBA disaster loan in the amount of \$141,500 during the year ending December 31, 2020. The Company received a loan modification on September 2, 2021, increasing the loan amount by an additional \$298,500, to \$440,000. This loan bears interest at a rate of 3.75%, has monthly payments of \$2,233 beginning thirty months from the date of the note and matures in thirty years.

Steeped, Inc. DBA Steeped Coffee**NOTES TO FINANCIAL STATEMENTS****FOR YEAR ENDED TO DECEMBER 31, 2021, AND DECEMBER 31, 2020****Related Party Note Payables**

The Company issued secured notes totaling \$627,158 to related parties for the purchase of machinery and equipment with maturity dates from 2022 to 2026. As of December 31, 2021, \$512,029 was outstanding. The notes accrue interest at a rate between seven and ten percent. The Company recorded interest expenses of \$36,175 and \$20,828, on these notes for years ended December 31, 2021 and December 31, 2020, respectively.

The Company issued an unsecured line-of credit with a maximum available credit of \$500,000 to a related party with a maturity date set on December 31, 2026. As of December 31, 2021, \$159,621 was outstanding. The line-of-credit accrues interest at a rate of eight percent. The Company recorded interest expenses of \$10,201 and \$7,337, on the line-of-credit for years ended December 31, 2021 and December 31, 2020, respectively.

Convertible Notes

The Company has issued convertible notes as follows:

Year of Issue	Seed Round				Total by Year
	1	2	3	4	
2017	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
2018	755,000	-	-	-	755,000
2019	320,000	850,000	-	-	1,170,000
2020	-	685,000	575,000	700,000	1,960,000
2021	-	-	-	2,205,000	2,205,000
Total by Issue	\$ 1,175,000	\$ 1,535,000	\$ 575,000	\$ 2,905,000	\$ 6,190,000

The notes have a four-year to five-year maturity date range based on date of issuance and bear a 4% interest rate. The convertible notes are convertible into either Shadow Preferred Stock or Common Stock. The conversion price is equal to the lesser of (a) a range of 90% to 80% of the price paid per share based on the date of issuance for Equity Securities by the investor in the Next Equity Financing and (b) the price equal to the quotient resulting from dividing a range of \$8,000,000 to \$25,000,000 based on the date of issuance by the number outstanding shares of common stock of the Company immediately prior the Next Equity Financing. Since the conversion feature is convertible into variable number of shares and does not have fixed-for-fixed features, the conversion feature was not bifurcated and recorded separately. In relation to the convertible notes, the Company recorded interest expenses of \$208,883 and \$116,575 for years ended December 31, 2021, and 2020, respectively.

Steeped, Inc. DBA Steeped Coffee
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED TO DECEMBER 31, 2021, AND DECEMBER 31, 2020

9. INCOME TAXES

The provision for income taxes for the year ended December 31, 2021, and December 31, 2020, consists of the following:

As of Year Ended December 31,	2021	2020
Net Operating Loss	\$ (878,735)	\$ (533,470)
Valuation Allowance	878,735	533,470
Net Provision for income tax	\$ -	\$ -

Significant components of the Company's deferred tax assets and liabilities at December 31, 2021, and December 31, 2020, are as follows:

As of Year Ended December 31,	2021	2020
Net Operating Loss	\$(1,969,343)	\$(1,090,608)
Valuation Allowance	1,969,343	1,090,608
Total Deferred Tax Asset	\$ -	\$ -

Management assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to use the existing deferred tax assets. On the basis of this evaluation, the Company has determined that it is more likely than not that the Company will not recognize the benefits of the federal and state net deferred tax assets, and, as a result, full valuation allowance has been set against its net deferred tax assets as of December 31, 2021, and December 31, 2020. The amount of the deferred tax asset to be realized could be adjusted if estimates of future taxable income during the carryforward period are reduced or increased.

For the fiscal year ending December 31, 2021, the Company had federal cumulative net operating loss ("NOL") carryforwards of \$6,599,674, and the Company had state net operating loss ("NOL") carryforwards of approximately \$6,599,674. Utilization of some of the federal and state NOL carryforwards to reduce future income taxes will depend on the Company's ability to generate sufficient taxable income prior to the expiration of the carryforwards. The federal net operating loss carryforward is subject to an 80% limitation on taxable income, does not expire, and will carry on indefinitely.

The Company recognizes the impact of a tax position in the financial statements if that position is more likely than not to be sustained on a tax return upon examination by the relevant taxing authority, based on the technical merits of the position. As of December 31, 2021, and 2020, the Company had no unrecognized tax benefits.

The Company recognizes interest and penalties related to income tax matters in income tax expense. As of December 31, 2021, and December 31, 2020, the Company had no accrued interest and penalties related to uncertain tax positions.

10. RELATED PARTY

The Company issued secured notes totaling \$627,158 to a related parties for the purchase of machinery and equipment with maturity dates from 2022 to 2026. As of December 31, 2021, \$512,029 was outstanding. The notes accrue interest

Steeped, Inc. DBA Steeped Coffee
NOTES TO FINANCIAL STATEMENTS
FOR YEAR ENDED TO DECEMBER 31, 2021, AND DECEMBER 31, 2020

at a rate between seven and ten percent. The Company recorded interest expenses of \$36,175 and \$20,828, on these notes for years ended December 31, 2021 and December 31, 2020, respectively.

The Company issued an unsecured line-of credit with a maximum available credit of \$500,000 to a related party with a maturity date set on December 31, 2026. As of December 31, 2021, \$159,621 was outstanding. The line-of-credit accrues interest at a rate of eight percent. The Company recorded interest expenses of \$10,201 and \$7,337, on the line-of-credit for years ended December 31, 2021 and December 31, 2020, respectively.

11. COMMITMENTS AND CONTINGENCIES

Operating Leases

The Company enters various operating leases for facilities. The aggregate minimum annual lease payments under operating leases in effect on December 31, 2021, are as follows:

Year	Obligation
2022	\$ 167,750
2023	184,525
2024	171,921
2025	33,275
Thereafter	-
Total future minimum operating lease payments	\$ 557,471

Rent expenses were in the amount of \$158,100 and \$129,000, for the fiscal years ended December 31, 2021, and December 31, 2020, respectively.

Contingencies

The Company's operations are subject to a variety of local and state regulation. Failure to comply with one or more of those regulations could result in fines, restrictions on its operations, or losses of permits that could result in the Company ceasing operations.

Litigation and Claims

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. As of December 31, 2021, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of the Company's operations.

12. SUBSEQUENT EVENTS

The Company has evaluated subsequent events for the period from December 31, 2021, through May 6, 2022, which is the date the financial statements were available to be issued.

Since the balance sheet date, the Company has reached a sales agreements with the following: 1) a US-based multinational retail corporation to carry 4-6 SKUs in-store for an approximate July 2022 launch across 800 locations; 2)

Steeped, Inc. DBA Steeped Coffee

NOTES TO FINANCIAL STATEMENTS

FOR YEAR ENDED TO DECEMBER 31, 2021, AND DECEMBER 31, 2020

a US-based nationwide grocer to carry 2 SKUs in 456 new locations; 3) a large grocer in the US mid-Atlantic and Carolinas region to carry Steeped Packs in 260 locations; 4) a large grocer in the US northeast to carry Steeped Packs in 200 locations; and 5) the US largest retailers' cooperative group of supermarkets to carry Steeped Packs into 200 of its locations in the US northeast.

Furthermore, the Company signed 25 new licensed partners, which brings the total Licensed Partner count to over 375 businesses partnering in the Steeped Coffee brewing method.

Additionally, the Company raised an additional \$100,000 in the fourth Convertible Note round and \$1,615,00 in two additional rounds of Convertible Notes, totaling \$1,715,000, raised since the balance sheet date.

There have been no other events or transactions during this time which would have a material effect on these financial statements.

EXHIBIT B
Form of Crowd SAFE

THIS INSTRUMENT HAS BEEN ISSUED PURSUANT TO REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), AND NEITHER IT NOR ANY SECURITIES ISSUABLE PURSUANT HERETO HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE.

THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR EXEMPTION THEREFROM.

IF THE INVESTOR LIVES OUTSIDE THE UNITED STATES, IT IS THE INVESTOR’S RESPONSIBILITY TO FULLY OBSERVE THE LAWS OF ANY RELEVANT TERRITORY OR JURISDICTION OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY PURCHASE OF THE SECURITIES, INCLUDING OBTAINING REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER REQUIRED LEGAL OR OTHER FORMALITIES. THE COMPANY RESERVES THE RIGHT TO DENY THE PURCHASE OF THE SECURITIES BY ANY FOREIGN PURCHASER.

STEEPED, INC.

Crowd SAFE
(Crowdfunding Simple Agreement for Future Equity)

Series 2022

THIS CERTIFIES THAT in exchange for the payment by [Investor Name] (the “**Investor**”, and together with all other Series 2022 **Crowd SAFE** holders, “**Investors**”) of \$[] (the “**Purchase Amount**”) on or about [Date of Crowd SAFE], Steeped, Inc., a Delaware public benefit corporation (the “**Company**”), hereby issues to the Investor the right to certain shares of the Company’s Capital Stock (defined below), subject to the terms set forth below.

The “**Valuation Cap**” is \$33,000,000.

See Section 2 for certain additional defined terms.

1. Events

(a) **Equity Financing.**

(i) If an Equity Financing occurs before this instrument terminates in accordance with Sections 1(b)-(d) (“**First Equity Financing**”), the Company shall promptly notify the Investor of the closing of the First Equity Financing and of the Company’s discretionary decision to either (1) continue the term of this Crowd SAFE without converting the Purchase Amount to Capital Stock; or (2) issue to the Investor a number of shares of the Shadow Series of the Capital Stock (whether Preferred Stock or another class issued by the Company) sold in the First Equity Financing. The number of shares of the Shadow Series of such Capital Stock shall equal the quotient obtained by dividing (x) the Purchase Amount by (y) the **First Equity Financing Price** (as defined below).

(ii) If the Company elects to continue the term of this Crowd SAFE past the First Equity Financing and another Equity Financing occurs before the termination of this Crowd SAFE in accordance with Sections 1(b)-(d) (each, a “**Subsequent Equity Financing**”), the Company shall promptly

notify the Investor of the closing of the Subsequent Equity Financing and of the Company's discretionary decision to either (1) continue the term of this Crowd SAFE without converting the Investor's Purchase Amount to Capital Stock; or (2) issue to the Investor a number of shares of the Shadow Series of the Capital Stock (whether Preferred Stock or another class issued by the Company) sold in the Subsequent Equity Financing. The number of shares of the Shadow Series of such Capital Stock shall equal to the quotient obtained by dividing (x) the Purchase Amount by (y) the First Equity Financing Price.

(b) **Liquidity Event.**

(i) If there is a Liquidity Event before the termination of this instrument and before any Equity Financing, the Investor must select, at its option, within thirty (30) days of receiving notice (whether actual or constructive), either (1) to receive a cash payment equal to the Purchase Amount (or a lesser amount as described below) or (2) to receive from the Company a number of shares of Common Stock equal to the Purchase Amount (or a lesser amount as described below) divided by the Liquidity Price.

(ii) If there is a Liquidity Event after one or more Equity Financings have occurred but before the termination of this instrument, the Investor must select, at its option, within thirty (30) days of receiving notice (whether actual or constructive), either (1) to receive a cash payment equal to the Purchase Amount (or a lesser amount as described below) or (2) to receive from the Company a number of shares of the most recent issued Capital Stock (whether Preferred Stock or another class issued by the Company) equal to the Purchase Amount divided by the First Equity Financing Price. Shares of Capital Stock granted in connection therewith shall have the same liquidation rights and preferences as the shares of Capital Stock issued in connection with the Company's most recent Equity Financing.

(iii) If there are not enough funds to pay the Investor and holders of other Crowd SAFEs (collectively, the "**Cash-Out Investors**") in full, then all of the Company's available funds will be distributed with equal priority and pro rata among the Cash-Out Investors in proportion to their Purchase Amounts. In connection with this Section 1(b), the Purchase Amount (or a lesser amount as described below) will be due and payable by the Company to the Investor immediately prior to, or concurrent with, the consummation of the Liquidity Event.

Notwithstanding Sections 1(b)(i)(2) or 1(b)(ii)(2), if the Company's board of directors determines in good faith that delivery of Capital Stock to the Investor pursuant to Section 1(b)(i)(2) or Section 1(b)(ii)(2) would violate applicable law, rule or regulation, then the Company shall deliver to Investor in lieu thereof, a cash payment equal to the fair market value of such Capital Stock, as determined in good faith by the Company's board of directors.

(c) **Dissolution Event.** If there is a Dissolution Event before this instrument terminates in accordance with Sections 1(a) or 1(b), subject to the preferences applicable to any series of Preferred Stock, the Company will distribute its entire assets legally available for distribution with equal priority among the (i) Investors (on an as converted basis based on a valuation of Common Stock as determined in good faith by the Company's board of directors at the time of Dissolution Event), (ii) all other holders of instruments sharing in the assets of the Company at the same priority as holders of Common Stock upon a Dissolution Event and (iii) and all holders of Common Stock.

(d) **Termination.** This instrument will terminate (without relieving the Company or the Investor of any obligations arising from a prior breach of or non-compliance with this instrument) upon the earlier to occur: (i) the issuance of shares, whether in Capital Stock or in the Shadow Series, to the Investor pursuant to Section 1(a) or Section 1(b); or (ii) the payment, or setting aside for payment, of amounts due to the Investor pursuant to Sections 1(b) or 1(c).

2. Definitions

“Capital Stock” means the capital stock of the Company, including, without limitation, Common Stock and Preferred Stock.

“Shadow Series” shall mean a non-voting series of Capital Stock that is otherwise identical in all respects to the shares of Capital Stock (whether Preferred Stock or another class issued by the Company) issued in the relevant Equity Financing, except that:

- (i) Shadow Series shareholders shall have no voting rights and shall not be entitled to vote on any matter that is submitted to a vote or for the consent of the stockholders of the Company; and
- (ii) Shadow Series shareholders have no information or inspection rights, except with respect to such rights deemed not waivable by laws.

“Change of Control” means (i) a transaction or series of related transactions in which any “person” or “group” (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended)(the **“Exchange Act”**), becomes the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of more than 50% of the outstanding voting securities of the Company having the right to vote for the election of members of the Company’s board of directors, (ii) any reorganization, merger or consolidation of the Company, other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of related transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity or (iii) a sale, lease or other disposition of all or substantially all of the assets of the Company.

“Common Stock” means common stock, par value \$0.00001 per share, of the Company.

“Dissolution Event” means (i) a voluntary termination of operations, (ii) a general assignment for the benefit of the Company’s creditors, (iii) the commencement of a case (whether voluntary or involuntary) seeking relief under Title 11 of the United States Code (the **“Bankruptcy Code”**), or (iv) any other liquidation, dissolution or winding up of the Company (excluding a Liquidity Event), whether voluntary or involuntary.

“Equity Financing” shall mean the next sale (or series of related sales) by the Company of its Capital Stock to one or more third parties following the date of this instrument from which the Company receives gross proceeds of not less than \$1,000,000 cash or cash equivalent (excluding the conversion of any instruments convertible into or exercisable or exchangeable for Capital Stock, such as SAFEs or convertible promissory notes) with the principal purpose of raising capital.

“Equity Securities” shall mean Common Stock or Preferred Stock or any securities convertible into, exchangeable for or conferring the right to purchase (with or without additional consideration) Common Stock or Preferred Stock, except in each case, (i) any security granted, issued and/or sold by the Company to any director, officer, employee, advisor or consultant of the Company in such capacity for the primary purpose of soliciting or retaining his, her or its services, (ii) any convertible promissory notes issued by the Company, and (iii) any SAFEs issued.

“First Equity Financing Price” shall mean (x) if the pre-money valuation of the Company immediately prior to the First Equity Financing is less than or equal to the Valuation Cap, the lowest price

per share of the Equity Securities sold in the First Equity Financing or (y) if the pre-money valuation of the Company immediately prior to the First Equity Financing is greater than the Valuation Cap, the SAFE Price.

“Fully Diluted Capitalization” shall mean the aggregate number, as of immediately prior to the First Equity Financing, of issued and outstanding shares of Capital Stock, assuming full conversion or exercise of all convertible and exercisable securities then outstanding, including shares of convertible Preferred Stock and all outstanding vested or unvested options or warrants to purchase Capital Stock, but excluding (i) the issuance of all shares of Capital Stock reserved and available for future issuance under any of the Company’s existing equity incentive plans, (ii) convertible promissory notes issued by the Company, (iii) any SAFEs, and (iv) any equity securities that are issuable upon conversion of any outstanding convertible promissory notes or SAFEs.

“ODB” means OpenDeal Broker LLC dba the Capital R, or a qualified successor.

“IPO” means: (A) the completion of an underwritten initial public offering of Capital Stock by the Company pursuant to: (I) a final prospectus for which a receipt is issued by a securities commission of the United States or of a province of Canada, or (II) a registration statement which has been filed with the United States Securities and Exchange Commission and is declared effective to enable the sale of Capital Stock by the Company to the public, which in each case results in such equity securities being listed and posted for trading or quoted on a recognized exchange; (B) the Company’s initial listing of its Capital Stock (other than shares of Capital Stock not eligible for resale under Rule 144 under the Securities Act) on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Company with the SEC that registers shares of existing capital stock of the Company for resale, as approved by the Company’s board of directors, where such listing shall not be deemed to be an underwritten offering and shall not involve any underwriting services; or (C) the completion of a reverse merger or take-over whereby an entity (I) whose securities are listed and posted for trading or quoted on a recognized exchange, or (II) is a reporting issuer in the United States or the equivalent in any foreign jurisdiction, acquires all of the issued and outstanding Capital Stock of the Company.

“Liquidity Capitalization” means the number, as of immediately prior to the Liquidity Event, of shares of the Company’s capital stock (on an as-converted basis) outstanding, assuming exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, but excluding: (i) shares of Capital Stock reserved and available for future grant under any equity incentive or similar plan; (ii) any SAFEs; (iii) convertible promissory notes; and (iv) any equity securities that are issuable upon conversion of any outstanding convertible promissory notes or SAFEs.

“Liquidity Event” means a Change of Control or an IPO.

“Liquidity Price” means the price per share equal to (x) the Valuation Cap divided by (y) the Liquidity Capitalization.

“Lock-up Period” means the period commencing on the date of the final prospectus relating to the Company’s IPO, and ending on the date specified by the Company and the managing underwriter(s). Such period shall not exceed one hundred eighty (180) days, or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports, and (ii) analyst recommendations and opinions.

“Preferred Stock” means the preferred stock of the Company.

“Regulation CF” means Regulation Crowdfunding promulgated under the Securities Act.

“SAFE” means any simple agreement for future equity (or other similar agreement), including a Crowd SAFE, which is issued by the Company for bona fide financing purposes and which may convert into Capital Stock in accordance with its terms.

“SAFE Price” means the price per share equal to (x) the Valuation Cap divided by (y) the Fully Diluted Capitalization.

3. *Company Representations*

(a) The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the state of its incorporation, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) The execution, delivery and performance by the Company of this instrument is within the power of the Company and, other than with respect to the actions to be taken when equity is to be issued to Investor, has been duly authorized by all necessary actions on the part of the Company. This instrument constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors’ rights generally and general principles of equity. To the knowledge of the Company, it is not in violation of (i) its current charter or bylaws; (ii) any material statute, rule or regulation applicable to the Company; or (iii) any material indenture or contract to which the Company is a party or by which it is bound, where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on the Company.

(c) The performance and consummation of the transactions contemplated by this instrument do not and will not: (i) violate any material judgment, statute, rule or regulation applicable to the Company; (ii) result in the acceleration of any material indenture or contract to which the Company is a party or by which it is bound; or (iii) result in the creation or imposition of any lien upon any property, asset or revenue of the Company or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to the Company, its business or operations.

(d) No consents or approvals are required in connection with the performance of this instrument, other than: (i) the Company’s corporate approvals; (ii) any qualifications or filings under applicable securities laws; and (iii) necessary corporate approvals for the authorization of shares of Shadow Series issuable pursuant to Section 1.

(e) The Company shall, prior to the conversion of this instrument, reserve from its authorized but unissued shares of Capital Stock for issuance and delivery upon the conversion of this instrument, such number of shares of the Capital Stock as necessary to effect the conversion contemplated by this instrument, and, from time to time, will take all steps necessary to amend its charter to provide sufficient authorized numbers of shares of the Capital Stock issuable upon the conversion of this instrument. All such shares shall be duly authorized, and when issued upon any such conversion, shall be validly issued, fully paid and non-assessable, free and clear of all liens, security interests, charges and other encumbrances or restrictions on sale and free and clear of all preemptive rights, except encumbrances or restrictions arising under federal or state securities laws.

(f) The Company is (i) not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act, (ii) not an investment company as defined in Section 3 of the Investment Company Act of 1940 (the “**Investment Company Act**”), and is not excluded from the definition of investment company

by Section 3(b) or Section 3(c) of the Investment Company Act, (iii) not disqualified from selling securities under Rule 503(a) of Regulation CF, (iv) not barred from selling securities under Section 4(a)(6) of the Securities Act due to a failure to make timely annual report filings, (vi) not planning to engage in a merger or acquisition with an unidentified company or companies, and (vii) organized under, and subject to, the laws of a state or territory of the United States or the District of Columbia.

(g) The Company has, or will shortly after the issuance of this instrument, engage a transfer agent registered with the U.S. Securities and Exchange Commission (“SEC”) to act as the sole registrar and transfer agent for the Company with respect to the Crowd SAFE.

4. *Investor Representations*

(a) The Investor has full legal capacity, power and authority to execute and deliver this instrument and to perform its obligations hereunder. This instrument constitutes a valid and binding obligation of the Investor, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors’ rights generally and general principles of equity.

(b) The Investor has been advised that this instrument and the underlying securities have not been registered under the Securities Act or any state securities laws and are offered and sold hereby pursuant to Regulation D, Rule 506(c) promulgated under the Securities Act. The Investor understands that neither this instrument nor the underlying securities may be resold or otherwise transferred unless they are registered under the Securities Act and applicable state securities laws.

(c) The Investor is purchasing this instrument and the securities to be acquired by the Investor hereunder for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and the Investor has no present intention of selling, granting any participation in, or otherwise distributing the same. The Investor understands that the Securities have not been, and will not be, registered under the Securities Act or any state securities laws, by reason of specific exemptions under the provisions thereof which depend upon, among other things, the bona fide nature of the investment intent and the accuracy of each Investor’s representations as expressed herein.

(d) The Investor is an “accredited investor” as such term is defined in Rule 501 of Regulation D under the Securities Act and has provided certain documentation in support of such representation to the Company, ODB, or its agents.

(e) The Investor acknowledges that the Investor has received all the information the Investor has requested from the Company and the Investor considers necessary or appropriate for deciding whether to acquire this instrument and the underlying securities, and the Investor represents that the Investor has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of this instrument and the underlying securities and to obtain any additional information necessary to verify the accuracy of the information given to the Investor. In deciding to purchase this instrument, the Investor is not relying on the advice or recommendations of the Company or of ODB and the Investor has made its own independent decision that an investment in this instrument and the underlying securities is suitable and appropriate for the Investor. The Investor understands that no federal or state agency has passed upon the merits or risks of an investment in this instrument and the underlying securities or made any finding or determination concerning the fairness or advisability of this investment.

(f) The Investor understands and acknowledges that as a Crowd SAFE investor, the Investor shall have no voting, information or inspection rights, aside from any disclosure requirements the Company

is required to make under relevant securities regulations.

(g) The Investor understands that no public market now exists for any of the securities issued by the Company, and that the Company has made no assurances that a public market will ever exist for this instrument and the securities to be acquired by the Investor hereunder.

(h) The Investor is not (i) a citizen or resident of a geographic area in which the purchase or holding of the Crowd SAFE and the underlying securities is prohibited by applicable law, decree, regulation, treaty, or administrative act, (ii) a citizen or resident of, or located in, a geographic area that is subject to U.S. or other applicable sanctions or embargoes, or (iii) an individual, or an individual employed by or associated with an entity, identified on the U.S. Department of Commerce's Denied Persons or Entity List, the U.S. Department of Treasury's Specially Designated Nationals List, the U.S. Department of State's Debarred Parties List or other applicable sanctions lists. Investor hereby represents and agrees that if Investor's country of residence or other circumstances change such that the above representations are no longer accurate, Investor will immediately notify Company. Investor further represents and warrants that it will not knowingly sell or otherwise transfer any interest in the Crowd SAFE or the underlying securities to a party subject to U.S. or other applicable sanctions.

(i) If the Investor is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended), the Investor hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation, subscription and payment for, and continued ownership of, its beneficial interest in the Crowd SAFE and the underlying securities will not violate any applicable securities or other laws of the Investor's jurisdiction, including (i) the legal requirements within its jurisdiction for the subscription and the purchase of its beneficial interest in the Crowd SAFE; (ii) any foreign exchange restrictions applicable to such subscription and purchase; (iii) any governmental or other consents that may need to be obtained; and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, conversion, redemption, sale, or transfer of its beneficial interest in the Crowd SAFE and the underlying securities. The Investor acknowledges that the Company has taken no action in foreign jurisdictions with respect to the Crowd SAFE (and the Investor's beneficial interest therein) and the underlying securities.

(j) If the Investor is a corporate entity: (i) such corporate entity is duly incorporated, validly existing and in good standing under the laws of the state of its incorporation, and has the power and authority to enter into this Crowd SAFE; (ii) the execution, delivery and performance by the Investor of the Crowd SAFE is within the power of the Investor and has been duly authorized by all necessary actions on the part of the Investor; (iii) to the knowledge of the Investor, it is not in violation of its current charter or bylaws, any material statute, rule or regulation applicable to the Investor; and (iv) the performance of this Crowd SAFE does not and will not violate any material judgment, statute, rule or regulation applicable to the Investor; result in the acceleration of any material indenture or contract to which the Investor is a party or by which it is bound, or otherwise result in the creation or imposition of any lien upon the Purchase Amount.

(k) The Investor further acknowledges that it has read, understood, and had ample opportunity to ask Company questions about its business plans, "Risk Factors," and all other information presented in the Company's Memorandum.

(l) The Investor represents that the Investor understands the substantial likelihood that the Investor will suffer a **TOTAL LOSS** of all capital invested, and that Investor is prepared to bear the risk of such total loss.

5. Transfer Restrictions.

(a) The Investor hereby agrees that during the Lock-up Period it will not, without the prior written consent of the managing underwriter: (A) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock (whether such shares or any such securities are then owned by the Investor or are thereafter acquired); or (B) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities; whether any such transaction described in clause (A) or (B) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise.

(b) The foregoing provisions of Section 5(a) will: (x) apply only to the IPO and will not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement; (y) not apply to the transfer of any shares to any trust for the direct or indirect benefit of the Investor or the immediate family of the Investor, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer will not involve a disposition for value; and (z) be applicable to the Investor only if all officers and directors of the Company are subject to the same restrictions and the Company uses commercially reasonable efforts to obtain a similar agreement from all stockholders individually owning more than 5% of the outstanding Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock. Notwithstanding anything herein to the contrary, the underwriters in connection with the IPO are intended third-party beneficiaries of Section 5(a) and will have the right, power and authority to enforce the provisions hereof as though they were a party hereto. The Investor further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with the IPO that are consistent with Section 5(a) or that are necessary to give further effect thereto.

(c) In order to enforce the foregoing covenant, the Company may impose stop transfer instructions with respect to the Investor's registrable securities of the Company (and the Company shares or securities of every other person subject to the foregoing restriction) until the end of the Lock-up Period. The Investor agrees that a legend reading substantially as follows will be placed on all certificates representing all of the Investor's registrable securities of the Company (and the shares or securities of the Company held by every other person subject to the restriction contained in Section 5(a)):

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A LOCK-UP PERIOD BEGINNING ON THE EFFECTIVE DATE OF THE COMPANY'S REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE SECURITIES, A COPY OF WHICH MAY BE OBTAINED AT THE COMPANY'S PRINCIPAL OFFICE. SUCH LOCK-UP PERIOD IS BINDING ON TRANSFEREES OF THESE SECURITIES.

(d) Without in any way limiting the representations and warranties set forth in Section 4 above, the Investor further agrees not to make any disposition of all or any portion of this instrument or the underlying securities unless and until the transferee has agreed in writing for the benefit of the Company to make the representations and warranties set out in Section 4 and the undertaking set out in Section 5(a) and:

(i) There is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with such registration statement; or

(ii) The Investor shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed

disposition and, if reasonably requested by the Company, the Investor shall have furnished the Company with an opinion of counsel reasonably satisfactory to the Company that such disposition will not require registration of such shares under the Securities Act.

(e) The Investor agrees that it shall not make any disposition of this instrument or any underlying securities to any of the Company's competitors, as determined by the Company in good faith.

(f) The Investor understands and agrees that the Company will place the legend set forth below or a similar legend on any book entry or other forms of notation evidencing this Crowd SAFE and any certificates evidencing the underlying securities, together with any other legends that may be required by state or federal securities laws, the Company's charter or bylaws, any other agreement between the Investor and the Company or any agreement between the Investor and any third party:

THIS INSTRUMENT HAS BEEN ISSUED PURSUANT TO REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND NEITHER IT NOR ANY SECURITIES ISSUABLE PURSUANT HERETO HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR EXEMPTION THEREFROM.

(g) The Investor understands that the SAFE and securities issuable upon the conversion thereof are "restricted securities" under U.S. federal and applicable state securities laws and that, pursuant to these laws, the Investor must hold the SAFE and securities issuable upon the conversion thereof indefinitely unless they are registered with the SEC and registered or qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Investor acknowledges that the Company has no obligation to register or qualify the SAFE nor the securities issuable upon the conversion thereof for resale and further acknowledges that, if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the SAFE and securities issuable upon the conversion thereof, and on requirements relating to the Company which are outside of the Investor's control, and which the Company is under no obligation, and may not be able, to satisfy.

6. *Miscellaneous*

(a) The Investor agrees to execute the Nominee Rider and Waiver, attached hereto as Exhibit A contemporaneously and in connection with the purchase of this Crowd SAFE.

(b) The Investor agrees to take any and all actions determined in good faith by the Company's board of directors to be advisable to reorganize this instrument and any shares of Capital Stock issued pursuant to the terms of this instrument into a special purpose vehicle or other entity designed to aggregate the interests of holders of Crowd SAFEs.

(c) Any provision of this instrument may be amended, waived or modified only upon the written consent of either (i) the Company and the Investor, or (ii) the Company and the majority of the

Investors (calculated based on the Purchase Amount of each Investors' Crowd SAFE).

(d) Any notice required or permitted by this instrument will be deemed sufficient when delivered personally or by overnight courier or sent by email to the relevant address listed on the signature page, or 48 hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, addressed to the party to be notified at such party's address listed on the signature page, as subsequently modified by written notice.

(e) The Investor is not entitled, as a holder of this instrument, to vote or receive dividends or be deemed the holder of Capital Stock for any purpose, nor will anything contained herein be construed to confer on the Investor, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive subscription rights or otherwise until shares have been issued upon the terms described herein.

(f) Neither this instrument nor the rights contained herein may be assigned, by operation of law or otherwise, by either party without the prior written consent of the other; *provided, however*, that this instrument and/or the rights contained herein may be assigned without the Company's consent by the Investor to any other entity who directly or indirectly, controls, is controlled by or is under common control with the Investor, including, without limitation, any general partner, managing member, officer or director of the Investor, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or shares the same management company with, the Investor; and *provided, further*, that the Company may assign this instrument in whole, without the consent of the Investor, in connection with a reincorporation to change the Company's domicile.

(g) In the event any one or more of the terms or provisions of this instrument is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the terms or provisions of this instrument operate or would prospectively operate to invalidate this instrument, then such term(s) or provision(s) only will be deemed null and void and will not affect any other term or provision of this instrument and the remaining terms and provisions of this instrument will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

(h) All securities issued under this instrument may be issued in whole or fractional parts, in the Company's sole discretion.

(i) All rights and obligations hereunder will be governed by the laws of the State of Delaware, without regard to the conflicts of law provisions of such jurisdiction.

(j) Any dispute, controversy or claim arising out of, relating to or in connection with this instrument, including the breach or validity thereof, shall be determined by final and binding arbitration administered by the American Arbitration Association (the "AAA") under its Commercial Arbitration Rules and Mediation Procedures ("**Commercial Rules**"). The award rendered by the arbitrator shall be final, non-appealable and binding on the parties and may be entered and enforced in any court having jurisdiction. There shall be one arbitrator agreed to by the parties within twenty (20) days of receipt by respondent of the request for arbitration or, in default thereof, appointed by the AAA in accordance with its Commercial Rules. The place of arbitration shall be San Jose, CA. Except as may be required by law or to protect a legal right, neither a party nor the arbitrator may disclose the existence, content or results of any arbitration without the prior written consent of the other parties.

(k) The parties acknowledge and agree that for United States federal and state income tax purposes this Crowd SAFE is, and at all times has been, intended to be characterized as stock, and more

particularly as common stock for purposes of Sections 304, 305, 306, 354, 368, 1036 and 1202 of the Internal Revenue Code of 1986, as amended. Accordingly, the parties agree to treat this Crowd SAFE consistent with the foregoing intent for all United States federal and state income tax purposes (including, without limitation, on their respective tax returns or other informational statements).

(l) The Investor agrees any action contemplated by this Crowd SAFE and requested by the Company must be completed by the Investor within thirty (30) calendar days of receipt of the relevant notice (whether actual or constructive) to the Investor.

(Signature page follows)

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and delivered.

STEEPED, INC.

By:

Name: Josh Wilbur

Title: Chief Executive Officer

Address: 103 Whispering Pines Drive, STE E, Scotts Valley, CA 95066, United States

Email: josh@steepedcoffee.com

INVESTOR:

By:

Name:

Exhibit A- Nominee Rider and Waiver

Nominee Rider and Waiver

Republic Investment Services LLC (f/k/a NextSeed Services, LLC) (the “**Nominee**”) is hereby appointed to act on behalf of the Investor as agent and proxy in all respects under the Crowd SAFE Series 2022 issued by STEEPED, INC. (the “**Security**”), to receive all notices and communications on behalf of the Investor, cause the Security or any securities which may be acquired upon conversion thereof (the “**Conversion Securities**”) to be custodied with a qualified custodian, and, to the extent the Securities or Conversion Securities are entitled to vote at any meeting or take action by consent, Nominee is authorized and empowered to vote and act on behalf of Investor in all respects thereto until the expiry of the Term (as defined below) (collectively the “**Nominee Services**”). Defined terms used in this Nominee Rider are controlled by the Security unless otherwise defined.

Nominee shall vote all such Securities and Conversion Securities consistently at the direction of the Chief Executive Officer of Steeped, Inc. as of the date hereof (and in the event that such Chief Executive Officer is no longer in such position, then the largest voting holder of the Company's Capital Stock). Neither Nominee nor any of its affiliates nor any of their respective officers, partners, equity holders, managers, officers, directors, employees, agents or representatives shall be liable to Investor for any action taken or omitted to be taken by it hereunder, or in connection herewith or therewith, except for damages caused by its or their own recklessness or willful misconduct.

Upon any conversion of the Securities into Conversion Securities of the Company, in accordance with the terms of the Securities, Nominee will execute and deliver to the Issuer all transaction documents related to such transaction or other corporate event causing the conversion of the Securities in accordance therewith; *provided*, that such transaction documents are the same documents to be entered into by all holders of other Securities of the same class issued by the Company that will convert in connection with the equity financing or corporate event and being the same as the purchasers in the equity financing or corporate transaction. The Investor acknowledges and agrees, as part of the process, the Nominee may open an account in the name of the Investor with a qualified custodian and allow the qualified custodian to take custody of the Conversion Securities in exchange for a corresponding beneficial interest held by the Investor. Upon any such conversion or changing of title, Nominee will take reasonable steps to send notice to the Investor, using the last known contact information of such Investor.

The “**Term**” the Nominee Services will be provided will be the earlier of the time which the Securities or any Conversion Securities are (i) terminated, (ii) registered under the Exchange Act, or (iii) the time which the Nominee, the Investor and the Company mutually agree to terminate the Nominee Services.

To the extent you provide the Issuer with any personally identifiable information in connection with your election to invest in the Securities, the Issuer and its affiliates may share such information with the Nominee, ODB, and the appointed transfer agent for the Securities solely for the purposes of facilitating the offering of the Securities and for each party to provide services with respect to the ownership and administration of the Securities. Investor irrevocably consents to such uses of Investor’s personally identifiable information for these purposes during the Term and Investor acknowledges that the use of such personally identifiable information is necessary for the Nominee to provide the Nominee Services.

(Remainder of Page Intentionally Blank – Signature Page to Follow)

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and delivered.

INVESTOR:

By:
Name:
Date:

COMPANY:
Steeped, Inc.

By:
Name:
Date:

NOMINEE:

Republic Investment Services LLC

By:
Name: Youngro Lee, President
Date:

EXHIBIT C
Deal Page found on the Platform

**Company
Name**

Steeped Coffee

Logo**Headline**

New Standard in Coffee: Specialty Coffee Brewed Like Tea in a Single-Serve Bag

Slides



**Tags**

Venture-backed, \$1M+ revenue, \$5M+ raised, B2B, Companies, Crowd SAFE, Food & Drinks

Pitch text**Summary**

- Leading single-serve brewing method for specialty coffee | craft quality
- Driving an entirely new coffee category
- Single-serve reimaged, with no equipment required & fully compostable
- 400+ top coffee brand partners licensing the Steeped Brewing Method
- Traction with national distribution spanning multiple vertical markets
- Proprietary IP protections & strategy
- Award-winning with national product recognition

Custom

Disclosures & Disclaimers

Problem

SINGLE-SERVE COFFEE IS PROBLEMATIC

**“I DON’T OWN
A MACHINE”**



REQUIRED EQUIPMENT limits accessibility — excluding most consumers from purchasing product.

**“I CAN’T TAKE
IT WITH ME”**



CONVENIENCE is lost when powered machinery is required to make your coffee.

**“I ONLY BUY
SPECIALTY COFFEE”**



QUALITY specialty coffee roasters have been unwilling to sacrifice taste for convenience.

**“I CHOOSE
SUSTAINABILITY”**



ENVIRONMENTAL IMPACT of wasteful plastic pods and unrecyclable machines that clog landfills.

ACCESSIBILITY = <25%

SINGLE-SERVE BARRIERS

PODS &
CAPSULES

DON'T OWN A MACHINE & OTHER* = 75%+

BILLIONS OF
PODS SOLD

*BARRIERS TO DAILY CONSUMPTION: PORTABILITY, PREFERENCE FOR SPECIALTY COFFEE & LOCAL OPTIONS, ENVIRONMENTAL IMPACT

Solution

STEEPED COFFEE® IS

COFFEE SIMPLIFIED



NO MACHINES REQUIRED



ACCESSIBLE to 100% of coffee lovers, regardless of equipment. Just add water to make a delicious cup.

UNPLUGGED CONVENIENCE



PORTABLE for all of life's moments — at home, at work, or while traveling with no limits to quality coffee anywhere.

BARISTA APPROVED



SPECIALTY COFFEE approved. Trusted by top roasters everywhere to deliver a high-quality experience.

GUILT-FREE PACKAGING

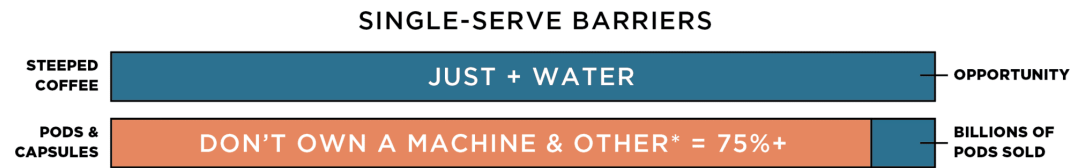


SUSTAINABLE packaging disrupting single-serve coffee with compostability, leaving no footprints behind.



WITH NO BARRIERS TO ENTRY, STEEPED MEETS AND EXPANDS THE EXISTING MARKET AS THE IDEAL PRODUCT FOR ANY COFFEE LOVER AND DESTINATION.

ACCESSIBILITY = 100%

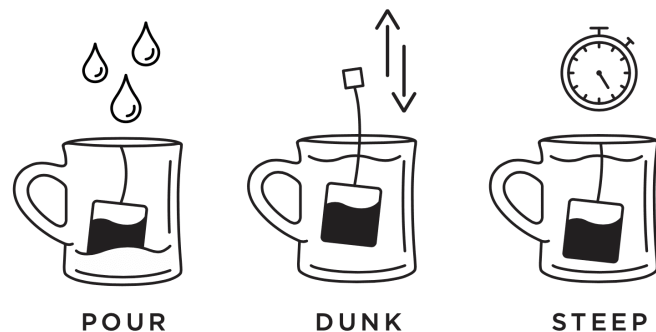


WHY HASN'T STEEPED COFFEE® BEEN DONE YET?

Steeped is not *coffee in a teabag*. Instead, it's a new trusted brewing method that's backed by years of innovation while delivering the highest-quality taste.

Though created for simple convenience, simplicity is one of the most difficult things to achieve. Steeped has worked with top baristas to develop this disruptive single-serve brewing method that yields a craft specialty cup of coffee in the way that it was intended to be experienced.

With no machines required, the result is a game-changing brewing method that is as simple as brewing tea.



Product

STEEPED COFFEE®



A Brewing Method & Category Creator

A simple, single-serve brewing method similar to the ritual of making tea, using full-immersion Steeped Bags®.



A Licensed Process & Technology

A proprietary technology licensed to top brands through custom branded Steeped Packs®.



A Coffee Brand

Steeped Coffee® is a fast-growing, purpose-driven brand that's trailblazing a new market and encouraging people to *Take Your Moment™* — while at home, at work, or on the go.

—

Steeped Coffee is not just a single brand, but a proprietary brewing method supporting hundreds of brands.

—



STEEPED INNOVATION FULL IMMERSION FILTER



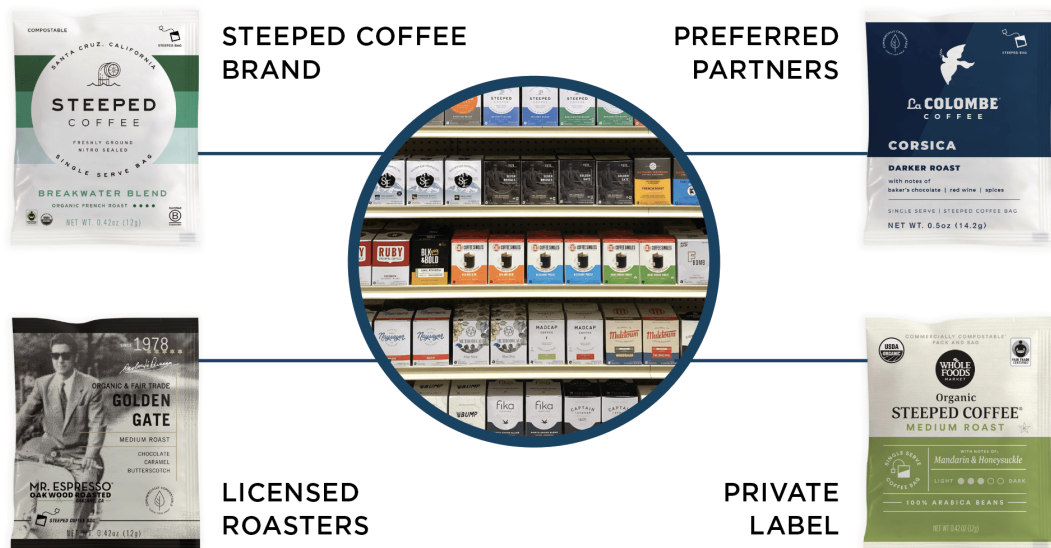
- **100% Specialty Coffee**
craft roasted, ethically sourced
- **No Machine Required**
unplugged convenience
- **Ultrasonically Welded**
no glues, no staples
- **Precision Ground**
consistent to the micron
- **Perfect Portions**
ideal coffee-to-water ratio
- **Full Immersion Filter**
certified compostable
- **Triple Nitro Sealed**
for freshness

GUILT-FREE COMPOSTABLE PACKAGING

- Certified Commercially Compostable
- Renewable Plant-Based Materials
- Truly Sustainable Proprietary Packaging
- Consistent Freshness
- Award-Winning



PRODUCT CONFIGURATION



STEEPED COFFEE BRAND



LIGHT | MEDIUM | DARK | FRENCH | SWISS WATER DECAF

LICENSED PARTNERS

CUSTOM BRANDED PACKS

Barista-Approved

The best roasters and brands are choosing Steeped Coffee as their premium single-serve method. Each custom Steeped Pack serves as a powerful branding tool to fuel business impact. Steeped works with top industry-leading partners, increasing method adoption and brewing method awareness.



- SUSTAINABLY FOCUSED
- HIGHEST QUALITY
- RESPECTED BRANDS
- BEST PRACTICES

Traction

NATIONAL DISTRIBUTION



Steeped continues to grow its sales channels through national distribution across multiple industry verticals.

ACTIVE VERTICALS

ROASTERS

Partners: 400+



HOSPITALITY

Rooms: 7,500+



WALDORF
ASTORIA
HOTELS & RESORTS

GROCERY

Locations: 4,000+



KROGER

WAKEFERN

RETAIL/ONLINE

Locations: 500+

WALMART

amazon.com



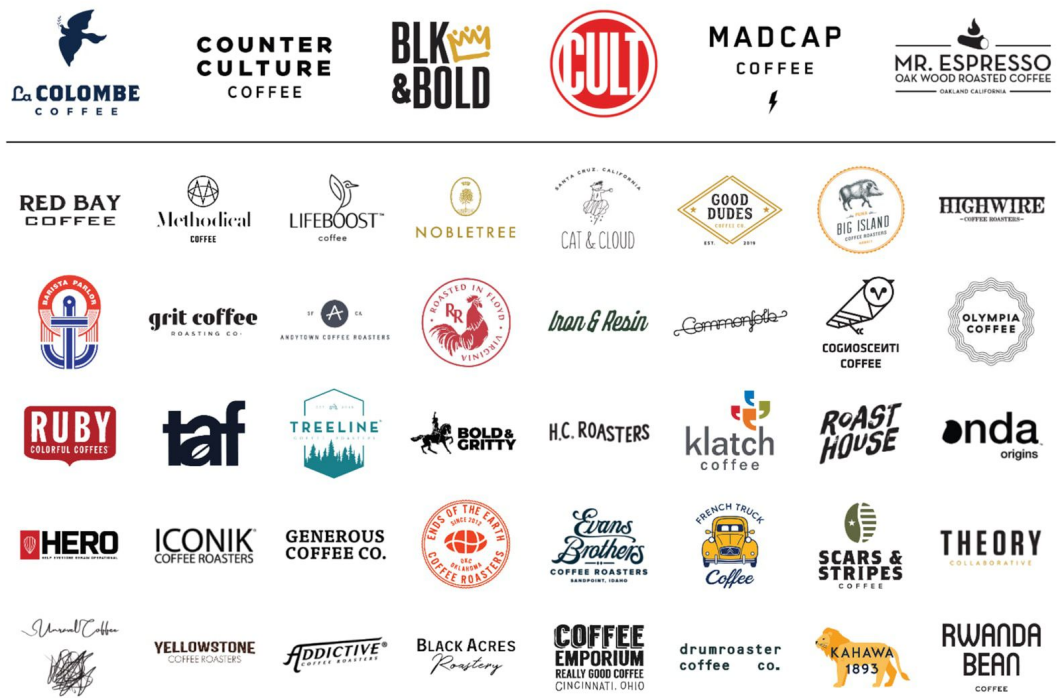
OFFICE

Happy Employees



INDUSTRIOUS

LICENSED ROASTERS



400+ ROASTERS

VISIT [STEEPEDCOFFEE.COM/PARTNERS](https://steepedcoffee.com/partners) FOR MORE

HOSPITALITY



GROCERY

WALMART

KROGER

FRED MEYER

QFC

WAKEFERN

KING SOOPERS

SHOPRITE



AS SEEN ON

Sunset

Outside

epicurious

GOOD
HOUSEKEEPING

Forbes

rachael ray
every day

FOOD & WINE

BARISTA
MAGAZINE

BEVNET®

THE
NEW YORKERADVENTURE
JOURNAL

The Boston Globe

WholeFoods_{MAGAZINE}

Women's Health

Condé Nast
Traveler

AWARD-WINNING

BEST NEW PRODUCT
COFFEE & TEA

Customers

TAKE YOUR MOMENT

**INDUSTRY PUBLICATION**

"Coffee without a brewer? I must admit, I was a little skeptical... I was wrong. The flavor is rich and bold but smooth, without the slightest hint of bitterness. Great finish."

PARTNER: MR. ESPRESSO

"In my opinion, Steeped is the best single serve coffee option available, and for us, the only single-serve coffee option we'll use, period."

**FORTUNE 100 COMPANY, CEO**

"Every room in every hotel should have Steeped Coffee."

AMAZON CUSTOMER

"Solid cup of coffee on the go or for backpacking. No more need to get freeze dried coffee. And no need to carry all the coffee making supplies."

**OFFICE COFFEE CUSTOMER**

"Steeped Coffee is bringing innovation to a consumable product that is defined by taste rather than method of consumption."

AMAZON CUSTOMER

"I am very picky about my coffee and don't have a brewer, so when I can't walk next door to the coffee shop I want something easy but really tasty. I tried this product for the first time this morning and WOW... This is an awesome product."

**PARTNER: ALABASTER COFFEE**

"Steeped Coffee packs hit that sweet spot. Need a quick coffee - check. Emergency coffee in your purse - check. No brewing equipment at home - check."

Business Model**COFFEE REIMAGINED**

As a Certified B Corp and Public Benefit Corporation, Steeped, Inc. operates in the specialty and single-serve coffee markets. Steeped has innovated to bring these two high-growth trends together for the first time in sustainable packaging. Steeped Coffee brings the universal tea-drinking experience to the entire coffee market, making craft specialty coffee accessible to everyone, anywhere.

Headquartered in Santa Cruz, California, Steeped provides proprietary, single-serve technology to the D2C and B2B distribution channels under its Steeped Coffee brand — as well as providing the Steeped Brewing Method and IP to hundreds of top coffee brands through licensed partnerships.

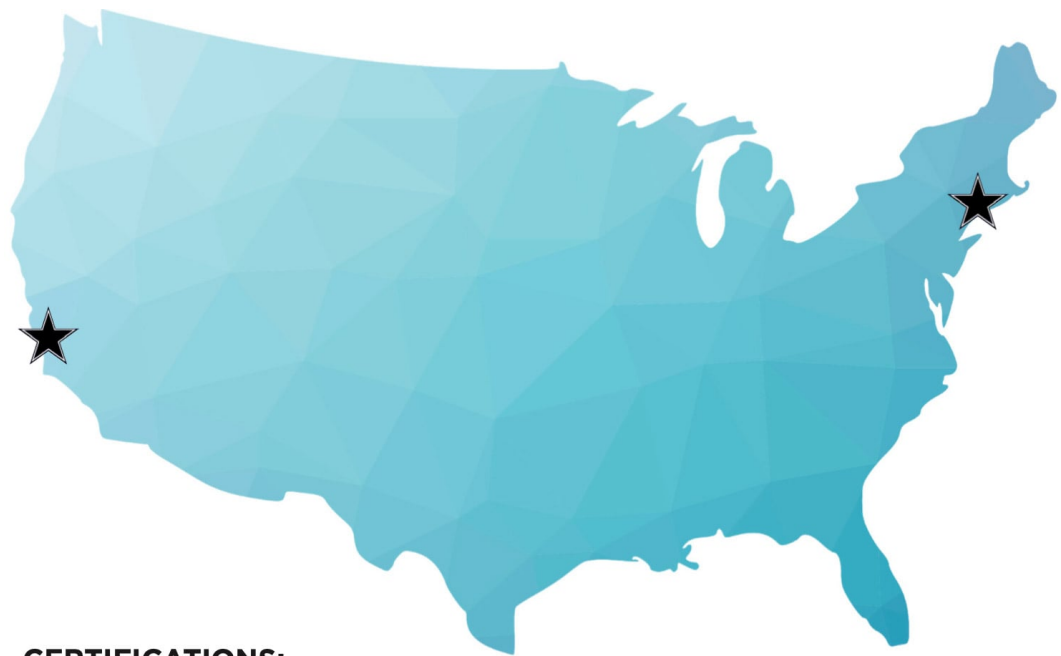
Welcome to **Coffee Simplified™**.



IP STRATEGY



STEEPED MANUFACTURING

**CERTIFICATIONS:**SQF
CERTIFIEDORGANIC
FACILITYCERTIFIED
COMPOSTABLEBPI
CERTIFIEDFAIR TRADE
CERTIFIEDKOSHER
FACILITIESCARBON
FREE**CO-PARTNER CAPABILITIES:**

- Certified Compostable Products
- High Manufacturing Capacity
- Water-Cooled Industrial Grinding
- Specialty Coffee Roasting
- Functional, Blending, Flavoring
- Turnkey Fulfillment Services

PRODUCTION HIGHLIGHTS:

- Coast-to-Coast Capabilities
- Partner Licensing: IP/Trademarks
- Located Near Main Shipping Lanes
- Private Label Options
- In-House Quality Assurance Faculty
- In-House Design Services

Market

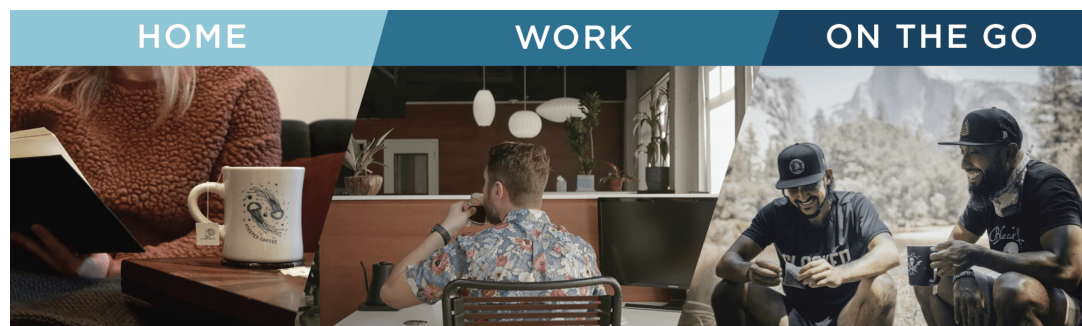
PEOPLE LOVE COFFEE

Coffee in the US alone generates \$80B in annual sales with 80% of adults drinking coffee while consuming over 500 million cups every single day. Steeped has tapped into a huge gap in the high-growth single-serve and specialty coffee markets.

500,000,000+

SERVINGS EVERY DAY

DO YOU DRINK COFFEE?

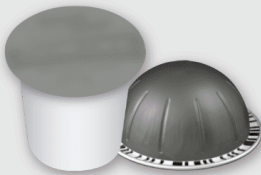


The way we drink coffee is changing, one cup at a time. Steeped Coffee is the simplest way to make great coffee wherever life takes you. *Take Your Moment* — while at home, at work, or on the go.

Competition

EXPANDING THE MARKET

PODS/CAPSULES



LESS COFFEE

MACHINE REQUIRED
IMMOBILE
CAN'T TRAVEL

PLASTIC WASTE
NEGATIVE IMPACT

OUTDATED TECHNOLOGY
HIGH COST TO ENTRY

VS.

QUALITY

CONVENIENCE

SUSTAINABILITY

ACCESIBILITY

STEEPED COFFEE®



BARISTA APPROVED
FRESHLY GROUND
PERFECTLY PORTIONED

NO EQUIPMENT NEEDED
UNPLUGGED
JUST + WATER

CERTIFIED COMPOSTABLE
RENEWABLE MATERIALS

THE NEW STANDARD
ACCESSIBLE TO ALL

Steeped Coffee incorporates the best features from other brewing methods while eliminating the drawbacks of each.

COMPETITIVE ADVANTAGES



NO MACHINES REQUIRED

ZERO BARRIER TO ENTRY



NITRO-SEALED FRESHNESS

LONG STABLE SHELF LIFE



FULL IMMERSION FILTER

100% REAL CRAFT COFFEE



GUILT-FREE PACKAGING

FULLY COMPOSTABLE

<https://republic.com/steepedcoffee-regd/exhibit>

19/29



BARISTA APPROVED
QUALITY SPECIALTY COFFEE



UNPLUGGED CONVENIENCE
SINGLE-SERVE, SIMPLIFIED

Vision And Strategy

NEW STANDARD IN COFFEE



Steeped Coffee is not trying to fit within the current coffee market, but rather expand the limits of the entire coffee category by increasing customer accessibility — similar to how the single-serve bag transformed tea drinking and became the standard for convenience. Steeped is going a step further by bringing together unmatched convenience, quality, and sustainability to revolutionize coffee.

Steeped is disrupting the limited nature of the current coffee market. We're dedicated to amplifying the coffee shelf in every grocery store, home, office, or wherever life takes you.

Impact

COFFEE WITHOUT COMPROMISE

Steeped is pursuing Coffee Without Compromise, and is passionate about the amount of good we can do together.



ETHICALLY
SOURCED



FAIR TRADE
CERTIFIED



MADE IN
THE USA



FULLY
COMPOSTABLE



ARTISAN
COFFEE



SQF
CERTIFIED



ORGANIC
FACILITY



BPI
CERTIFIED



NON GMO
FILTER



KOSHER
FACILITY



CARBON
FREE

MISSION

As both a Benefit Corporation and Certified B Corp, Steeped is focused on Purpose Beyond Profits. We strive to innovate and find new solutions to old problems, to be a light on a hill, to honor and value every relationship, and to set new standards of doing Business Without Compromise. We pay attention to every detail, to bring people the most convenient, high-quality, ethically sourced, and sustainably packaged products available. Our entire company ethos is focused on how we can be good stewards of the planet and to love people.



CORE VALUES

COFFEE WITHOUT COMPROMISE

- **Environmental Sustainability:** reducing our impact on the planet we are stewarding
- **Ethically Sourced:** fairly sourced coffee and Direct Trade relationships with farmers

PURPOSE BEYOND PROFITS

- **Light on a Hill:** continuously learning and sharing knowledge to elevate standards
- **Relationships:** loving people out of the same love we've each been given

TAKE YOUR MOMENT

- **Simplify:** finding rest, reflection, and balance in life

CONVENIENCE MEETS QUALITY

- **Innovation:** applying inspiration and creation to spark positive change
- **Attention to Detail:** marvelously made, doing everything to reflect excellence

**PURPOSE BEYOND PROFITS**

As a Public Benefit Corporation (PBC), Steeped has enhanced our legal structure to match our values. We operate as a for-profit C Corp, but have updated our Articles of Incorporation with a statement of purpose. This subtle improvement allows Steeped to legally focus on *Purpose Beyond Profits* — expanding the measurement of success from a single to a double bottom line company.

**CERTIFIED B CORP**

Accountability and measuring impact are at the forefront of our activities. We are continuously tracking and reporting through our B Corp Certification, which is monitored by the third-party nonprofit, B Lab. Putting action beyond words, Steeped is proud to be part of a community of leaders driving a global movement of using the power of business to solve social and environmental problems.

Certified B Corporations are businesses that meet the highest standards of verified social and environmental performance, public transparency, legal accountability, and bold company policies, to balance profits and purpose.

SINGLE-SERVE SUSTAINABILITY

Single-serve coffee long had its roots deep in sustainability before it was tainted by its wide abuse of plastic waste. With so much time, energy, and passion that goes into each cup of specialty coffee (*see journey below*), single-serve is an ideal solution that keeps coffee from being dumped down the kitchen sink.



The Steeped method is pre-dosed, pre-ground, and provides the perfect water-to-coffee ratio — which maintains ultimate convenience and intrinsically helps conserve our cherished coffee commodity.

SUSTAINABILITY

Steeped has made sustainability a key focus to avoid negative environmental and ethical impacts from success.

Guilt-Free Packaging: Our award-winning, Guilt-Free Packaging is certified commercially compostable and made using renewable materials.

Ethically Sourced: Through direct trade practices and Fair Trade Certified coffees, Steeped Coffee ethically sources its beans to ensure farmers get a fair wage.

Steeped strives to make every component of our product responsible for both the planet we've been given to steward and the people on it. Steeped takes every possible step to ensure that our sacred coffee rituals go unnoticed by the next generation.



STEEPED GIVING FUND



Drink Coffee. Make an Impact. Since day one, Steeped has been committed to giving a minimum of 1% of revenue, rather than just profits, through our Steeped Giving Fund — making our success not just what *we get* but what *we get to give*.

PACKS FOR IMPACT



Steeped is excited to use Steeped Coffee Packs as a tool for elevating non-profits, churches, and purpose-driven companies through our discounted private label program — utilizing custom graphics to help passionate organizations spread their message through simply sharing a cup of coffee.

PACKS FOR GOOD

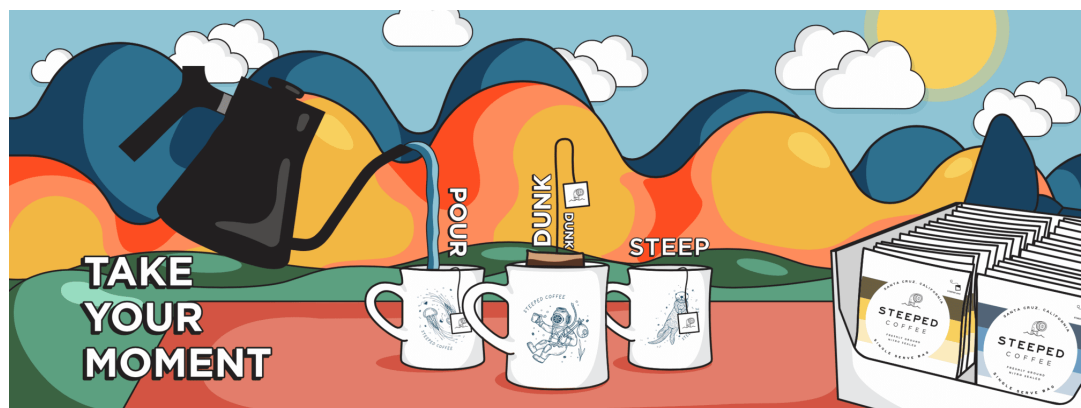
Packs For Good is a program built to support non-profits with branded landing pages on the Steeped Coffee website, where all sales generate a 20% top-line revenue donation back to that non-profit to support their mission.



Among other inspiring organizations, Steeped is a proud partner of **charity: water**, on a mission to help bring clean and safe water to every person on the planet, where 100% of donations fund clean water.

Funding

INVESTOR COMMUNITY



Since 2017, fundraising has come through trusted referrals from the Steeped investor community — a growing purpose-driven network of over 100 individual investors and venture groups.

Steeped is now excited to welcome more investors who are passionate about the

amount of good we can do together — while drinking great coffee. We hope you'll join our incredible Steeped Investor Community.

Founders

Josh Wilbur

Founder & CEO

BIBLIOTHECA (COO)

Biblical Library Anew + ALV Release

PAYSTAND (FOUNDING TEAM)

Fintech Payments for Digital Age

MEDIA COMPANY (ACQUIRED)

“

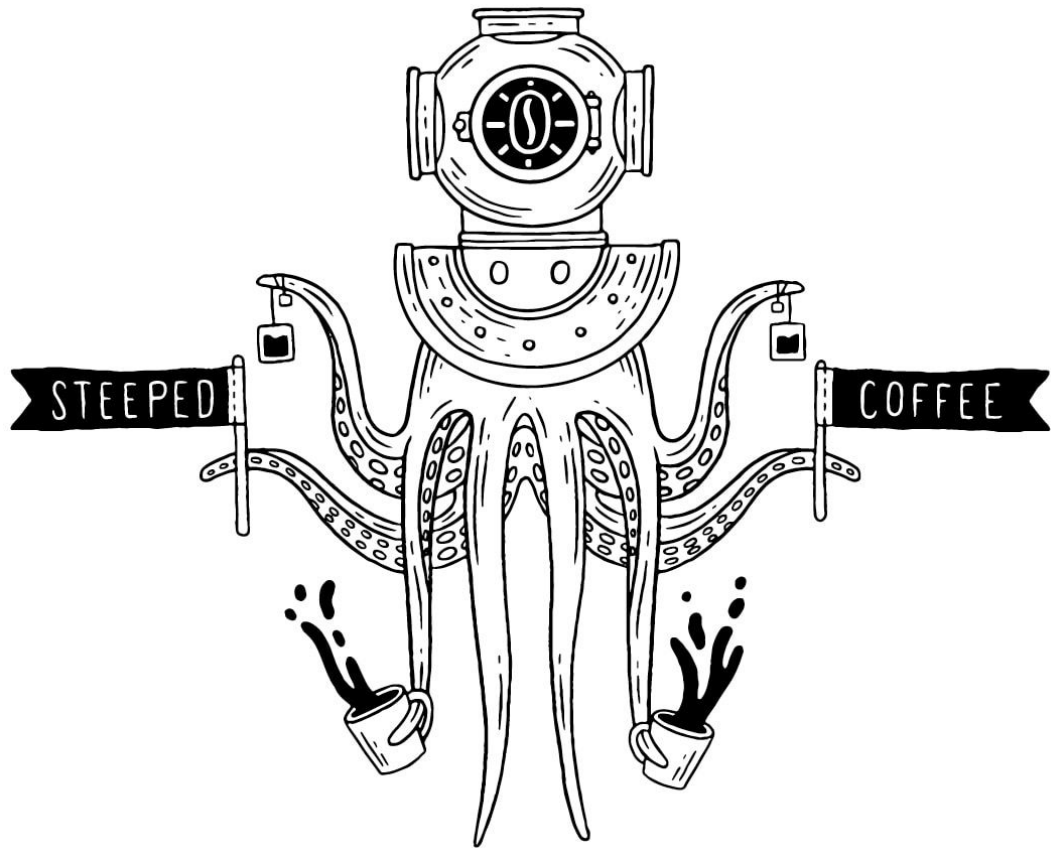
A serial entrepreneur and inventor, living on the cusp of innovation and disruption.



Summary

Quick Sip

- Massive Market Size
- Innovative & Disruptive Technology
- Proprietary Competitive Advantages & IP
- Diversified Market Verticals
- Traction & Product Market Fit
- National Distribution
- Established Market Share
- Scalable to Mass Adoption
- Experienced Team & Partners



We hope you'll join us for all the exciting opportunities ahead!

Team

BraunHagey & Borden	Legal Counsel	
Fish & Richardson	Patent IP	
Toby Wingo	Plant Operations	
Heather Rios	HR	
Stirling Vineyard	CFO	
Ron Scadina	VP of Sales	
Josh Wilbur	CEO	A serial entrepreneur and inventor, living on the cusp of innovation and disruption.

Perks

FAQ

**Do you have more information
about the risks of investing in this
campaign?**

You can find resources
on the risks to
investing here:

Disclosures &
Disclaimers
Additional Risks
Disclosures

EXHIBIT D
Video Transcript

Steeped Republic Campaign Video Transcript

So perhaps you're one of the millions of people who drink coffee every day.

Perhaps you drink coffee at coffee shops, while traveling, dining out, while working, or at home.

Every single day, eighty percent of adult Americans will drink 580 million cups of coffee. People love coffee. In the \$48 billion U.S. market, there are two major market trends:

Number one: single-serve coffee with a demand for convenience.

And number two: Specialty Coffee with a demand for quality.

Steeped has tapped into a huge gap at the intersection of these two high growth markets.

With Steeped, Convenience Meets Quality.

For the first time, Steeped is bringing the convenience of single-serve together with the quality of specialty coffee to become the new standard in coffee.

Steeped is coffee simplified.

Steeped Coffee makes good quality coffee accessible.

Let me show you three ways we do this.

Steeped Coffee is a brewing method, it's its own coffee brand, and it's a proprietary process that we provide to other coffee companies and brands to use.

So for the brewing method, there's a lot of ways people drink coffee.

There's drip coffee, espresso, pour over, french press, k-cup, nespresso, and now, Steeped Coffee.

To make Steeped, you simply pour, dunk, and steep. Then just leave the bag in. It doesn't get bitter like tea, it just keeps getting better until it plateaus. Enjoy hot or as a cold brew.

It's intuitive, it's easy, it's for everyone, it's delicious.

The Steeped Coffee Brewing Method is pre-ground, pre-portioned, and there's no machines or equipment required. It's coffee unplugged.

We say cut the cord. You only need water. It's the great equalizer for any situation, and it's even a contactless solution.

There's no barrier to entry to buy our product, which is accessible to 100% of customers who love great coffee.

Now as a coffee brand, Steeped Coffee is based in Santa Cruz, CA, and is a Certified B Corp with a double bottom line of Purpose Beyond Profits. We encourage people to, "Take Your Moment" and remind customers that "You Are Loved."

Steeped Coffee is the first and only fully compostable single-serve product. The whole method, from the packaging to the filter, string, and tab is certified compostable.

Now we've used our own brand to introduce this new channel. It looks simple, but as we've learned, simplicity is one of the most difficult things to achieve.

We spent nearly a decade perfecting the Steeped Brewing Method for the world to enjoy.

A lot of innovation has gone into making something this simple just work.

Steeped uses coffee that's ethically sourced and hand roasted in small batches, then precision ground with water cooled grinders.

Steeped Packs are engineered with our Full Immersion Filters, triple-nitro-sealed for freshness, has ultrasonically sealed edges with no glues or staples, and we are obsessed with every detail.

Now we've figured out all of these details so our partners wouldn't have to, which leads us to Steeped Coffee as a proprietary process: Where through our co-branded packs, we've exclusively licensed our method and I.P. to top brands and local roasters.

Steeped has secured hundreds of these Licensed Partnerships, and we're adding new exclusive partners weekly.

Each partnership validates our process and method, and in return, Steeped provides a convenient and sustainable way for our partners to offer their quality coffee.

Whether it's the Steeped Brand or one of our amazing licensed partners, the Steeped Brewing Method is being shared to more and more people daily.

The method is quickly becoming adopted in homes, offices, hotels, national retail, grocery chains, military, and nonprofits, as well as gaining traction from hospitals, airlines, universities, restaurants, and a number of other industry verticals.

Steeped has also recently gained traction and some exclusive contracts into the national distribution channels, regional distribution, national broker networks, vending relationships, and micro-market buying groups, positioning us for a significant rollout ahead.

Steeped offers a product that incorporates the best of all of our competition, while eliminating the problems of each.

Steeped has literally innovated a way to translate the universal tea-drinking experience to premium, specialty coffee.

Steeped is not growing a single brand, but instead, the Steeped Technology is driving hundreds of brands while leading an entirely new coffee category.

This allows Steeped to experience growth from our own brands and across our entire partner portfolio.

From a growth and financial standpoint, we definitely have momentum.

From a missions standpoint, let me touch on a few of our marketplace mission directives.

Steeped's mission is deeply purpose driven.

As a double bottom line company, I personally view my role as a servant-based leader, which extends to all areas of the business.

Regarding sustainability, we are industry leading and our efforts are literally in the bag.

We have multiple initiatives including our one percent Giving Fund, which is top line revenue and prioritized weekly, so that our focus isn't just on just what we get, but what we get to give.

Our developing Packs For Good program partners with nonprofits to give back twenty percent of revenue through branded web pages.

And we have our Tools For Impact program, which creates custom branded packs that nonprofits, or even churches can use for tools to help spread their organization's message.

Everything we do is focused around our core values and our mission.

The way we drink coffee is changing, one cup at a time. We hope you'll join us. Cheers.

Video Script: “How to Make Steeped Coffee”

Hi, everyone! Today we’re going to show you how simple it is to make the perfect cup of Steeped Coffee. Let’s get started!

First, open a Steeped Pack and place the bag in a standard 8-12 ounce cup. Gently pour 8 ounces of hot water over the Steeped Bag. We recommend a water temperature of about 205 degrees, which is just before boiling.

Next, and perhaps the most important step, dip and dunk the bag for about 15-30 seconds or until you see a light brown crema forming as the coffee blooms in the bag.

Remember, each dip and dunk extracts more flavor, so be generous here. Allow the bag to steep for at least 5 minutes which is about how long it takes the water to cool. You can remove the bag, or leave it in and let it ride to let the flavor continue developing.

If you prefer cream or sugar with your coffee, now is the time to add it. That’s it! Steeped is the simplest way to make a great cup of coffee no matter where life takes you. Enjoy!