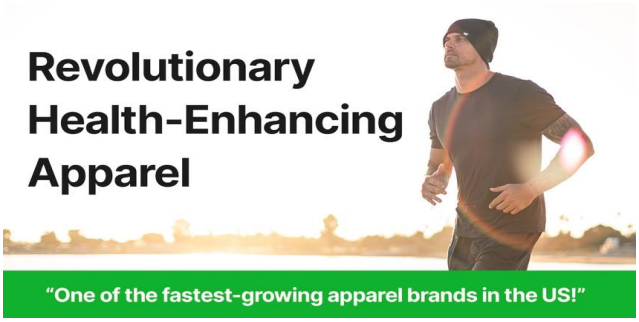
FARADAY LABS INC.

Lambs



$250,000

Simple Agreements for Future Equity
Series 2022-A

OFFERING MEMORANDUM

Offering Price:
$1.00 Per Safe

Minimum Purchase Amount:
$5,000

August 16, 2022

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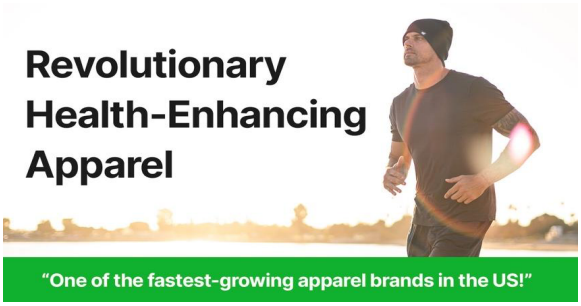
I. INTRODUCTION

FARADAY LABS INC.



$250,000 of Simple Agreements for Future Equity – Series 2022-A

This Offering Memorandum (this "***Memorandum***") is furnished for the purpose of evaluating an investment in Simple Agreements for Future Equity of **FARADAY LABS INC.**, a Delaware corporation (the "***Company***," "***Lambs***," "***we***," "***our***" or "***us***").

We are offering a minimum of $25,000 and a maximum of $250,000 of Simple Agreements for Future Equity – Series 2022-A ("***SAFEs***") in accordance with Rule 506(c) of Regulation D promulgated under the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "***Securities Act***") and applicable to state law (the "***Offering***"). A purchaser of the SAFEs may be referred to herein individually as a "***Subscriber***" or "***Investor***" or collectively as the "***Subscribers***" or "***Investors***". The minimum investment amount per Investor is $5,000, which may be waived in the sole discretion of the Company.

This Offering is being conducted on the platform found at https://republic.com (the "***Republic Platform***"), that is operated for the benefit of OpenDeal Broker LLC ("***OpenDeal***"). OpenDeal is a registered FINRA/SEC broker dealer. OpenDeal is not purchasing the SAFEs and is not required to sell any specific number or dollar amount of the Simple Agreements for Future Equity (the "***SAFEs***"). in this Offering.

This Offering is being conducted on a "best efforts" basis and we may not be able to raise enough funds to fully implement our business plan and our investors which may result in the loss of the entire investment of investors with a minimum Offering amount of $25,000 (the "***Minimum Offering Amount***"), such amount must be received before any closing may occur. All funds received will be immediately available to the Company and the Company shall not be required to place any funds in escrow for any purpose or subjection to any condition or occurrence. The Company reserves the right, in its sole discretion, to reject any proposed investment in part or in its entirety in the Company.

This Memorandum contains certain information about the performance history of the Company. Any investment performance included in this Memorandum is intended to provide recipients with information about the performance of the Company. Prospective investors are not to construe the contents of this Memorandum as legal, business, tax, U.S. Employee Retirement Income Security Act of 1974 (as amended, and the rules and regulations promulgated thereunder ("***ERISA***")), accounting, investment or other advice. Prior to the acceptance of any prospective investor's investment in the Company, such prospective investor will have the opportunity to ask questions of and receive answers and additional information from the Company concerning the offering described herein and other relevant matters. None of the Company, nor its officers and directors, is making any representation or warranty to a prospective investor regarding the legality of an investment in the Company by such prospective investor or about the income and

other tax consequences to them of such an investment. Each prospective investor should consult its own advisors as to legal, business, tax, ERISA, accounting, and other related matters concerning an investment in the Company.

The securities are being offered to a limited number of investors and will not be registered under the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "***Securities Act***"), or the securities laws of any U.S. state or non-U.S. jurisdiction, and such securities may not be sold or transferred without compliance with all applicable U.S. federal and state and non-U.S. securities laws. Neither the U.S. Securities and Exchange Commission nor any U.S. state or non-U.S. securities commission has reviewed or passed upon the accuracy or adequacy of this Memorandum or the merits of the offering described herein. Any representation to the contrary is unlawful.

An investment in the Company will involve significant risks due to, among other things, the nature of the Company's operations, business, affairs and investments. This Memorandum does not purport to be all inclusive or contain all of the information that a prospective investor may desire in evaluating an investment in the Company. Each prospective investor must conduct and rely on its own evaluation of the Company and the terms of the offering described herein, including the merits and risks involved, in making a decision with respect to the securities. Investors must have the financial ability and willingness to accept the risks and lack of liquidity characteristic of the investment described herein. Accordingly, investors should be aware that they will be required to bear the financial risks of an investment in the Company for an indefinite period of time. There will be no public market for the securities and such securities, subject to certain limited exceptions, will not be transferable.

This Memorandum is not an offer to sell to any person, or a solicitation of any person to buy, any securities of the Company in any U.S. state or non-U.S. jurisdiction in which such an offer or solicitation would be prohibited by law or to any person who is not verified by the Company as an "accredited investor" as defined in Regulation D promulgated under the Securities Act. Securities will be offered only in such non-U.S. jurisdictions, if any, as the Company approves, in which case it is the responsibility of any person wishing to purchase such securities to satisfy itself as to the full observance of the laws of any relevant territory outside of the United States in connection with any such purchase, including obtaining any required governmental or other consents or observing any other applicable formalities.

This Memorandum is qualified in its entirety by reference to the SAFE. No person or entity other than the Company has been authorized to give any information concerning the Company or this offering or to make any representation not contained in this Memorandum. To invest in the Company, each prospective investor will be required to execute a SAFE. In the event that any terms, conditions or other provisions of such agreements (or any related agreements) are inconsistent with or contrary to the description of terms set forth in this Memorandum, the terms, conditions and other provisions of such agreements shall control. The Company reserves the right to modify any of the terms of the offering and the securities described herein. Upon request, this Memorandum and any copies thereof are to be returned in their entirety to the Company.

Certain information contained in this Memorandum constitutes "forward-looking statements" that can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "estimate," "intend," "continue," or "believe" or the negatives thereof or other variations thereon or comparable terminology. Furthermore, any projections or other estimates in this Memorandum, including estimates of returns or performance, are "forward-looking statements" and are based upon certain assumptions that may change. Due to various risks and uncertainties, actual events or results or the actual performance of the Company may differ materially from those reflected or contemplated in such forward-looking statements. Moreover, actual events are difficult to project and often depend upon factors that are beyond the control of the Company. The Company does not undertake any obligation to update or revise any forward-looking statements contained herein to reflect events or circumstances occurring after the date of this Memorandum, and no representation or warranty is made as to future performance or such forward-looking statements. Neither the delivery of this Memorandum at any time nor any sale in connection herewith shall under any circumstances create an implication that the information contained herein is correct as of any time after the earlier of the relevant date specified herein or the date of this Memorandum. In addition, unless the context otherwise requires, the words "include," "includes," "including" and other words of similar import are meant to be illustrative rather than restrictive.

Each investor's investment in the Company will be denominated in U.S. Dollars ($) and, therefore, will be subject to any fluctuation in the rate of exchange between U.S. Dollars ($) and the currency of the investor's home jurisdiction. Such fluctuations may have an adverse effect on the value of, price of or income or gains from an investor's investment in the Company.

AN INVESTMENT IN THE COMPANY INVOLVES RISK. YOU SHOULD NOT INVEST ANY FUNDS IN THIS OFFERING UNLESS YOU CAN AFFORD TO LOSE YOUR ENTIRE INVESTMENT. IN MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THESE AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT.

THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "*SEC*") DOES NOT PASS UPON THE MERITS OF ANY SECURITIES OFFERED OR THE TERMS OF THE OFFERING, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING DOCUMENT OR LITERATURE. THESE SECURITIES ARE OFFERED UNDER AN EXEMPTION FROM REGISTRATION; HOWEVER, THE U.S. SECURITIES AND EXCHANGE COMMISSION HAS NOT MADE AN INDEPENDENT DETERMINATION THAT THESE SECURITIES ARE EXEMPT FROM REGISTRATION.

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 have agreed to indemnify OpenDeal 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 Listing Agreement, and to contribute to payments that OpenDeal may be required to make for these liabilities.

OpenDeal 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. OpenDeal 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.

We plan to market this Offering to potential investors through the Republic Platform. We will hold an Initial Closing on any number of SAFEs at any time during the Offering Period after we have received notification of approval when we and OpenDeal determine, and thereafter may hold one or more additional closings until we determine to cease having any additional closings during the Offering Period. 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

The Company's officers may participate in the filming or recording of 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 Memorandum, should not be applied to the Company's business and operations as of the date of this Memorandum. 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.

The summaries of, and references to, various documents in this Memorandum do not purport to be complete and in each instance reference should be made to the copy of such document which is either an appendix to this Memorandum or which will be made available to Investors and their professional advisors upon request.

THESE SECURITIES INVOLVE A HIGH DEGREE OF RISK THAT MAY NOT BE APPROPRIATE FOR ALL INVESTORS. THERE ARE ALSO SIGNIFICANT UNCERTAINTIES ASSOCIATED WITH AN INVESTMENT IN OUR COMPANY AND THE SECURITIES. THE SECURITIES OFFERED HEREBY ARE NOT PUBLICLY TRADED. THERE IS NO PUBLIC MARKET FOR THE SECURITIES AND ONE MAY NEVER DEVELOP. AN INVESTMENT IN OUR COMPANY IS HIGHLY SPECULATIVE. THE SECURITIES SHOULD NOT BE PURCHASED BY ANYONE WHO CANNOT BEAR THE FINANCIAL RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME AND WHO CANNOT AFFORD THE LOSS OF THEIR ENTIRE INVESTMENT. SEE THE SECTION OF THIS MEMORANDUM TITLED "*RISK FACTORS*" BEGINNING ON PAGE 21.

THE SECURITIES OFFERED HEREBY WILL HAVE TRANSFER RESTRICTIONS. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT, THE SECURITIES LAWS OF ANY U.S. STATE OR THE SECURITIES LAWS OF ANY NON-U.S. JURISDICTION AND THEREFORE CANNOT BE RESOLD UNLESS THEY ARE SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT AND OTHER APPLICABLE SECURITIES LAWS, OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. YOU SHOULD BE AWARE THAT YOU WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

YOU ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS LEGAL, ACCOUNTING OR TAX ADVICE OR AS INFORMATION NECESSARILY APPLICABLE TO YOUR PARTICULAR FINANCIAL SITUATION. EACH INVESTOR SHOULD CONSULT THEIR OWN FINANCIAL ADVISER, COUNSEL AND ACCOUNTANT AS TO LEGAL, TAX AND RELATED MATTERS CONCERNING THEIR INVESTMENT.

THIS OFFERING IS ONLY EXEMPT FROM REGISTRATION UNDER THE LAWS OF THE UNITED STATES AND ITS TERRITORIES. NO OFFER IS BEING MADE IN ANY JURISDICTION NOT LISTED ABOVE. PROSPECTIVE INVESTORS ARE SOLELY RESPONSIBLE FOR DETERMINING THE PERMISSIBILITY OF THEIR PARTICIPATING IN THIS OFFERING, INCLUDING OBSERVING ANY OTHER REQUIRED LEGAL FORMALITIES AND SEEKING CONSENT FROM THEIR LOCAL REGULATOR, IF NECESSARY. THE INTERMEDIARY FACILITATING THIS OFFERING IS LICENSED AND REGISTERED SOLELY IN THE UNITED STATES AND HAS NOT SECURED, AND HAS NOT SOUGHT TO SECURE, A LICENSE OR WAIVER OF THE NEED FOR SUCH LICENSE IN ANY OTHER JURISDICTION. THE COMPANY AND THE INTERMEDIARY, EACH RESERVE THE RIGHT TO REJECT ANY INVESTMENT COMMITMENT MADE BY ANY PROSPECTIVE INVESTOR, WHETHER FOREIGN OR DOMESTIC.

SPECIAL NOTICE TO FOREIGN INVESTORS

IF YOU LIVE OUTSIDE THE UNITED STATES, IT IS YOUR 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. WE RESERVE THE RIGHT TO DENY THE PURCHASE OF THE SECURITIES BY ANY FOREIGN INVESTOR.

Inquiries about this Offering should be directed to:

FARADAY LABS INC.
1447 2nd Street, 200
Santa Monica, CA, 90401
Arthur Menard de Calenge, Chief Executive Officer: arthur@getlambs.com

II. OVERVIEW OF OFFERING

The following information is presented as a summary of principal terms only and is qualified in its entirety by, and should be read in conjunction with the SAFE relating to the purchase of the Securities and the entirety of this Memorandum. It should not be assumed that the summaries below are complete and such summaries are qualified in their entirety by the contents of the documents which they purport to summarize. If the terms described in this Memorandum are inconsistent with or contrary to the terms of the SAFE, the SAFE will control.

Company	Faraday Labs Inc., a Delaware corporation
Securities Offered	Simple Agreement for Future Equity – Series 2022-A ("***SAFE***" or "***Securities***")
Minimum Offering Amount	$25,000
Maximum Offering Amount	$250,000
Purchase Price per SAFE	$1.00
Valuation Cap of SAFE	$30,000,000
Conversion Events	Certain equity financing, liquidation or dissolution
Minimum Subscription Amount	$5,000.00. The Company reserves the right to amend the Minimum Subscription Amount, in its sole discretion and at any time.
Maximum Subscription Amount	None
Offering Period	Expires on the earlier to occur of November 1, 2022 or the date on which the Maximum Offering Amount is subscribed for and accepted by the Company and a final closing is conducted, except the Company may extend or terminate the offering period to such date and time as determined in its sole and exclusive discretion.
Suitability Requirements	The SAFEs will not be registered under the Securities Act, and will be offered in reliance on Regulation D, Rule 506I under the Securities. Offers of the SAFEs will be made exclusively to verified "accredited investors" as defined in Rule 501 of Regulation D under the Securities Act.
Initial Closing	The Company will hold an initial closing upon receiving subscriptions of $25,000 and after we have received notification of approval when we and OpenDeal determine.

a. The Company

The Company, Faraday Labs Inc., was formed on July 17, 2018, as a Delaware corporation. The Company was originally incorporated under the name "Spartan Wear Inc." on July 17, 2018, and changed the Company name to "Faraday Labs Inc." on April 3, 2019. The Company is a first-ever health-enhancing apparel. The Company is located at 144^{7} 2nd Street, 200, Santa Monica, CA, 90401. The Company's website is https://getlambs.com. The Company conducts business in California and sells products and services through the internet throughout the United States and internationally.

The Company's authorized capital stock consists of 17,000,000 shares of common stock, par value $0.0001 per share (the "**Common Stock**"), of which 7,159,172 shares of common stock are issued and outstanding and 5,919,606 shares of preferred stock ("**Preferred Stock**"), of which 5,382,271 shares of preferred stock are issued and outstanding.

b. Concurrent Offering

The Company is concurrently engaging in an offering of securities under Section 4(a)(6) of the Securities Act of 1933, and Regulation Crowdfunding promulgated thereunder.

c. The Offering

The Company is presently offering $250,000 of SAFEs (the "***Offering***") at a purchase price of $1.00 per SAFE to qualified accredited investors for a minimum subscription of $5,000.00 (the "***Minimum Individual Purchase Amount***"). The Company may, in its sole and absolute discretion, waive the Minimum Individual Purchase Amount on a case-by-case basis.

There is no maximum individual purchase amount for this Offering.

d. The Offering Period

The Offering Period (the "***Offering Period***") will expire on the earlier to occur of: (i) the date on which $250,000 (the "***Maximum Offering Amount***") has been subscribed for and accepted by the Company and a final closing is conducted; or (ii) November 1, 2022, except the Company may extend or terminate the Offering Period to such date and time as determined in its sole and exclusive discretion.

e. Closings

The Company will hold an initial closing (the "***Initial Closing***") upon receiving subscriptions of $25,000 (the "***Minimum Offering Amount***") and after we have received notification of approval when we and OpenDeal determine. Thereafter, we may hold one or more additional closings until we determine to cease having any additional closings during the Offering Period (each, a "***Closing***").

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 Closing and any prior additional Closings.

The Company expects that its final Closing shall occur no later than November 1, 2022, except the Company may extend or terminate the Offering Period to such date and time as determined in its sole and exclusive discretion.

f. Subscription Process

We plan to market this Offering to potential investors through the Republic Platform.

To subscribe in this Offering, each Investor must complete in full, and electronically sign, a SAFE in the form attached to this Memorandum as **Exhibit A** which is available on the Republic Platform: www.republic.com/lambs-reg-d, delivering to the Company through the Republic Platform all required supporting

documentation (including proof of such Investor's status as an accredited investor and for satisfaction of applicable anti-money laundering requirements and for other purposes), and wiring the applicable subscription amount to the designated bank account. Until the Minimum Offering Amount is met, Investor's funds will remain in the designated bank account. If we do not raise the minimum offering amount by November 1, 2022, subject to our right to extend the Offering Period to such date and time as determined in its sole and exclusive discretion, we will terminate the Offering and all funds provided by the Investor without interest or deduction.

All funds received will be immediately available to the Company and the Company shall not be required to place any funds in escrow for any purpose or subjection to any condition or occurrence. The Company reserves the right, in its sole discretion, to reject any proposed investment in part or in its entirety in the Company.

Each prospective investor whose subscription is accepted by the Company at a Closing will be required to remit the entirety of its purchase amount to the Company at such Closing. Following the receipt of proceeds, the Subscriber's investment with respect to the Offering will be immediately available to the Company, and the Offering will continue until the earlier of the Company's receipt of the Maximum Offering Amount, the ultimate Closing or the termination of the Offering.

Subscriptions may be accepted or rejected by the Company, in its sole and exclusive discretion. The Company reserves its right to cancel or rescind the Offering at any time and for any reason.

g. SAFEs: Overview

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

h. SAFEs: Conversion Price

The valuation cap of the SAFE is $30,000,000 ("***Valuation Cap***"), and the conversion price ("***Conversion Price***") is calculated as follows:

> If the Company elects to convert the SAFEs upon the first Equity Financing following the issuance of the SAFEs, the Investor will receive the number of CF 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) the quotient of $30,000,000 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 signed on or after the beginning of the Offering;
>
> 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.

i. SAFEs: Conversion Events

Any conversion of the SAFE will be at the Conversion Price and will occur upon an Equity Financing, Liquidity Event or Dissolution Event (each as defined below):

- *Equity Financing*: the next sale (or series of related sales) by the Company of its 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 to one or more third parties following the SAFEs sold in this Offering instrument from which the Company receives gross proceeds of not less than $6,000,000 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 (an "***Equity Financing***")

- *Liquidity Event*: (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), becomes the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended), 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; (iii) a sale, lease or other disposition of all or substantially all of the assets of the Company (subparagraphs (i)-(iii), "***Change of Control***"); (iv) 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; (v) 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 (vi) 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 (subparagraphs (iv)-(v), "***IPO***").

- *Dissolution Event*: (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.

Each prospective investor is urged to review the form of the SAFE, attached hereto as **Exhibit A**, prior to making a subscription in this Offering.

j. Offering Exclusively for Accredited Investors

Regulations promulgated under the Securities Act, as amended, and the laws of various jurisdictions in which this Offering may be made, require that each Investor have such knowledge and experience in financial and business matters that such Investor is capable of evaluating the merits and risks of an investment in the Company or that such Investor retain the services of a representative to advise the Investor in evaluating the merits and risks of an investment in the Company.

The securities are being offered only to "accredited investors," as that term is defined in Rule 501 of Regulation D under the Securities Act, who also meet certain other suitability standards, in reliance on Rule 506(c) of Regulation D under the Securities Act ("***Rule 506(c)***").

To be an accredited investor, each Investor must fall within one of the following categories at the time of the sale of the SAFEs to such Investor. Each Investor must list the applicable category in the Investor Information Form through the Republic Platform. Accordingly, each Investor will be required to represent, agree, and certify in writing all of the following:

- You are acquiring the SAFEs for investment, for your own account, and not with a view to resale or distribution;
- Your overall commitment to investments which are not readily marketable is not disproportionate to your net worth, and your investment in the Investor Interests will not cause such overall commitment to become excessive;
- You have thoroughly evaluated the merits and risks of investing in the SAFEs;
- You or your representative have sufficient knowledge and experience in financial matters, that you are capable of evaluating the merits and risks of the investment, can bear the economic risk of this investment for an indefinite period of time and can at the present time afford a substantial or complete loss of your investment (i.e., you are "sophisticated"), and you are an "accredited investor" as that term is defined in Rule 501(a) of Regulation D of the Securities Act, as amended.

Verification of Individual Investors

Subject to verification of appropriate documentation by the Company, if the Investor is an individual, an Investor may be deemed an "accredited investor" if:

- The Investor's income[1] during each of the last two years exceeded $200,000 or, if the Investor is married or has a spousal equivalent[2], the joint income of the Investor and the Investor's spouse or spousal equivalent, as applicable, during each of the last two years exceed $300,000, and the Investor reasonably expects the Investor's income, from all sources during this year, will exceed $200,000 or, if the Investor is married or has a spousal equivalent, the joint income of Investor and the Investor's spouse or spousal equivalent, as applicable, from all sources during this year will exceed $300,000.
- The Investor's net worth[3], including the net worth of the Investor's spouse or spousal equivalent, as applicable, is in excess of $1,000,000 (excluding the value of the Investor's primary residence).

[1] "***income***" means adjusted gross income, as reported for federal income tax purposes, increased by the following amounts: (a) the amount of any tax exempt interest income received, (b) the amount of losses claimed as a limited partner in a limited partnership, (c) any deduction claimed for depletion, (d) amounts contributed to an IRA or Keogh retirement plan, (e) alimony paid, and (f) any amounts by which income from long-term capital gains has been reduced in arriving at adjusted gross income pursuant to the provisions of Section 1202 of the Internal Revenue Code of 1986, as amended.

[2] "***spousal equivalent***" means a cohabitant occupying a relationship generally equivalent to that of a spouse.

[3] "***net worth***" means the excess of total assets, excluding your primary residence, at fair market value over total liabilities, including your mortgage or any other liability secured by your primary residence only if and to the extent that it exceeds the value of your primary residence. Net worth should include the value of any other shares of stock or options held by you and your spouse or spousal equivalent and any personal property owned by you or your spouse or spousal equivalent (*e.g.* furniture, jewelry, other valuables, etc.). For the purposes of calculating joint net worth: joint net worth can be the aggregate net worth of you and your spouse or spousal equivalent; assets need not be held jointly to be included in the calculation.

- The Investor 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)).

- The Investor is a director, executive officer or general partner of the Company.

- The Investor is a holder in good standing of one or more of the following certifications or designations administered by the Financial Industry Regulatory Authority, Inc. (FINRA):

    - the Licensed General Securities Representative (Series 7),
    - Licensed Investment Adviser Representative (Series 65), or
    - Licensed Private Securities Offerings Representative (Series 82).

- The Investor is a "family client," as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940, as amended (the "***Advisers Act***"), of a family office as defined in rule 202(a)(11)(G)-1 under the Advisers Act, (i) with assets under management in excess of $1,000,000, (ii) that is not formed for the specific purpose of acquiring the securities offered, and (iii) whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment, and whose prospective investment is directed by such family office pursuant to clause (iii) of this sentence.

Entity Investors

Subject to verification of appropriate documentation by the Company, if the Investor is an entity, an Investor may be deemed an "accredited investor" if:

- The Investor is a trust with total assets in excess of $1,000,000 whose purchase is directed by a person with such knowledge and experience in financial and business matters that such person is capable of evaluating the merits and risks of the prospective investment.

- The Investor is a bank, an investment adviser registered pursuant to Section 203 of the Advisers Act or registered pursuant to the laws of a state, any investment adviser relying on the exemption from registering with the SEC under Section 203(l) or (m) of the Advisers Act, an insurance company, an investment company registered under the United States Investment Company Act of 1940, as amended, a broker or dealer registered pursuant to Section 15 of the United States Securities Exchange Act of 1934, as amended, a business development company, a Small Business Investment Company licensed by the United States Small Business Administration, a Rural Business Investment Company as defined in Section 384A of the Consolidated Farm and Rural Development Act, as amended, a plan with total assets in excess of $1,000,000 established and maintained by a state for the benefit of its employees, or a private business development company as defined in Section 202(a)(22) of the Advisers Act.

- The Investor is an employee benefit plan and *either* all investment decisions are made by a bank, savings and loan association, insurance company, or registered investment advisor, *or* the Investor has total assets in excess of $1,000,000 *or*, if such plan is a self-directed plan, investment decisions are made solely by persons who are accredited investors.

- The Investor is a corporation, limited liability company, partnership, Massachusetts or similar business trust, not formed for the purpose of acquiring the SAFEs, or an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "***Code***"), in each case with total assets in excess of $1,000,000.

- The Investor is an entity in which **all** of the equity owners (in the case of a revocable living trust, its grantor(s)) qualify under any of the above subparagraphs, or, if an individual, each such individual has a net worth, either individually or upon a joint basis with such individual's spouse or spousal equivalent, as applicable, in excess of $1,000,000 (within the meaning of such terms as used in the definition of "***accredited investor***" contained in Rule 501 under the Act), *or* has had an individual income in excess of $200,000 for each of the two most recent years, or a joint income with such individual's spouse or spousal equivalent, as applicable, 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.

- The Investor is an entity, of a type not listed in any of the paragraphs above, which was not formed for the specific purpose of acquiring the securities offered, owning investments in excess of $1,000,000.

- The Investor is a "family office," as defined in rule 202(a)(11)(G)-1 under the Advisers Act, (i) with assets under management in excess of $1,000,000, (ii) that is not formed for the specific purpose of acquiring the securities offered, and (iii) whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment.

- The Investor is a "family client," as defined in rule 202(a)(11)(G)-1 under the Advisers Act, of a family office meeting the requirements in the above paragraph and whose prospective investment is directed by such family office pursuant to clause (iii) of the above paragraph.

Verification of Accredited Investors

An Investor who is an individual shall verify its status as an "accredited investor" as defined by Rule 501(a) of Regulation D under the Securities Act through the Republic Platform by providing as necessary one or more items from the categories below confirming its status as an "accredited investor":

(A) Proof of natural person accredited investor status on the basis of net worth:

- one or more of the types of documentation listed below with respect to assets and with respect to liabilities; and

- written representation from the Subscriber that all liabilities necessary to make a determination of net worth have been disclosed:

  (1) with respect to assets, one or more of the following types of documentation dated within the prior three (3) months:

  - bank statements,
  - brokerage statements,
  - other statements of securities holdings,
  - certificates of deposit,

- tax assessments issued by independent third parties, and
- appraisal reports issued by independent third parties; and

(2) with respect to liabilities:

- a consumer report from at least one of the nationwide (U.S. only) consumer reporting agencies dated within the prior three (3) months;

OR

(B) Proof of natural person accredited investor status on the basis of income:

- any Internal Revenue Service form that reports the Subscriber's income for the two (2) most recent years (including, but not limited to, Form W-2, Form 1099, Schedule K-1 to Form 1065, and Form 1040); and
- a written representation from the Subscriber that he or she has a reasonable expectation of reaching the income level necessary to qualify as an accredited investor during the current year;

OR

(C) Proof of natural person accredited investor status by holding a FINRA license:

- BrokerCheck report showing current Series 7 license;
- BrokerCheck report showing current Series 65 license; or
- BrokerCheck report showing current Series 82license;

OR

(D) Written confirmation from one of the following persons or entities that such person or entity has taken reasonable steps to verify that the Subscriber is an accredited investor within the prior three (3) months and has determined that such Subscriber is an accredited investor:

- a registered broker-dealer;
- an investment adviser registered with the U.S. Securities and Exchange Commission;
- a licensed attorney who is in good standing under the laws of the jurisdictions in which he or she is admitted to practice law; or a certified public accountant who is duly registered and in good standing under the laws of the place of his or her residence or principal office.

THE COMPANY WILL NOT ACCEPT ANY SUBSCRIPTION FROM ANY PROSPECTIVE INVESTOR WHO IS NOT AN "ACCREDITED INVESTOR" AT ANY CLOSING.

k. Listing Agreement with OpenDeal

We are currently party to an offering listing agreement, as effective as of April 26, 2022 (the "***Listing Agreement***"), with OpenDeal, who has agreed to provide certain offering facilitation services, including executing and delivering evidence of the Shares sold in this Offering to each Investor and the use of the Republic Platform. OpenDeal 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 Republic Platform or all fees due to OpenDeal being remitted unless otherwise terminated by either party upon thirty (30) days' prior written notice or for cause pursuant to the Listing Agreement, provided that such termination notice may not be given until at least ninety (90) days after the launch of the Offering on the Republic Platform.

OpenDeal is not purchasing any of the SAFEs in this Offering and is 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.

If after OpenDeal has setup the Offering to be displayed on the Republic Platform and we have met the minimum investment amount necessary to perform a closing, or we cancel or decide not to pursue the Offering prior to the final closing of the Offering, we have agreed to reimburse OpenDeal the greater of (a) $25,000, (b) all out of pocket costs incurred by OpenDeal in enabling this Offering to be listed on Republic.co or (c) a dollar amount equal to the Cash Commission (defined below) based upon the dollar value of the maximum amount of securities that is offered under the Offering; except that if circumstances beyond the control of the Company make a closing impossible, then this fee for a termination prior to Closing will not apply.

We have agreed to pay OpenDeal five percent (5%) of the gross proceeds from the Offering (the "***Cash Commission***"). Non-accountable expenses shall be limited to one-half percent (0.5%) of the Offering's proceeds to OpenDeal. Thus, the aggregate amount of the Cash Commission and the non-accountable expenses amounts to five and one-half percent (5.5%) of the gross proceeds from the Offering. Any other fees that we may pay to OpenDeal 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. In addition to the foregoing commissions in this paragraph, the Company is obligated to pay OpenDeal a securities commission equal to one and a half percent (1.5%) of the Securities sold in this Offering. Thus, the total aggregate fees for the Cash Commission, non-accountable expenses and securities commission amounts to seven percent (7%).

OpenDeal has agreed, with respect to the SAFEs issued to it as part of its commission, not to: (a) sell, transfer, assign, pledge or hypothecate such shares 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 OpenDeal or of any such selected dealer, in each case in accordance with FINRA Conduct Rule 5110(e)(1), or (b) cause such shares to be the subject of any hedging, short sale, derivative, put or call transaction that would result in the effective economic disposition of such shares, 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 OpenDeal.

We have agreed to reimburse OpenDeal, at the time of closing, for payment processing servicing costs associated with related service providers. Such fees are approximately two percent (2.0%) of the Offering's proceeds.

Under the Listing Agreement with OpenDeal, OpenDeal 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 OpenDeal and possibly other parties with respect to disclosures made in this Offering Circular. Any other fees that we may pay to OpenDeal or other third parties will not be commissions or considered as underwriting compensation. OpenDeal 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.

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

We have agreed to indemnify OpenDeal 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 Listing Agreement, and to contribute to payments that OpenDeal may be required to make for these liabilities.

OpenDeal 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. OpenDeal 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.

III. OVERVIEW OF THE COMPANY'S BUSINESS

a. Description of the Business

Lambs produces and sells health-enhancing apparel. Our mission is to enhance your health by reducing oxidative stress without impacting your lifestyle Lambs apparel supports your health & wellness with advanced fabric-technology that blocks external stressors - boosting your immune system, performance, cognition, and sleep. Our products are engineered to mitigate oxidative stress with our special radiation-proof (EMF), UV blocking, antimicrobial fabric. Designed for everyday wear, Lambs put a special emphasis on fit and comfort.

b. Business Plan

We sell our products direct-to-customer on our website www.getlambs.com.

c. The Company's Products and/or Services

Product / Service	Description	Current Market
Lambs Apparel	First-ever health-enhancing apparel	Direct-to-consumer market; wellness enthusiasts and health-conscious consumers

d. Competition

Several key competitors in the marketplace are targeting health-conscious individuals with athleisure apparel. These competitors are relying on a value proposition centered around comfort and fit, while Lambs is providing a stronger, health-centered value proposition. The major players are Lululemon, Vuori, Nike, and Alo Yoga.

e. Customer Base

We sell our products on the direct-to-consumer market. Our products reach a growing target audience of wellness enthusiasts and health-conscious consumers. 42% of consumers consider wellness as a top priority for them.

f. Supply Chain

We utilize renowned manufacturers in the industry to create our fabric and products. All Lambs products typically ship within two business days.

g. Intellectual Property

Application or Registration #	Title	Description	File Date	Grant Date	Country
6338271	LAMBS	Trademark application in Class 9	04/27/2020	05/04/2021	USA
88330612	FARADAY	Trademark application in Class 9 and 25	03/07/2019	07/23/2019*	USA

90780516	WAVESTOPPER	Trademark application in Class 25	06/17/2021	Pending	USA
29/704003	Radiation-Shielded Undergarments	Design patent for men's radiation-proof boxer-briefs and trunks	08/30/2019	Pending	USA
29/737767	METALLIC MESH LINED T-SHIRT	Design patent for men's and women's radiation-proof t-shirt	06/11/2020	Pending	USA
29/737769	METALLIC MESH LINED WOMEN'S UNDERWEAR	Design patent for women's radiation-proof underwear	06/11/2020	Pending	USA
29/737772	METALLIC MESH LINED CAP	Design patent for unisex radiation-proof cap	06/11/202	Pending	USA
29/784027	MEDICAL PROFESSIONAL UNIFORM TOP	Design patent for unisex scrubs	05/17/2021	Pending	USA
29/784441	MEDICAL PROFESSIONAL UNIFORM TOP UNDERSCRUB	Design patent for unisex underscrubs	05/19/2021	Pending	USA
29/829266	METALLIC MESH LINED HOODIE	Design patent for unisex hoodies	03/03/2022	Pending	USA
29/829268	METALLIC MESH LINED PANTS	Design patent for unisex pants	03/03/2022	Pending	USA

*Supplemental Register

h. 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.

i. Litigation

The Company is not subject to any current litigation or threatened litigation.

IV. USE OF PROCEEDS FROM THE OFFERING

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

Use of Gross Proceeds	Percentage of Gross Proceeds If Maximum Offering Amount Raise	Gross Amount if Maximum Offering Amount Raised
Research and Development	26%	$65,000
Operations	25%	$62,500
Inventory	20%	$50,000
Marketing	20%	$50,000
Intermediary Fees*	7%	$17,500
Payment Processing Servicing Costs	2%	$5,000
Total	**100%**	**$250,000****

*OpenDeal commission does not encompass the entirety of the document.
**Amount is gross of payments to financial and legal service providers and Offering-related fees, including under the Listing Agreement.

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.

Marketing (20%) – We expect to use approximately 20% of the proceeds from the Offering to double down our marketing strategy on profitable acquisition channels.

Research and Development (26%) – We intend to use approximately 26% of the proceeds from the Offering to release new highly requested products, continue to improve on fabric, products and technology, and expand scientific research to increase our competitive advantage.

Inventory (20%) – We estimate that approximately 20% of the proceeds from the Offering will be used to expand inventory to accelerate growth.

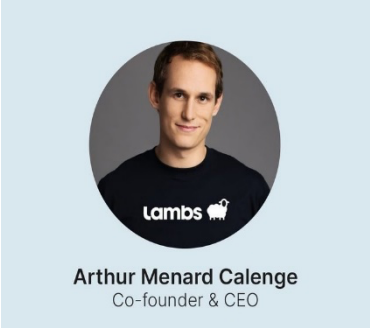
Operations (25%) – We anticipate that about 25% of the proceeds from the Offering will be used for expanding the team to continue to improve the Lambs customer experience and provide additional value to our customers.

V. MANAGEMENT OF THE COMPANY

The Faraday Labs Inc., team is a seasoned group of professionals. At the present time, three individuals are actively involved in the management of the Company. The Directors and Officers are:

Name	Positions and Offices Held at the Company	Principal Occupation and Employment Responsibilities for the Last Three (3) Years	Education
Mike Jones	Board Director	GP of Science Inc since October 2011, and Director for Lambs since March 2020, where he provides strategic and oversight services.	University of Oregon (BS, Marketing & International Business): 1997
Arthur Menard de Calenge	CEO, Board Director, Co-founder	CEO of Lambs since January 14, 2019, where he is responsible for brand, strategy, team leadership and finance.	AgroParisTech (MS, Engineering & Biology): January 14th, 2014 HEC Paris (MS, Business): February 17th, 2016
Thomas Calichiama	COO, Board Director, Co-founder	COO of Lambs since January 14, 2019, where he is responsible for marketing, production and operations.	La Sorbonne (BS, Business Law): 10/26/2009 ESG (MBA, Business): 02/12/2011

Arthur Menard de Calenge
Chief Executive Officer, Director

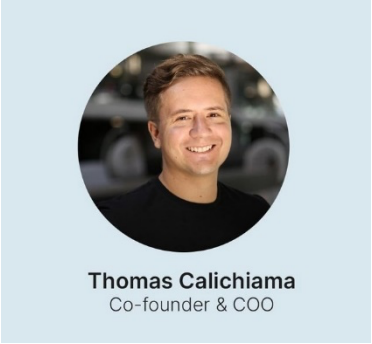


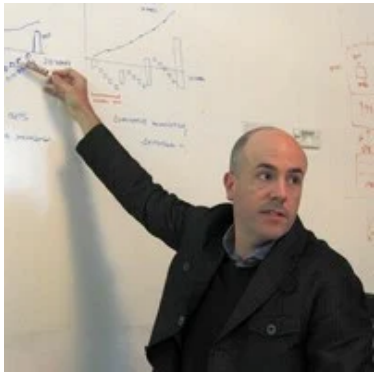
Arthur is a 3x startup founder with over 10 years of experience in the startup world and passion for health & wellness.

Arthur is an early-stage investor in a dozen health / e-commerce startups. He is a Forbes 30 Under 30, and has spoken at a number of conferences, including a highly popular TEDx talk. Arthur holds a MS in biology & engineering and MBA from HEC Paris, Europe's #1 ranked business school.

Thomas Calichiama
Chief Operating Officer, Director

Thomas is a skilled Swiss army knife operator with a passion for brand building and marketing. A proud husband and dad of two, Thomas was a successful marketer before quitting his job to start Lambs. Thomas holds an LLM and an MBA with a specialty in Marketing.





Mike Jones
Director

As a founder of studio and venture fund Science Inc., Mike leverages his operational expertise and keen entrepreneurial talent to help Science founders scale highly profitable and successful businesses. Mike develops predictive strategies for portfolio companies, and the firm overall, that taps into future societal shifts and disrupts entrenched markets.

A longtime Internet executive, entrepreneur, and strategic adviser, Mike spent his career growing businesses ranging from early-stage startups to private equity-backed assets to public media companies.

Mike's ability to predict the next shift extends beyond his work at Science to when he served as the CEO of Myspace. In his role he foresaw the impact of social influence over software, a predictive strategy he also saw as CEO of Userplane (acquired by AOL), and investment in HouseParty (acquired by Epic). Mike's work with Mammoth Media, Hello Society and Famebit also highlights how he spotted the future of content and built these brands to thrive at the onset of GenZ's as content consumers and influencer takeover.

His experience and expertise in both large and small companies focuses on strategy, growth, and operational efficiency, and has resulted in over $2B in exits (three of which were in 2016 alone). You can get a glimpse of his thought process in this Dollar Shave Club case study or his take on GenZ and Mammoth Media in a case study. Mike currently resides in Los Angeles with his wife and two children, whom he loves writing about.

VI. CAPITALIZATION, DEBT AND OWNERSHIP

a. Capitalization

The Company's authorized capital stock consists of 17,000,000 shares of common stock, par value $0.0001 per share (the "**Common Stock**") and 5,919,606 shares of preferred stock, par value $0.0001 per share, consisting of 526,566 shares of Series Seed-1 Preferred Stock (the "**Series Seed-1 Preferred Stock**"), 1,137,422 shares of Series Seed-2 Preferred Stock (the "**Series Seed-2 Preferred Stock**"), 1,051,394 shares of Series Seed-3 Preferred Stock (the "**Series Seed-3 Preferred Stock**"), 249,175 shares of Series Seed-4 Preferred Stock (the "**Series Seed-4 Preferred Stock"),** 12,517 shares of Series Seed-5 Preferred Stock (the "**Series Seed-5 Preferred Stock**"), 1,942,532 shares of Series Seed-6 Preferred Stock (the "**Series Seed-6 Preferred Stock**"), and 1,000,000 shares of Series Seed-7 Preferred Stock (the "**Series Seed-7 Preferred Stock**" collectively with the Series Seed-1 Preferred Stock, Series Seed-2 Preferred Stock, Series Seed-3 Preferred Stock, Series Seed-4 Preferred Stock, Series Seed-5 Preferred Stock, Series Seed-6 Preferred Stock, the "**Preferred Stock**"). At the closing of this Offering, 7,159,172 shares of Common Stock and 5,382,271 shares of Preferred Stock will be issued and outstanding.

b. Outstanding Capital Stock

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

Type	Common Stock
Amount Outstanding	7,159,172
Par Value Per Share	$0.0001
Voting Rights	1 vote per share
Anti-Dilution Rights	None
How this security may limit, dilute or qualify the Securities	The Company may decide to issue more stock which may dilute the Security.
Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	42.95%

Type	Series Seed-1 Preferred Stock
Amount Outstanding	526,566
Par Value Per Share	$0.0001
Voting Rights	1 vote per share
Anti-Dilution Rights	None
Other Rights	Drag Along Right.

	In the event that each of (i) the holders of at least 60% of the shares of Common Stock then outstanding and (ii) the Board of Directors (the "Board") approve a Deemed Liquidation Event, then each Holder, Key Holder and Other Holder hereby agrees to vote (in person, by proxy or by action by written consent, as applicable) all capital stock of the Company (the "Capital Shares") now or hereafter directly or indirectly owned of record or beneficially by such Holder, Key Holder or Other Holder in favor of, and adopt, such Deemed Liquidation Event and to execute and deliver all related documentation and take such other action in support of the Deemed Liquidation Event as shall reasonably be requested by the Company in order to carry out the terms and provision of this Section 2.3, including without limitation executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, share certificates duly endorsed for transfer (free and clear of impermissible liens, claims and encumbrances) and any similar or related documents. The obligation of any party to participate in a drag-along sale pursuant to this Section shall not apply to a Deemed Liquidation Event, where the other party involved in such transaction is an affiliate or stockholder holding more than 10% of the voting power of the Company. 2.4 Right of First Refusal. Subject to the terms of Section 2.1 above and any rights of Science Partners 2017, L.P. ("Science") set forth in that certain Letter Agreement re Stockholder Rights dated as of the date hereof (the "Science Side Letter"), each Holder and Key Holder unconditionally and irrevocably grants first to the Company, and second to the Investors, a Right of First Refusal to purchase all or any portion of such Holder's or Key Holder's capital stock that such Holder or Key Holder may propose to transfer, assign, sell, offer to sell, pledge, mortgage, hypothecate, encumber, or dispose of in any other fashion (such Holder or Key Holder an "Offering Stockholder", such capital stock "Transfer Shares" and such transfer, a "Proposed Transfer"), as provided in this Section 2.4, at the same price and on the same terms and conditions as those offered to the prospective transferee. For clarity, this Section 2.4 shall not apply to any shares of Common Stock held by the Other Holders. (a) Notice. Each Offering Stockholder proposing to make a Proposed Transfer must deliver a notice of Proposed Transfer to the Company and each Investor not later than forty-five (45) days prior to the anticipated consummation of such Proposed Transfer. Such notice of Proposed Transfer shall contain the material terms and conditions (including price and form of consideration) of the Proposed Transfer and the identity

	of the prospective transferee. To exercise its Right of First Refusal under this Section 2.4, the Investor must deliver a notice to the Company and the Offering Stockholder within fifteen (15) days after delivery of the notice of Proposed Transfer. (b) Undersubscription Rights. If the Right of First Refusal has been exercised by the Company and/or the Investors with respect to some but not all of the Transfer Shares by the end of the fifteen (15) day period specified in the last sentence of Section 2.4(a) (the "Stockholder Notice Period"), then the Offering Stockholder shall, immediately after the expiration of the Stockholder Notice Period, send written notice to the Company and those Investors who fully exercised their Right of First Refusal within the Stockholder Notice Period (the "Exercising Stockholders"). Each Exercising Stockholder shall, subject to the provisions of this Section 2.4(b), have an additional option to purchase all or any part of the balance of any such remaining unsubscribed Transfer Shares on the terms and conditions set forth in the notice of Proposed Transfer. To exercise such option, an Exercising Stockholder must deliver an undersubscription notice, notifying the Company and the Offering Stockholder that such Exercising Stockholder intends to exercise its option to purchase all or any portion of the Transfer Shares not purchased pursuant to the Right of First Refusal, within ten (10) days after the expiration of the Stockholder Notice Period (the "Undersubscription Period"). (c) Allocation. In the event there are two or more Exercising Stockholders that choose to exercise the last-mentioned option for a total number of remaining shares in excess of the number available, the shares available for purchase under this Section 2.4 (the "Available Shares") shall be allocated to each Exercising Stockholder by multiplying (i) the aggregate number of Available Shares subject to the Proposed Transfer by (ii) a fraction, the numerator of which is the number of Capital Shares owned by such Exercising Stockholder immediately before consummation of the Proposed Transfer and the denominator of which is the total number of Capital Shares owned, in the aggregate, by all Exercising Stockholders immediately prior to the consummation of the Proposed Transfer, plus the number of Transfer Shares held by the Offering Stockholder. To the extent one or more of the Exercising Stockholders exercise such right of participation in accordance with the terms and conditions set forth herein, the number of Transfer Shares that the Offering Stockholder may sell in the Proposed Transfer shall be correspondingly reduced. (d) Consideration; Closing. If the consideration proposed to be paid for the Transfer Shares is in

	property, services or other non-cash consideration, the fair market value of the consideration shall be as determined in good faith by the Board. If an Investor cannot for any reason pay for the Transfer Shares in the same form of non-cash consideration, such Investor may pay the cash value equivalent thereof, as determined in good faith by the Board. The closing of the purchase of Transfer Shares by the Investors shall take place, and all payments from the Investors shall have been delivered to the Offering Stockholder, by the later of (i) the date specified in the notice of Proposed Transfer as the intended date of the Proposed Transfer and (ii) forty-five (45) days after delivery of the notice of Proposed Transfer. 2.5 Co-Sale. Subject to the rights of Science set forth in the Science Side Letter, if (i) any Transfer Shares subject to a Proposed Transfer are not purchased pursuant to Section 2.4 above (the "Remaining Shares"), and thereafter are to be sold to a prospective transferee, and (ii) such Transfer Shares constitute at least 10% of the aggregate capital stock of the Company owned or controlled by the Offering Stockholder immediately prior to such Proposed Transfer, then each Investor may elect to participate on a pro rata basis in the Proposed Transfer as set forth in Section 2.5(a) below and otherwise on the same terms and conditions specified in the notice of Proposed Transfer (the "Right of Co-Sale"), provided that if an Investor wishes to sell shares of Preferred Stock (as defined in the Restated Certificate), the price set forth in the notice of Proposed Transfer shall be appropriately adjusted based on the conversion ratio of the shares of such series of Preferred Stock into Common Stock. Each Investor that desires to exercise its Right of Co-Sale (each, a "Participating Stockholder") must give the Offering Stockholder written notice to that effect within fifteen (15) days after the deadline for delivery of the notice of Proposed Transfer described above, and upon giving such notice such Participating Stockholder shall be deemed to have effectively exercised the Right of Co-Sale. (a) Shares Includable. Each Participating Stockholder may include in the Proposed Transfer all or any part of such Participating Stockholder's Capital Shares equal to the product obtained by multiplying (i) the aggregate number of Remaining Shares subject to the Proposed Transfer by (ii) a fraction, the numerator of which is the number of Capital Shares owned by such Participating Stockholder immediately before consummation of the Proposed Transfer and the denominator of which is the total number of Capital Shares owned, in the aggregate, by all Participating Stockholders immediately prior to the consummation of the Proposed Transfer, plus the number of Transfer Shares held by the Offering Stockholder, plus the total number of Capital Shares

	owned, in the aggregate, by any other stockholders of the Company exercising their co-sale rights under any other agreement with the Offering Stockholder. To the extent one or more of the Participating Stockholders exercise such right of participation in accordance with the terms and conditions set forth herein, the number of Transfer Shares that the Offering Stockholder may sell in the Proposed Transfer shall be correspondingly reduced. (b) Delivery of Certificates. Each Participating Stockholder shall effect its participation in the Proposed Transfer by delivering to the Offering Stockholder, no later than fifteen (15) days after such Participating Stockholder's exercise of the Right of CoSale, one or more share certificates, properly endorsed for transfer to the prospective transferee, representing: (i) the number of Common Stock that such Participating Stockholder elects to include in the Proposed Transfer; or (ii) the number of shares of Preferred Stock that is at such time convertible into the number of shares of Common Stock that such Participating Stockholder elects to include in the Proposed Transfer; provided, however, that if the prospective transferee objects to the delivery of shares of Preferred Stock in lieu of Common Stock, such Participating Stockholder shall first convert the shares of Preferred Stock into Common Stock and deliver Common Stock as provided above. The Company agrees to make any such conversion concurrent with and contingent upon the actual transfer of such shares to the prospective transferee. (c) Purchase Agreement. The Participating Stockholders and the Offering Stockholder hereby agree that the terms and conditions of any sale pursuant to this Section 2.5 will be memorialized in, and governed by, a written purchase and sale agreement with customary terms and provisions for such a transaction and the parties further covenant and agree to enter into such an agreement as a condition precedent to any sale or other transfer pursuant to this Section 2.5.
How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF	The Company may decide to issue more stock which may dilute the Security.
Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	3.16%

Type	Series Seed-2 Preferred Stock
Amount Outstanding	1,137,422
Par Value Per Share	$0.0001
Voting Rights	1 vote per share
Anti-Dilution Rights	None

Other Rights	Drag Along Right. In the event that each of (i) the holders of at least 60% of the shares of Common Stock then outstanding and (ii) the Board of Directors (the "Board") approve a Deemed Liquidation Event, then each Holder, Key Holder and Other Holder hereby agrees to vote (in person, by proxy or by action by written consent, as applicable) all capital stock of the Company (the "Capital Shares") now or hereafter directly or indirectly owned of record or beneficially by such Holder, Key Holder or Other Holder in favor of, and adopt, such Deemed Liquidation Event and to execute and deliver all related documentation and take such other action in support of the Deemed Liquidation Event as shall reasonably be requested by the Company in order to carry out the terms and provision of this Section 2.3, including without limitation executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, share certificates duly endorsed for transfer (free and clear of impermissible liens, claims and encumbrances) and any similar or related documents. The obligation of any party to participate in a drag-along sale pursuant to this Section shall not apply to a Deemed Liquidation Event, where the other party involved in such transaction is an affiliate or stockholder holding more than 10% of the voting power of the Company. 2.4 Right of First Refusal. Subject to the terms of Section 2.1 above and any rights of Science Partners 2017, L.P. ("Science") set forth in that certain Letter Agreement re Stockholder Rights dated as of the date hereof (the "Science Side Letter"), each Holder and Key Holder unconditionally and irrevocably grants first to the Company, and second to the Investors, a Right of First Refusal to purchase all or any portion of such Holder's or Key Holder's capital stock that such Holder or Key Holder may propose to transfer, assign, sell, offer to sell, pledge, mortgage, hypothecate, encumber, or dispose of in any other fashion (such Holder or Key Holder an "Offering Stockholder", such capital stock "Transfer Shares" and such transfer, a "Proposed Transfer"), as provided in this Section 2.4, at the same price and on the same terms and conditions as those offered to the prospective transferee. For clarity, this Section 2.4 shall not apply to any shares of Common Stock held by the Other Holders. (a) Notice. Each Offering Stockholder proposing to make a Proposed Transfer must deliver a notice of Proposed Transfer to the Company and each Investor not later than forty-five (45) days prior to the anticipated consummation of such Proposed Transfer. Such notice of Proposed Transfer shall contain the material terms

	and conditions (including price and form of consideration) of the Proposed Transfer and the identity of the prospective transferee. To exercise its Right of First Refusal under this Section 2.4, the Investor must deliver a notice to the Company and the Offering Stockholder within fifteen (15) days after delivery of the notice of Proposed Transfer. (b) Undersubscription Rights. If the Right of First Refusal has been exercised by the Company and/or the Investors with respect to some but not all of the Transfer Shares by the end of the fifteen (15) day period specified in the last sentence of Section 2.4(a) (the "Stockholder Notice Period"), then the Offering Stockholder shall, immediately after the expiration of the Stockholder Notice Period, send written notice to the Company and those Investors who fully exercised their Right of First Refusal within the Stockholder Notice Period (the "Exercising Stockholders"). Each Exercising Stockholder shall, subject to the provisions of this Section 2.4(b), have an additional option to purchase all or any part of the balance of any such remaining unsubscribed Transfer Shares on the terms and conditions set forth in the notice of Proposed Transfer. To exercise such option, an Exercising Stockholder must deliver an undersubscription notice, notifying the Company and the Offering Stockholder that such Exercising Stockholder intends to exercise its option to purchase all or any portion of the Transfer Shares not purchased pursuant to the Right of First Refusal, within ten (10) days after the expiration of the Stockholder Notice Period (the "Undersubscription Period"). (c) Allocation. In the event there are two or more Exercising Stockholders that choose to exercise the last-mentioned option for a total number of remaining shares in excess of the number available, the shares available for purchase under this Section 2.4 (the "Available Shares") shall be allocated to each Exercising Stockholder by multiplying (i) the aggregate number of Available Shares subject to the Proposed Transfer by (ii) a fraction, the numerator of which is the number of Capital Shares owned by such Exercising Stockholder immediately before consummation of the Proposed Transfer and the denominator of which is the total number of Capital Shares owned, in the aggregate, by all Exercising Stockholders immediately prior to the consummation of the Proposed Transfer, plus the number of Transfer Shares held by the Offering Stockholder. To the extent one or more of the Exercising Stockholders exercise such right of participation in accordance with the terms and conditions set forth herein, the number of Transfer Shares that the Offering Stockholder may sell in the Proposed Transfer shall be correspondingly reduced.

	(d) Consideration; Closing. If the consideration proposed to be paid for the Transfer Shares is in property, services or other non-cash consideration, the fair market value of the consideration shall be as determined in good faith by the Board. If an Investor cannot for any reason pay for the Transfer Shares in the same form of non-cash consideration, such Investor may pay the cash value equivalent thereof, as determined in good faith by the Board. The closing of the purchase of Transfer Shares by the Investors shall take place, and all payments from the Investors shall have been delivered to the Offering Stockholder, by the later of (i) the date specified in the notice of Proposed Transfer as the intended date of the Proposed Transfer and (ii) forty-five (45) days after delivery of the notice of Proposed Transfer. 2.5 Co-Sale. Subject to the rights of Science set forth in the Science Side Letter, if (i) any Transfer Shares subject to a Proposed Transfer are not purchased pursuant to Section 2.4 above (the "Remaining Shares"), and thereafter are to be sold to a prospective transferee, and (ii) such Transfer Shares constitute at least 10% of the aggregate capital stock of the Company owned or controlled by the Offering Stockholder immediately prior to such Proposed Transfer, then each Investor may elect to participate on a pro rata basis in the Proposed Transfer as set forth in Section 2.5(a) below and otherwise on the same terms and conditions specified in the notice of Proposed Transfer (the "Right of Co-Sale"), provided that if an Investor wishes to sell shares of Preferred Stock (as defined in the Restated Certificate), the price set forth in the notice of Proposed Transfer shall be appropriately adjusted based on the conversion ratio of the shares of such series of Preferred Stock into Common Stock. Each Investor that desires to exercise its Right of Co-Sale (each, a "Participating Stockholder") must give the Offering Stockholder written notice to that effect within fifteen (15) days after the deadline for delivery of the notice of Proposed Transfer described above, and upon giving such notice such Participating Stockholder shall be deemed to have effectively exercised the Right of Co-Sale. (a) Shares Includable. Each Participating Stockholder may include in the Proposed Transfer all or any part of such Participating Stockholder's Capital Shares equal to the product obtained by multiplying (i) the aggregate number of Remaining Shares subject to the Proposed Transfer by (ii) a fraction, the numerator of which is the number of Capital Shares owned by such Participating Stockholder immediately before consummation of the Proposed Transfer and the denominator of which is the total number of Capital Shares owned, in the aggregate, by all Participating Stockholders immediately prior to the consummation of the Proposed Transfer, plus the

	number of Transfer Shares held by the Offering Stockholder, plus the total number of Capital Shares owned, in the aggregate, by any other stockholders of the Company exercising their co-sale rights under any other agreement with the Offering Stockholder. To the extent one or more of the Participating Stockholders exercise such right of participation in accordance with the terms and conditions set forth herein, the number of Transfer Shares that the Offering Stockholder may sell in the Proposed Transfer shall be correspondingly reduced. (b) Delivery of Certificates. Each Participating Stockholder shall effect its participation in the Proposed Transfer by delivering to the Offering Stockholder, no later than fifteen (15) days after such Participating Stockholder's exercise of the Right of CoSale, one or more share certificates, properly endorsed for transfer to the prospective transferee, representing: (i) the number of Common Stock that such Participating Stockholder elects to include in the Proposed Transfer; or (ii) the number of shares of Preferred Stock that is at such time convertible into the number of shares of Common Stock that such Participating Stockholder elects to include in the Proposed Transfer; provided, however, that if the prospective transferee objects to the delivery of shares of Preferred Stock in lieu of Common Stock, such Participating Stockholder shall first convert the shares of Preferred Stock into Common Stock and deliver Common Stock as provided above. The Company agrees to make any such conversion concurrent with and contingent upon the actual transfer of such shares to the prospective transferee. (c) Purchase Agreement. The Participating Stockholders and the Offering Stockholder hereby agree that the terms and conditions of any sale pursuant to this Section 2.5 will be memorialized in, and governed by, a written purchase and sale agreement with customary terms and provisions for such a transaction and the parties further covenant and agree to enter into such an agreement as a condition precedent to any sale or other transfer pursuant to this Section 2.5.
How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF	The Company may decide to issue more stock which may dilute the Security.
Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	6.83%

Type	Series Seed-3 Preferred Stock
Amount Outstanding	1,051,394
Par Value Per Share	$0.0001
Voting Rights	1 vote per share

Anti-Dilution Rights	None
Other Rights	Drag-Along Right. 3.1. Definitions. A "Sale of the Company" shall mean either: (a) a transaction or series of related transactions in which a Person, or a group of related Persons, acquires from stockholders of the Company shares representing at least fifty percent (50%) of the outstanding voting power of the Company (a "Stock Sale"); or (b) a transaction that qualifies as a "Deemed Liquidation Event" as defined in the Restated Certificate. 3.2. Actions to be Taken. In the event that (i) the holders of a majority of the shares of outstanding Common Stock (other than those issued or issuable upon conversion of the shares of Preferred Stock), voting exclusively as a single, separate class, (ii) the holders of at least a majority of the shares of Common Stock then issued or issuable upon conversion of the shares of Preferred Stock voting exclusively as a single, separate class (the stockholders described in the foregoing clauses (i) and (ii) being referred to collectively as the "Selling Investors") and (iii) the Board of Directors (collectively, the "Electing Holders"), approve a Sale of the Company in writing, specifying that this Section 3 shall apply to such transaction, then each Stockholder and the Company hereby agree: (a) if such transaction requires stockholder approval, with respect to all Shares that such Stockholder owns or over which such Stockholder otherwise exercises voting power, to vote (in person, by proxy or by action by written consent, as applicable) all Shares in favor of, and adopt, such Sale of the Company (together with any related amendment to the Restated Certificate required in order to implement such Sale of the Company) and to vote in opposition to any and all other proposals that could reasonably be expected to delay or impair the ability of the Company to consummate such Sale of the Company; (b) if such transaction is a Stock Sale, to sell the same proportion of shares of capital stock of the Company beneficially held by such Stockholder as is being sold by the Selling Investors to the Person to whom the Selling Investors propose to sell their Shares, and, except as permitted in Subsection 3.3 below, on the same terms and conditions as the Selling Investors; (c) to execute and deliver all related documentation and take such other action in support of the Sale of the Company as shall reasonably be requested by the Company or the Selling Investors in order to carry out the terms and provision of this Section 3, including

	without limitation executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, share certificates duly endorsed for transfer (free and clear of impermissible liens, claims and encumbrances) and any similar or related documents; (d) not to deposit, and to cause their Affiliates not to deposit, except as provided in this Agreement, any Shares of the Company owned by such party or Affiliate in a voting trust or subject any Shares to any arrangement or agreement with respect to the voting of such Shares, unless specifically requested to do so by the acquiror in connection with the Sale of the Company; (e) to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Sale of the Company; (f) if the consideration to be paid in exchange for the Shares pursuant to this Section 3 includes any securities and due receipt thereof by any Stockholder would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Stockholder of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Stockholder in lieu thereof, against surrender of the Shares which would have otherwise been sold by such Stockholder, an amount in cash equal to the fair value (as determined in good faith by the Board) of the securities which such Stockholder would otherwise receive as of the date of the issuance of such securities in exchange for the Shares; and (g) in the event that the Selling Investors, in connection with such Sale of the Company, appoint a stockholder representative (the "Stockholder Representative") with respect to matters affecting the Stockholders under the applicable definitive transaction agreements following consummation of such Sale of the Company, (x) to consent to (i) the appointment of such Stockholder Representative, (ii) the establishment of any applicable escrow, expense or similar fund in connection with any indemnification or similar obligations, and (iii) the payment of such Stockholder's pro rata portion (from the applicable escrow or expense fund or otherwise) of any and all reasonable fees and expenses to such Stockholder Representative in connection with such Stockholder Representative's services and duties in connection with such Sale of the Company and its

	related service as the representative of the Stockholders, and (y) not to assert any claim or commence any suit against the Stockholder Representative or any other Stockholder with respect to any action or inaction taken or failed to be taken by the Stockholder Representative in connection with its service as the Stockholder Representative, absent fraud or willful misconduct;. Right of First Refusal. (a) Grant. Subject to the terms of Section 3 below and any rights of Science set forth in that certain Letter Agreement re Stockholder Rights dated as of April 9, 2019 (the "Science Side Letter"), each Key Holder hereby unconditionally and irrevocably grants to the Company a Right of First Refusal to purchase all or any portion of Transfer Stock that such Key Holder may propose to transfer in a Proposed Key Holder Transfer, at the same price and on the same terms and conditions as those offered to the Prospective Transferee. (b) Notice. Each Key Holder proposing to make a Proposed Key Holder Transfer must deliver a Proposed Transfer Notice to the Company and each Investor not later than forty-five (45) days prior to the consummation of such Proposed Key Holder Transfer. Such Proposed Transfer Notice shall contain the material terms and conditions (including price and form of consideration) of the Proposed Key Holder Transfer, the identity of the Prospective Transferee and the intended date of the Proposed Key Holder Transfer. To exercise its Right of First Refusal under this Section 2, the Company must deliver a Company Notice to the selling Key Holder within fifteen (15) days after delivery of the Proposed Transfer Notice. In the event of a conflict between this Agreement and either (i) the Bylaws of the Company or (ii) any other agreement that may have been entered into by a Key Holder with the Company that, in each case, contains a preexisting right of first refusal, the Company and the Key Holder acknowledge and agree that the terms of this Agreement shall control and the preexisting right of first refusal shall be deemed satisfied by compliance with Subsection 2.1(a) and this Subsection 2.1(b). Notwithstanding anything in this Agreement to the contrary, in no event may the Company assign its rights set forth in this Subsection 2.1(a) and (b) without first complying with Subsection 2.1(c) and (d). (c) Grant of Secondary Refusal Right to Investors. Subject to the terms of Section 3 below, each Key Holder hereby unconditionally and irrevocably grants to the Investors a Secondary Refusal Right to purchase all or any portion of the Transfer Stock not purchased by the Company pursuant to the Right of First Refusal, as provided in this Subsection 2.1(c). If the Company does not intend to exercise its Right of First Refusal with

	respect to all Transfer Stock subject to a Proposed Key Holder Transfer, the Company must deliver a Secondary Notice to the selling Key Holder and to each Investor to that effect no later than fifteen (15) days after the selling Key Holder delivers the Proposed Transfer Notice to the Company. To exercise its Secondary Refusal Right, an Investor must deliver an Investor Notice to the selling Key Holder and the Company within ten (10) days after the Company's deadline for its delivery of the Secondary Notice as provided in the preceding sentence. (d) Undersubscription of Transfer Stock. If options to purchase have been exercised by the Company and the Investors with respect to some but not all of the Transfer Stock by the end of the ten (10) day period specified in the last sentence of Subsection 2.1(c) (the "Investor Notice Period"), then the Company shall, promptly after the expiration of the Investor Notice Period, send written notice (the "Company Undersubscription Notice") to those Investors who fully exercised their Secondary Refusal Right within the Investor Notice Period (the "Exercising Investors"). Each Exercising Investor shall, subject to the provisions of this Subsection 2.1(d), have an additional option to purchase all or any part of the balance of any such remaining unsubscribed shares of Transfer Stock on the terms and conditions set forth in the Proposed Transfer Notice. To exercise such option, an Exercising Investor must deliver an Undersubscription Notice to the selling Key Holder and the Company within ten (10) days after the expiration of the Investor Notice Period. In the event there are two (2) or more such Exercising Investors that choose to exercise the last-mentioned option for a total number of remaining shares in excess of the number available, the remaining shares available for purchase under this Subsection 2.1(d) shall be allocated to such Exercising Investors pro rata based on the number of shares of Transfer Stock such Exercising Investors have elected to purchase pursuant to the Secondary Refusal Right (without giving effect to any shares of Transfer Stock that any such Exercising Investor has elected to purchase pursuant to the Company Undersubscription Notice). If the options to purchase the remaining shares are exercised in full by the Exercising Investors, the Company shall immediately notify all of the Exercising Investors and the selling Key Holder of that fact. (e) Consideration; Closing. If the consideration proposed to be paid for the Transfer Stock is in property, services or other non-cash consideration, the fair market value of the consideration shall be as determined in good faith by the Company's Board of Directors and as set forth in the Company Notice. If the Company or any Investor cannot for any reason pay for the Transfer Stock in the same form of non-cash consideration, the Company or such Investor may pay the cash value

	equivalent thereof, as determined in good faith by the Board of Directors and as set forth in the Company Notice. The closing of the purchase of Transfer Stock by the Company and the Investors shall take place, and all payments from the Company and the Investors shall have been delivered to the selling Key Holder, by the later of (i) the date specified in the Proposed Transfer Notice as the intended date of the Proposed Key Holder Transfer and (ii) sixty (60) days after delivery of the Proposed Transfer Notice
How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF	The Company may decide to issue more stock which may dilute the Security.
Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	6.31%

Type	Series Seed-4 Preferred Stock
Amount Outstanding	249,175
Par Value Per Share	$0.0001
Voting Rights	1 vote per share
Anti-Dilution Rights	None
Other Rights	Drag-Along Right. 3.1. Definitions. A "Sale of the Company" shall mean either: (a) a transaction or series of related transactions in which a Person, or a group of related Persons, acquires from stockholders of the Company shares representing at least fifty percent (50%) of the outstanding voting power of the Company (a "Stock Sale"); or (b) a transaction that qualifies as a "Deemed Liquidation Event" as defined in the Restated Certificate. 3.2. Actions to be Taken. In the event that (i) the holders of a majority of the shares of outstanding Common Stock (other than those issued or issuable upon conversion of the shares of Preferred Stock), voting exclusively as a single, separate class, (ii) the holders of at least a majority of the shares of Common Stock then issued or issuable upon conversion of the shares of Preferred Stock voting exclusively as a single, separate class (the stockholders described in the foregoing clauses (i) and (ii) being referred to collectively as the "Selling Investors") and (iii) the Board of Directors (collectively, the "Electing Holders"), approve a Sale of the Company in writing, specifying that this Section 3 shall apply to such transaction, then each Stockholder and the Company hereby agree: (a) if such transaction requires stockholder approval, with respect to all Shares that such Stockholder owns or

	over which such Stockholder otherwise exercises voting power, to vote (in person, by proxy or by action by written consent, as applicable) all Shares in favor of, and adopt, such Sale of the Company (together with any related amendment to the Restated Certificate required in order to implement such Sale of the Company) and to vote in opposition to any and all other proposals that could reasonably be expected to delay or impair the ability of the Company to consummate such Sale of the Company; (b) if such transaction is a Stock Sale, to sell the same proportion of shares of capital stock of the Company beneficially held by such Stockholder as is being sold by the Selling Investors to the Person to whom the Selling Investors propose to sell their Shares, and, except as permitted in Subsection 3.3 below, on the same terms and conditions as the Selling Investors; (c) to execute and deliver all related documentation and take such other action in support of the Sale of the Company as shall reasonably be requested by the Company or the Selling Investors in order to carry out the terms and provision of this Section 3, including without limitation executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, share certificates duly endorsed for transfer (free and clear of impermissible liens, claims and encumbrances) and any similar or related documents; (d) not to deposit, and to cause their Affiliates not to deposit, except as provided in this Agreement, any Shares of the Company owned by such party or Affiliate in a voting trust or subject any Shares to any arrangement or agreement with respect to the voting of such Shares, unless specifically requested to do so by the acquiror in connection with the Sale of the Company; (e) to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Sale of the Company; (f) if the consideration to be paid in exchange for the Shares pursuant to this Section 3 includes any securities and due receipt thereof by any Stockholder would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Stockholder of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company

	may cause to be paid to any such Stockholder in lieu thereof, against surrender of the Shares which would have otherwise been sold by such Stockholder, an amount in cash equal to the fair value (as determined in good faith by the Board) of the securities which such Stockholder would otherwise receive as of the date of the issuance of such securities in exchange for the Shares; and (g) in the event that the Selling Investors, in connection with such Sale of the Company, appoint a stockholder representative (the "Stockholder Representative") with respect to matters affecting the Stockholders under the applicable definitive transaction agreements following consummation of such Sale of the Company, (x) to consent to (i) the appointment of such Stockholder Representative, (ii) the establishment of any applicable escrow, expense or similar fund in connection with any indemnification or similar obligations, and (iii) the payment of such Stockholder's pro rata portion (from the applicable escrow or expense fund or otherwise) of any and all reasonable fees and expenses to such Stockholder Representative in connection with such Stockholder Representative's services and duties in connection with such Sale of the Company and its related service as the representative of the Stockholders, and (y) not to assert any claim or commence any suit against the Stockholder Representative or any other Stockholder with respect to any action or inaction taken or failed to be taken by the Stockholder Representative in connection with its service as the Stockholder Representative, absent fraud or willful misconduct;. Right of First Refusal. (a) Grant. Subject to the terms of Section 3 below and any rights of Science set forth in that certain Letter Agreement re Stockholder Rights dated as of April 9, 2019 (the "Science Side Letter"), each Key Holder hereby unconditionally and irrevocably grants to the Company a Right of First Refusal to purchase all or any portion of Transfer Stock that such Key Holder may propose to transfer in a Proposed Key Holder Transfer, at the same price and on the same terms and conditions as those offered to the Prospective Transferee. (b) Notice. Each Key Holder proposing to make a Proposed Key Holder Transfer must deliver a Proposed Transfer Notice to the Company and each Investor not later than forty-five (45) days prior to the consummation of such Proposed Key Holder Transfer. Such Proposed Transfer Notice shall contain the material terms and conditions (including price and form of consideration) of the Proposed Key Holder Transfer, the identity of the Prospective Transferee and the intended date of the Proposed Key Holder Transfer. To exercise its Right of

	First Refusal under this Section 2, the Company must deliver a Company Notice to the selling Key Holder within fifteen (15) days after delivery of the Proposed Transfer Notice. In the event of a conflict between this Agreement and either (i) the Bylaws of the Company or (ii) any other agreement that may have been entered into by a Key Holder with the Company that, in each case, contains a preexisting right of first refusal, the Company and the Key Holder acknowledge and agree that the terms of this Agreement shall control and the preexisting right of first refusal shall be deemed satisfied by compliance with Subsection 2.1(a) and this Subsection 2.1(b). Notwithstanding anything in this Agreement to the contrary, in no event may the Company assign its rights set forth in this Subsection 2.1(a) and (b) without first complying with Subsection 2.1(c) and (d). (c) Grant of Secondary Refusal Right to Investors. Subject to the terms of Section 3 below, each Key Holder hereby unconditionally and irrevocably grants to the Investors a Secondary Refusal Right to purchase all or any portion of the Transfer Stock not purchased by the Company pursuant to the Right of First Refusal, as provided in this Subsection 2.1(c). If the Company does not intend to exercise its Right of First Refusal with respect to all Transfer Stock subject to a Proposed Key Holder Transfer, the Company must deliver a Secondary Notice to the selling Key Holder and to each Investor to that effect no later than fifteen (15) days after the selling Key Holder delivers the Proposed Transfer Notice to the Company. To exercise its Secondary Refusal Right, an Investor must deliver an Investor Notice to the selling Key Holder and the Company within ten (10) days after the Company's deadline for its delivery of the Secondary Notice as provided in the preceding sentence. (d) Undersubscription of Transfer Stock. If options to purchase have been exercised by the Company and the Investors with respect to some but not all of the Transfer Stock by the end of the ten (10) day period specified in the last sentence of Subsection 2.1(c) (the "Investor Notice Period"), then the Company shall, promptly after the expiration of the Investor Notice Period, send written notice (the "Company Undersubscription Notice") to those Investors who fully exercised their Secondary Refusal Right within the Investor Notice Period (the "Exercising Investors"). Each Exercising Investor shall, subject to the provisions of this Subsection 2.1(d), have an additional option to purchase all or any part of the balance of any such remaining unsubscribed shares of Transfer Stock on the terms and conditions set forth in the Proposed Transfer Notice. To exercise such option, an Exercising Investor must deliver an Undersubscription Notice to the selling Key Holder and the Company within ten (10) days after the expiration of the Investor Notice Period. In the event there are two (2)

	or more such Exercising Investors that choose to exercise the last-mentioned option for a total number of remaining shares in excess of the number available, the remaining shares available for purchase under this Subsection 2.1(d) shall be allocated to such Exercising Investors pro rata based on the number of shares of Transfer Stock such Exercising Investors have elected to purchase pursuant to the Secondary Refusal Right (without giving effect to any shares of Transfer Stock that any such Exercising Investor has elected to purchase pursuant to the Company Undersubscription Notice). If the options to purchase the remaining shares are exercised in full by the Exercising Investors, the Company shall immediately notify all of the Exercising Investors and the selling Key Holder of that fact. (e) Consideration; Closing. If the consideration proposed to be paid for the Transfer Stock is in property, services or other non-cash consideration, the fair market value of the consideration shall be as determined in good faith by the Company's Board of Directors and as set forth in the Company Notice. If the Company or any Investor cannot for any reason pay for the Transfer Stock in the same form of non-cash consideration, the Company or such Investor may pay the cash value equivalent thereof, as determined in good faith by the Board of Directors and as set forth in the Company Notice. The closing of the purchase of Transfer Stock by the Company and the Investors shall take place, and all payments from the Company and the Investors shall have been delivered to the selling Key Holder, by the later of (i) the date specified in the Proposed Transfer Notice as the intended date of the Proposed Key Holder Transfer and (ii) sixty (60) days after delivery of the Proposed Transfer Notice
How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF	The Company may decide to issue more stock which may dilute the Security.
Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	1.5%

Type	Series Seed-5 Preferred Stock
Amount Outstanding	12,517
Par Value Per Share	$0.0001
Voting Rights	1 vote per share
Anti-Dilution Rights	None
Other Rights	Drag-Along Right. 3.1. Definitions. A "Sale of the Company" shall mean either: (a) a transaction or series of related transactions in which a Person, or a group of related Persons, acquires from stockholders of the Company shares

	representing at least fifty percent (50%) of the outstanding voting power of the Company (a "Stock Sale"); or (b) a transaction that qualifies as a "Deemed Liquidation Event" as defined in the Restated Certificate. 3.2. Actions to be Taken. In the event that (i) the holders of a majority of the shares of outstanding Common Stock (other than those issued or issuable upon conversion of the shares of Preferred Stock), voting exclusively as a single, separate class, (ii) the holders of at least a majority of the shares of Common Stock then issued or issuable upon conversion of the shares of Preferred Stock voting exclusively as a single, separate class (the stockholders described in the foregoing clauses (i) and (ii) being referred to collectively as the "Selling Investors") and (iii) the Board of Directors (collectively, the "Electing Holders"), approve a Sale of the Company in writing, specifying that this Section 3 shall apply to such transaction, then each Stockholder and the Company hereby agree: (a) if such transaction requires stockholder approval, with respect to all Shares that such Stockholder owns or over which such Stockholder otherwise exercises voting power, to vote (in person, by proxy or by action by written consent, as applicable) all Shares in favor of, and adopt, such Sale of the Company (together with any related amendment to the Restated Certificate required in order to implement such Sale of the Company) and to vote in opposition to any and all other proposals that could reasonably be expected to delay or impair the ability of the Company to consummate such Sale of the Company; (b) if such transaction is a Stock Sale, to sell the same proportion of shares of capital stock of the Company beneficially held by such Stockholder as is being sold by the Selling Investors to the Person to whom the Selling Investors propose to sell their Shares, and, except as permitted in Subsection 3.3 below, on the same terms and conditions as the Selling Investors; (c) to execute and deliver all related documentation and take such other action in support of the Sale of the Company as shall reasonably be requested by the Company or the Selling Investors in order to carry out the terms and provision of this Section 3, including without limitation executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, share certificates duly endorsed for transfer (free and clear of impermissible liens, claims and encumbrances) and any similar or related documents;

	(d) not to deposit, and to cause their Affiliates not to deposit, except as provided in this Agreement, any Shares of the Company owned by such party or Affiliate in a voting trust or subject any Shares to any arrangement or agreement with respect to the voting of such Shares, unless specifically requested to do so by the acquiror in connection with the Sale of the Company; (e) to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Sale of the Company; (f) if the consideration to be paid in exchange for the Shares pursuant to this Section 3 includes any securities and due receipt thereof by any Stockholder would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Stockholder of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Stockholder in lieu thereof, against surrender of the Shares which would have otherwise been sold by such Stockholder, an amount in cash equal to the fair value (as determined in good faith by the Board) of the securities which such Stockholder would otherwise receive as of the date of the issuance of such securities in exchange for the Shares; and (g) in the event that the Selling Investors, in connection with such Sale of the Company, appoint a stockholder representative (the "Stockholder Representative") with respect to matters affecting the Stockholders under the applicable definitive transaction agreements following consummation of such Sale of the Company, (x) to consent to (i) the appointment of such Stockholder Representative, (ii) the establishment of any applicable escrow, expense or similar fund in connection with any indemnification or similar obligations, and (iii) the payment of such Stockholder's pro rata portion (from the applicable escrow or expense fund or otherwise) of any and all reasonable fees and expenses to such Stockholder Representative in connection with such Stockholder Representative's services and duties in connection with such Sale of the Company and its related service as the representative of the Stockholders, and (y) not to assert any claim or commence any suit against the Stockholder Representative or any other Stockholder with respect to any action or inaction taken or failed to be taken by the Stockholder Representative in connection with its service as the Stockholder Representative, absent fraud or willful misconduct;.

	Right of First Refusal. (a) Grant. Subject to the terms of Section 3 below and any rights of Science set forth in that certain Letter Agreement re Stockholder Rights dated as of April 9, 2019 (the "Science Side Letter"), each Key Holder hereby unconditionally and irrevocably grants to the Company a Right of First Refusal to purchase all or any portion of Transfer Stock that such Key Holder may propose to transfer in a Proposed Key Holder Transfer, at the same price and on the same terms and conditions as those offered to the Prospective Transferee. (b) Notice. Each Key Holder proposing to make a Proposed Key Holder Transfer must deliver a Proposed Transfer Notice to the Company and each Investor not later than forty-five (45) days prior to the consummation of such Proposed Key Holder Transfer. Such Proposed Transfer Notice shall contain the material terms and conditions (including price and form of consideration) of the Proposed Key Holder Transfer, the identity of the Prospective Transferee and the intended date of the Proposed Key Holder Transfer. To exercise its Right of First Refusal under this Section 2, the Company must deliver a Company Notice to the selling Key Holder within fifteen (15) days after delivery of the Proposed Transfer Notice. In the event of a conflict between this Agreement and either (i) the Bylaws of the Company or (ii) any other agreement that may have been entered into by a Key Holder with the Company that, in each case, contains a preexisting right of first refusal, the Company and the Key Holder acknowledge and agree that the terms of this Agreement shall control and the preexisting right of first refusal shall be deemed satisfied by compliance with Subsection 2.1(a) and this Subsection 2.1(b). Notwithstanding anything in this Agreement to the contrary, in no event may the Company assign its rights set forth in this Subsection 2.1(a) and (b) without first complying with Subsection 2.1(c) and (d). (c) Grant of Secondary Refusal Right to Investors. Subject to the terms of Section 3 below, each Key Holder hereby unconditionally and irrevocably grants to the Investors a Secondary Refusal Right to purchase all or any portion of the Transfer Stock not purchased by the Company pursuant to the Right of First Refusal, as provided in this Subsection 2.1(c). If the Company does not intend to exercise its Right of First Refusal with respect to all Transfer Stock subject to a Proposed Key Holder Transfer, the Company must deliver a Secondary Notice to the selling Key Holder and to each Investor to that effect no later than fifteen (15) days after the selling Key Holder delivers the Proposed Transfer Notice to the Company. To exercise its Secondary Refusal Right, an Investor must deliver an Investor Notice to the selling Key Holder and the Company within ten (10) days after

	the Company's deadline for its delivery of the Secondary Notice as provided in the preceding sentence. (d) Undersubscription of Transfer Stock. If options to purchase have been exercised by the Company and the Investors with respect to some but not all of the Transfer Stock by the end of the ten (10) day period specified in the last sentence of Subsection 2.1(c) (the "Investor Notice Period"), then the Company shall, promptly after the expiration of the Investor Notice Period, send written notice (the "Company Undersubscription Notice") to those Investors who fully exercised their Secondary Refusal Right within the Investor Notice Period (the "Exercising Investors"). Each Exercising Investor shall, subject to the provisions of this Subsection 2.1(d), have an additional option to purchase all or any part of the balance of any such remaining unsubscribed shares of Transfer Stock on the terms and conditions set forth in the Proposed Transfer Notice. To exercise such option, an Exercising Investor must deliver an Undersubscription Notice to the selling Key Holder and the Company within ten (10) days after the expiration of the Investor Notice Period. In the event there are two (2) or more such Exercising Investors that choose to exercise the last-mentioned option for a total number of remaining shares in excess of the number available, the remaining shares available for purchase under this Subsection 2.1(d) shall be allocated to such Exercising Investors pro rata based on the number of shares of Transfer Stock such Exercising Investors have elected to purchase pursuant to the Secondary Refusal Right (without giving effect to any shares of Transfer Stock that any such Exercising Investor has elected to purchase pursuant to the Company Undersubscription Notice). If the options to purchase the remaining shares are exercised in full by the Exercising Investors, the Company shall immediately notify all of the Exercising Investors and the selling Key Holder of that fact. (e) Consideration; Closing. If the consideration proposed to be paid for the Transfer Stock is in property, services or other non-cash consideration, the fair market value of the consideration shall be as determined in good faith by the Company's Board of Directors and as set forth in the Company Notice. If the Company or any Investor cannot for any reason pay for the Transfer Stock in the same form of non-cash consideration, the Company or such Investor may pay the cash value equivalent thereof, as determined in good faith by the Board of Directors and as set forth in the Company Notice. The closing of the purchase of Transfer Stock by the Company and the Investors shall take place, and all payments from the Company and the Investors shall have been delivered to the selling Key Holder, by the later of (i) the date specified in the Proposed Transfer Notice as the intended date of the Proposed Key Holder

	Transfer and (ii) sixty (60) days after delivery of the Proposed Transfer Notice
How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF	The Company may decide to issue more stock which may dilute the Security.
Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	0.08%

Type	Series Seed-6 Preferred Stock
Amount Outstanding	1,942,532
Par Value Per Share	$0.0001
Voting Rights	1 vote per share
Anti-Dilution Rights	None
Other Rights	Drag-Along Right. 3.1. Definitions. A "Sale of the Company" shall mean either: (a) a transaction or series of related transactions in which a Person, or a group of related Persons, acquires from stockholders of the Company shares representing at least fifty percent (50%) of the outstanding voting power of the Company (a "Stock Sale"); or (b) a transaction that qualifies as a "Deemed Liquidation Event" as defined in the Restated Certificate. 3.2. Actions to be Taken. In the event that (i) the holders of a majority of the shares of outstanding Common Stock (other than those issued or issuable upon conversion of the shares of Preferred Stock), voting exclusively as a single, separate class, (ii) the holders of at least a majority of the shares of Common Stock then issued or issuable upon conversion of the shares of Preferred Stock voting exclusively as a single, separate class (the stockholders described in the foregoing clauses (i) and (ii) being referred to collectively as the "Selling Investors") and (iii) the Board of Directors (collectively, the "Electing Holders"), approve a Sale of the Company in writing, specifying that this Section 3 shall apply to such transaction, then each Stockholder and the Company hereby agree: (a) if such transaction requires stockholder approval, with respect to all Shares that such Stockholder owns or over which such Stockholder otherwise exercises voting power, to vote (in person, by proxy or by action by written consent, as applicable) all Shares in favor of, and adopt, such Sale of the Company (together with any related amendment to the Restated Certificate required in order to implement such Sale of the Company) and to vote in opposition to any and all other proposals that could reasonably be expected to delay or impair the

	ability of the Company to consummate such Sale of the Company; (b) if such transaction is a Stock Sale, to sell the same proportion of shares of capital stock of the Company beneficially held by such Stockholder as is being sold by the Selling Investors to the Person to whom the Selling Investors propose to sell their Shares, and, except as permitted in Subsection 3.3 below, on the same terms and conditions as the Selling Investors; (c) to execute and deliver all related documentation and take such other action in support of the Sale of the Company as shall reasonably be requested by the Company or the Selling Investors in order to carry out the terms and provision of this Section 3, including without limitation executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, share certificates duly endorsed for transfer (free and clear of impermissible liens, claims and encumbrances) and any similar or related documents; (d) not to deposit, and to cause their Affiliates not to deposit, except as provided in this Agreement, any Shares of the Company owned by such party or Affiliate in a voting trust or subject any Shares to any arrangement or agreement with respect to the voting of such Shares, unless specifically requested to do so by the acquiror in connection with the Sale of the Company; (e) to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Sale of the Company; (f) if the consideration to be paid in exchange for the Shares pursuant to this Section 3 includes any securities and due receipt thereof by any Stockholder would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Stockholder of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Stockholder in lieu thereof, against surrender of the Shares which would have otherwise been sold by such Stockholder, an amount in cash equal to the fair value (as determined in good faith by the Board) of the securities which such Stockholder would otherwise receive as of the date of the issuance of such securities in exchange for the Shares; and

	(g) in the event that the Selling Investors, in connection with such Sale of the Company, appoint a stockholder representative (the "Stockholder Representative") with respect to matters affecting the Stockholders under the applicable definitive transaction agreements following consummation of such Sale of the Company, (x) to consent to (i) the appointment of such Stockholder Representative, (ii) the establishment of any applicable escrow, expense or similar fund in connection with any indemnification or similar obligations, and (iii) the payment of such Stockholder's pro rata portion (from the applicable escrow or expense fund or otherwise) of any and all reasonable fees and expenses to such Stockholder Representative in connection with such Stockholder Representative's services and duties in connection with such Sale of the Company and its related service as the representative of the Stockholders, and (y) not to assert any claim or commence any suit against the Stockholder Representative or any other Stockholder with respect to any action or inaction taken or failed to be taken by the Stockholder Representative in connection with its service as the Stockholder Representative, absent fraud or willful misconduct;. Right of First Refusal. (a) Grant. Subject to the terms of Section 3 below and any rights of Science set forth in that certain Letter Agreement re Stockholder Rights dated as of April 9, 2019 (the "Science Side Letter"), each Key Holder hereby unconditionally and irrevocably grants to the Company a Right of First Refusal to purchase all or any portion of Transfer Stock that such Key Holder may propose to transfer in a Proposed Key Holder Transfer, at the same price and on the same terms and conditions as those offered to the Prospective Transferee. (b) Notice. Each Key Holder proposing to make a Proposed Key Holder Transfer must deliver a Proposed Transfer Notice to the Company and each Investor not later than forty-five (45) days prior to the consummation of such Proposed Key Holder Transfer. Such Proposed Transfer Notice shall contain the material terms and conditions (including price and form of consideration) of the Proposed Key Holder Transfer, the identity of the Prospective Transferee and the intended date of the Proposed Key Holder Transfer. To exercise its Right of First Refusal under this Section 2, the Company must deliver a Company Notice to the selling Key Holder within fifteen (15) days after delivery of the Proposed Transfer Notice. In the event of a conflict between this Agreement and either (i) the Bylaws of the Company or (ii) any other agreement that may have been entered into by a Key Holder with the Company that, in each case, contains a preexisting right of first refusal, the Company and the Key Holder acknowledge and agree that the

	terms of this Agreement shall control and the preexisting right of first refusal shall be deemed satisfied by compliance with Subsection 2.1(a) and this Subsection 2.1(b). Notwithstanding anything in this Agreement to the contrary, in no event may the Company assign its rights set forth in this Subsection 2.1(a) and (b) without first complying with Subsection 2.1(c) and (d). (c) Grant of Secondary Refusal Right to Investors. Subject to the terms of Section 3 below, each Key Holder hereby unconditionally and irrevocably grants to the Investors a Secondary Refusal Right to purchase all or any portion of the Transfer Stock not purchased by the Company pursuant to the Right of First Refusal, as provided in this Subsection 2.1(c). If the Company does not intend to exercise its Right of First Refusal with respect to all Transfer Stock subject to a Proposed Key Holder Transfer, the Company must deliver a Secondary Notice to the selling Key Holder and to each Investor to that effect no later than fifteen (15) days after the selling Key Holder delivers the Proposed Transfer Notice to the Company. To exercise its Secondary Refusal Right, an Investor must deliver an Investor Notice to the selling Key Holder and the Company within ten (10) days after the Company's deadline for its delivery of the Secondary Notice as provided in the preceding sentence. (d) Undersubscription of Transfer Stock. If options to purchase have been exercised by the Company and the Investors with respect to some but not all of the Transfer Stock by the end of the ten (10) day period specified in the last sentence of Subsection 2.1(c) (the "Investor Notice Period"), then the Company shall, promptly after the expiration of the Investor Notice Period, send written notice (the "Company Undersubscription Notice") to those Investors who fully exercised their Secondary Refusal Right within the Investor Notice Period (the "Exercising Investors"). Each Exercising Investor shall, subject to the provisions of this Subsection 2.1(d), have an additional option to purchase all or any part of the balance of any such remaining unsubscribed shares of Transfer Stock on the terms and conditions set forth in the Proposed Transfer Notice. To exercise such option, an Exercising Investor must deliver an Undersubscription Notice to the selling Key Holder and the Company within ten (10) days after the expiration of the Investor Notice Period. In the event there are two (2) or more such Exercising Investors that choose to exercise the last-mentioned option for a total number of remaining shares in excess of the number available, the remaining shares available for purchase under this Subsection 2.1(d) shall be allocated to such Exercising Investors pro rata based on the number of shares of Transfer Stock such Exercising Investors have elected to purchase pursuant to the Secondary Refusal Right (without giving effect to any shares of Transfer Stock

	that any such Exercising Investor has elected to purchase pursuant to the Company Undersubscription Notice). If the options to purchase the remaining shares are exercised in full by the Exercising Investors, the Company shall immediately notify all of the Exercising Investors and the selling Key Holder of that fact. (e) Consideration; Closing. If the consideration proposed to be paid for the Transfer Stock is in property, services or other non-cash consideration, the fair market value of the consideration shall be as determined in good faith by the Company's Board of Directors and as set forth in the Company Notice. If the Company or any Investor cannot for any reason pay for the Transfer Stock in the same form of non-cash consideration, the Company or such Investor may pay the cash value equivalent thereof, as determined in good faith by the Board of Directors and as set forth in the Company Notice. The closing of the purchase of Transfer Stock by the Company and the Investors shall take place, and all payments from the Company and the Investors shall have been delivered to the selling Key Holder, by the later of (i) the date specified in the Proposed Transfer Notice as the intended date of the Proposed Key Holder Transfer and (ii) sixty (60) days after delivery of the Proposed Transfer Notice
How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF	The Company may decide to issue more stock which may dilute the Security.
Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	11.66%

Type	Series Seed-7 Preferred Stock
Amount Outstanding	462,665
Par Value Per Share	$0.0001
Voting Rights	1 vote per share
Anti-Dilution Rights	None
Other Rights	Drag-Along Right. 3.1. Definitions. A "Sale of the Company" shall mean either: (a) a transaction or series of related transactions in which a Person, or a group of related Persons, acquires from stockholders of the Company shares representing at least fifty percent (50%) of the outstanding voting power of the Company (a "Stock Sale"); or (b) a transaction that qualifies as a "Deemed Liquidation Event" as defined in the Restated Certificate. 5 3.2. Actions to be Taken. In the event that (i) the holders of a majority of the shares of outstanding Common Stock (other than those issued or issuable upon conversion of the shares of Preferred Stock), voting exclusively as a single, separate class, (ii) the holders of at least a majority of the shares of Common Stock then

	issued or issuable upon conversion of the shares of Preferred Stock voting exclusively as a single, separate class (the stockholders described in the foregoing clauses (i) and (ii) being referred to collectively as the "Selling Investors") and (iii) the Board of Directors (collectively, the "Electing Holders"), approve a Sale of the Company in writing, specifying that this Section 3 shall apply to such transaction, then each Stockholder and the Company hereby agree: (a) if such transaction requires stockholder approval, with respect to all Shares that such Stockholder owns or over which such Stockholder otherwise exercises voting power, to vote (in person, by proxy or by action by written consent, as applicable) all Shares in favor of, and adopt, such Sale of the Company (together with any related amendment to the Restated Certificate required in order to implement such Sale of the Company) and to vote in opposition to any and all other proposals that could reasonably be expected to delay or impair the ability of the Company to consummate such Sale of the Company; (b) if such transaction is a Stock Sale, to sell the same proportion of shares of capital stock of the Company beneficially held by such Stockholder as is being sold by the Selling Investors to the Person to whom the Selling Investors propose to sell their Shares, and, except as permitted in Subsection 3.3 below, on the same terms and conditions as the Selling Investors; (c) to execute and deliver all related documentation and take such other action in support of the Sale of the Company as shall reasonably be requested by the Company or the Selling Investors in order to carry out the terms and provision of this Section 3, including without limitation executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, share certificates duly endorsed for transfer (free and clear of impermissible liens, claims and encumbrances) and any similar or related documents; (d) not to deposit, and to cause their Affiliates not to deposit, except as provided in this Agreement, any Shares of the Company owned by such party or Affiliate in a voting trust or subject any Shares to any arrangement or agreement with respect to the voting of such Shares, unless specifically requested to do so by the acquiror in connection with the Sale of the Company; (e) to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Sale of the Company; (f) if the consideration to be paid in exchange for the Shares pursuant to this Section 3 includes any securities and due receipt thereof by any Stockholder would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Stockholder of any information other than such information as a prudent

	issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such 6 Stockholder in lieu thereof, against surrender of the Shares which would have otherwise been sold by such Stockholder, an amount in cash equal to the fair value (as determined in good faith by the Board) of the securities which such Stockholder would otherwise receive as of the date of the issuance of such securities in exchange for the Shares; and (g) in the event that the Selling Investors, in connection with such Sale of the Company, appoint a stockholder representative (the "Stockholder Representative") with respect to matters affecting the Stockholders under the applicable definitive transaction agreements following consummation of such Sale of the Company, (x) to consent to (i) the appointment of such Stockholder Representative, (ii) the establishment of any applicable escrow, expense or similar fund in connection with any indemnification or similar obligations, and (iii) the payment of such Stockholder's pro rata portion (from the applicable escrow or expense fund or otherwise) of any and all reasonable fees and expenses to such Stockholder Representative in connection with such Stockholder Representative's services and duties in connection with such Sale of the Company and its related service as the representative of the Stockholders, and (y) not to assert any claim or commence any suit against the Stockholder Representative or any other Stockholder with respect to any action or inaction taken or failed to be taken by the Stockholder Representative in connection with its service as the Stockholder Representative, absent fraud or willful misconduct;
How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF	The Company may decide to issue more stock which may dilute the Security.
Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	2.78%

Outstanding Options, Safes, Convertible Notes, Warrants

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

Type	2019 Stock Incentive Plan
Amount Authorized / Amount Outstanding	2,725,896 / 1,972,862

Voting Rights	None
Anti-Dilution Rights	None
Material Terms	**Exercise of Options.** 8.1 General. Each Option shall be exercisable either in full or in installments at such time or times and during such period as shall be set forth in the Option Agreement 5 evidencing such Option, subject to the provisions of the Plan. To the extent not exercised, installments shall accumulate and be exercisable, in whole or in part, at any time after becoming exercisable, but not later than the date the Option expires. 8.2 Notice of Exercise. An Option may be exercised by the optionee by delivering to the Company on any business day a written notice specifying the number of shares of Common Stock the optionee then desires to purchase and specifying the address to which the certificates for such shares are to be mailed (the "Notice"), accompanied by payment for such shares. In addition, the Company may require any individual to whom an Option is granted, as a condition of exercising such Option, to give written assurances (the "Investment Letter") in a substance and form satisfactory to the Company to the effect that such individual is acquiring the Common Stock subject to the Option for his or her own account for investment and not with a view to the resale or distribution thereof, and to such other effects as the Company deems necessary or advisable in order to comply with any securities law(s). In addition, the Company may require any individual to whom an Option is granted, as a condition of exercising such Option, to become a party to a stockholders' agreement or similar agreement, as may be amended from time to time, between the Company and its stockholders. 8.3 Delivery. As promptly as practicable after receipt of the Notice, the Investment Letter (if required) and payment, the Company shall deliver or cause to be delivered to the optionee certificates for the number of shares with respect to which such Option has been so exercised, issued in the optionee's name; provided, however, that such delivery shall be deemed effected for all purposes when the Company or a stock transfer agent shall have deposited such certificates in the United States mail, addressed to the optionee, at the address specified in the Notice.

How this security may limit, dilute or qualify the Security	The Company may decide to issue more stock which may dilute the Security.
Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	16.36%

Type	Convertible Promissory Notes
Face Value	$1,290,651
Voting Rights	None
Material Terms	Valuation Cap: $13,500,000 Discount: 20%
Anti-Dilution Rights	None
Maturity Date	February 1, 2023
How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF	The Company may decide to issue more stock which may dilute the Security.
Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).	8.37%

c. Outstanding Debt

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

Type	Accounts Payable – Receivable Financing
Creditor	Miscellaneous - Settle Inc.
Amount Outstanding	$600,000
Date Entered Into	December 19, 2020

d. 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)**
Arthur Menard de Calenge	3,558,308 shares of Common Stock	28.3724%
Science Ventures Fund II, L.P.	2,828,694 shares of Common Stock	22.548%

VII. FINANCIAL INFORMATION

a. Cash and Cash Equivalents

As of June 30, 2022, the Company had an aggregate of $632,269.59 on hand in cash and cash equivalents, leaving the Company with approximately 48 months of runway, assuming drawing down on $500,000 credit line and no material adverse effect on sales and existing profitability.

Each prospective Investor is urged to review the Company's financial statements, attached hereto as **Exhibit B**, prior to making a subscription in this Offering.

b. 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 Company currently does not have any additional outside sources of capital other than the proceeds from the Offering and the Company's earnings.

c. Capital Expenditures and Other Obligations

The Company does not intend to make any material capital expenditures in the near future.

d. Valuation

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

e. Material Changes and Other Information

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.

VIII. 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	Use of Proceeds	Issue Date	Exemption from Registration Used or Public Offering
Convertible Promissory Notes	$1,290,651	9	General Corporate	September 2020-April 2021	Section 4(a)(2)
Series Seed-3 Preferred Stock Financing	$509,999.69	1,051,394	General Corporate	March 2020	Section 4(a)(2)

Convertible Promissory Notes	$72,6527.41	3	General Corporate	April 2019 - December 2019	Section 4(a)(2)
SAFEs	$202,808.27	9	General Corporate	April 2019 – September 2019	Section 4(a)(2)
Common Stock	$50,481.25	7,064,874	General Corporate	April 3, 2019	Section 4(a)(2)

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

IX. 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. Additionally, the Company will disclose here any transaction since the beginning of the issuer's last fiscal year, or any currently proposed transaction, to which the issuer was or is to be a party and the amount involved exceeds five percent (5%) of the aggregate amount of capital raised by the issuer in reliance on section 4(a)(6), including the Target Offering Amount of this Offering, and the counter party is either (i) any director or officer of the issuer; (ii) any person who is, as of the most recent practicable date but no earlier than 120 days prior to the date the offering statement or report is filed, the beneficial owner of twenty percent (20%) or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power; (iii) if the issuer was incorporated or organized within the past three years, any promoter of the issuer; or (iv) any member of the family of any of the foregoing persons, which includes a child, stepchild, grandchild, parent, stepparent, grandparent, spouse or spousal equivalent, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, and shall include adoptive relationships. The term *spousal equivalent* means a cohabitant occupying a relationship generally equivalent to that of a spouse.

The Company has conducted the following transactions with related persons:

- In April 2019, the Company entered into a Restricted Stock Agreement with Arthur Menard de Calenge under which the Company sold, and Mr. Menard de Calenge purchased, 3,558,308 shares of common stock at a per share repurchase price of $0.0001, for an aggregate purchase price of $355.83.
- In April 2019, the Company entered into a Restricted Stock Agreement with Thomas Calichiama under which the Company sold, and Mr. Calichiama purchased, 1,256,757 shares of common stock at a per share repurchase price of $0.0001, for an aggregate purchase price of $125.67.

X. RISK FACTORS, INVESTMENT CONSIDERATIONS AND POTENTIAL CONFLICTS OF INTEREST

Investing in the Securities involves a high degree of risk and may result in the loss of your entire investment. Before making an investment decision with respect to the Securities, we urge you to carefully consider the risks described in this section. In addition to the risks specified below, the Company is subject to same risks that all companies in its business, and all companies in the economy, are exposed to. These include risks relating to economic downturns, political and economic events and technological developments (such as hacking and the ability to prevent hacking). Additionally, early-stage companies are inherently riskier than more developed companies. Prospective Investors should consult with their 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.

a. 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.

With shelter-in-place orders and non-essential business closings potentially happening throughout 2020, 2021, 2022 and into the future due to COVID-19, the Company's revenue has not been adversely affected. However, future global crises could have an impact.

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. There is no guarantee the Company will be able to raise such funds 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 does not generate any revenue 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 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 17,000,000 shares of common stock, of which 7,159,172 shares of common stock are issued and outstanding and 5,919,606 shares of preferred stock, of which 5,382,271 shares of preferred 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.

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 perform the agreed-upon 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 manufacture of major components or subsystems for our products, or from whom we acquire such items, do not provide components which meet required specifications and perform to our and our customers' expectations. Our suppliers may 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 component. Our products may utilize custom components available from only one source. Continued availability of those components 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 components instead of components customized to meet our requirements. The supply of components 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, 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 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 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 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 patent 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. The law relating to the scope and validity of claims in the technology field in which we operate is still evolving and, consequently, intellectual property positions in our industry are generally uncertain. 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 the board of directors, its executive officers and key employees.

We are dependent on our board of directors, executive officers and key employees. These persons may not devote their full time and attention to the matters of the Company. The loss of our board of directors, executive officers and key employees 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 acquiring key man insurance will not ameliorate all of the risk of relying on key personnel.

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 continue to 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. While the Company has obtained cyber insurance to protect against certain risks, 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. Such insurance may not cover all potential claims to which we might be exposed to or may not be adequate to indemnify us for all liabilities that we may incur. Any imposition of liability that is not covered by insurance or is in excess of insurance coverage would cause us to suffer losses. If any of our insurers fail, suddenly cancel coverage or are otherwise unable to provide us with adequate insurance coverage, our overall risk exposure and operational expenses would increase and the management of our business operations would be disrupted. In addition, there can be no assurance that any of our existing insurance coverage will be renewable upon the expiration of the coverage period or that future coverage will be affordable at the required limits. 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. While the Company has obtained cyber insurance to protect against certain risks, 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. Such insurance may not cover all potential claims to which we might be exposed to or may not be adequate to indemnify us for all liabilities that we may incur. Any imposition of liability that is not covered by insurance or is in excess of insurance coverage would cause us to suffer losses. If any of our insurers fail, suddenly cancel coverage or are otherwise unable to provide us with adequate insurance coverage, our overall risk exposure and operational expenses would increase and the management of our business operations would be disrupted. In addition, there can be no assurance that any of our existing insurance coverage will be renewable upon the expiration of the coverage period or that future coverage will be affordable at the required limits. 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.

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, such as local licensing requirements, and retail financing, debt collection, consumer protection, environmental, health and safety, creditor, wage-hour, anti-discrimination, whistleblower and other employment practices laws and regulations and we expect these costs to increase going forward. 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 have incurred and will continue to incur capital and operating expenditures and other costs to comply with these requirements and laws and regulations.

Our success depends on our ability to maintain the value and reputation of our brand.

Maintaining, promoting, and positioning our brand will depend largely on the success of our marketing and merchandising efforts and our ability to provide a consistent, high-quality product, and guest experience. We rely on social media, as one of our marketing strategies, to have a positive impact on both our brand value and reputation. Our brand and reputation could be adversely affected if we fail to achieve these objectives, if our public image was to be tarnished by negative publicity, which could be amplified by social media, if we fail to deliver innovative and high-quality products acceptable to our guests, or if we face or mishandle a product recall. Our reputation could also be impacted by adverse publicity, whether or not valid, regarding allegations that we, or persons associated with us or formerly associated with us, have violated applicable laws or regulations, including but not limited to those related to safety, employment, discrimination, harassment, whistle-blowing, privacy, corporate citizenship, improper business practices, or cybersecurity. Additionally, while we devote considerable effort and resources to protecting our intellectual property, if these efforts are not successful the value of our brand may be harmed. Any harm to our brand and reputation could have a material adverse effect on our financial condition.

Changes in consumer shopping preferences, and shifts in distribution channels could materially impact our results of operations.

We sell our products through a variety of channels. As strong e-commerce channels emerge and develop, we are evolving towards an omni-channel approach to support the shopping behavior of our guests. This involves country and region-specific websites, social media, product notification emails, and mobile apps. Our failure to successfully integrate our digital and physical channels and respond to these risks might adversely impact our business and results of operations, as well as damage our reputation and brands.

If any of our products are unacceptable to us or our guests, our business could be harmed.

We have occasionally received, and may in the future receive, shipments of products that fail to comply with our technical specifications or that fail to conform to our quality control standards. We have also received, and may in the future receive, products that are otherwise unacceptable to us or our guests. Under these circumstances, unless we are able to obtain replacement products in a timely manner, we risk the loss of net revenue resulting from the inability to sell those products and related increased administrative and shipping costs. Additionally, if the unacceptability of our products is not discovered until after such products are sold, our guests could lose confidence in our products or we could face a product recall and our results of operations could suffer and our business, reputation, and brand could be harmed.

We operate in a highly competitive market and the size and resources of some of our competitors may allow them to compete more effectively than we can, resulting in a loss of our market share and a decrease in our net revenue and profitability.

The market for technical athletic apparel is highly competitive. Competition may result in pricing pressures, reduced profit margins or lost market share, or a failure to grow or maintain our market share, any of which could substantially harm our business and results of operations. We compete directly against wholesalers and direct retailers of athletic apparel, including large, diversified apparel companies with substantial market share and established companies expanding their production and marketing of technical athletic apparel, as well as against retailers specifically focused on women's athletic apparel. We also face competition from wholesalers and direct retailers of traditional commodity athletic apparel, such as cotton T-shirts and sweatshirts. Many of our competitors are large apparel and sporting goods

companies with strong worldwide brand recognition. Because of the fragmented nature of the industry, we also compete with other apparel sellers, including those specializing in yoga apparel and other activewear. Many of our competitors have significant competitive advantages, including longer operating histories, larger and broader customer bases, more established relationships with a broader set of suppliers, greater brand recognition and greater financial, research and development, marketing, distribution, and other resources than we do.

Our competitors may be able to achieve and maintain brand awareness and market share more quickly and effectively than we can. In contrast to our grassroots community-based marketing approach, many of our competitors promote their brands through traditional forms of advertising, such as print media and television commercials, and through celebrity endorsements, and have substantial resources to devote to such efforts. Our competitors may also create and maintain brand awareness using traditional forms of advertising more quickly than we can. Our competitors may also be able to increase sales in their new and existing markets faster than we do by emphasizing different distribution channels than we do, such as catalog sales or an extensive franchise network.

Our sales and profitability may decline as a result of increasing product costs and decreasing selling prices.

Our business is subject to significant pressure on costs and pricing caused by many factors, including intense competition, constrained sourcing capacity and related inflationary pressure, pressure from consumers to reduce the prices we charge for our products, and changes in consumer demand. These factors may cause us to experience increased costs, reduce our prices to consumers or experience reduced sales in response to increased prices, any of which could cause our operating margin to decline if we are unable to offset these factors with reductions in operating costs and could have a material adverse effect on our financial condition, operating results, and cash flows.

If we are unable to anticipate consumer preferences and successfully develop and introduce new, innovative, and differentiated products, we may not be able to maintain or increase our sales and profitability.

Our success depends on our ability to identify and originate product trends as well as to anticipate and react to changing consumer demands in a timely manner. All of our products are subject to changing consumer preferences that cannot be predicted with certainty. If we are unable to introduce new products or novel technologies in a timely manner or our new products or technologies are not accepted by our guests, our competitors may introduce similar products in a more timely fashion, which could hurt our goal to be viewed as a leader in technical athletic apparel innovation. Our new products may not receive consumer acceptance as consumer preferences could shift rapidly to different types of athletic apparel or away from these types of products altogether, and our future success depends in part on our ability to anticipate and respond to these changes. Our failure to anticipate and respond in a timely manner to changing consumer preferences could lead to, among other things, lower sales and excess inventory levels. Even if we are successful in anticipating consumer preferences, our ability to adequately react to and address those preferences will in part depend upon our continued ability to develop and introduce innovative, high-quality products. Our failure to effectively introduce new products that are accepted by consumers could result in a decrease in net revenue and excess inventory levels, which could have a material adverse effect on our financial condition.

Our results of operations could be materially harmed if we are unable to accurately forecast guest demand for our products.

To ensure adequate inventory supply, we must forecast inventory needs and place orders with our manufacturers based on our estimates of future demand for particular products. Our ability to accurately forecast demand for our products could be affected by many factors, including an increase or decrease in guest demand for our products or for products of our competitors, our failure to accurately forecast guest acceptance of new products, product introductions by competitors, unanticipated changes in general market conditions (for example, because of unexpected effects on inventory supply and consumer demand caused by the current COVID-19 coronavirus pandemic), and weakening of economic conditions or consumer confidence in future economic conditions. If we fail to accurately forecast guest demand, we may experience excess inventory levels or a shortage of products available for delivery to guests.

Inventory levels in excess of guest demand may result in inventory write-downs or write-offs and the sale of excess inventory at discounted prices, which would cause our gross margin to suffer and could impair the strength and exclusivity of our brand. Conversely, if we underestimate guest demand for our products, our manufacturers may not be able to deliver products to meet our requirements, and this could result in damage to our reputation and guest relationships.

If we continue to grow at a rapid pace, we may not be able to effectively manage our growth and the increased complexity of our business and as a result our brand image and financial performance may suffer.

If our operations continue to grow at a rapid pace, we may experience difficulties in obtaining sufficient raw materials and manufacturing capacity to produce our products, as well as delays in production and shipments, as our products are subject to risks associated with overseas sourcing and manufacturing. We could be required to continue to expand our sales and marketing, product development and distribution functions, to upgrade our management information systems and other processes and technology, and to obtain more space for our expanding workforce. This expansion could increase the strain on our resources, and we could experience operating difficulties, including difficulties in hiring, training, and managing an increasing number of employees. These difficulties could result in the erosion of our brand image which could have a material adverse effect on our financial condition.

Our business is affected by seasonality.

Our business is affected by the general seasonal trends common to the retail apparel industry. This seasonality may adversely affect our business and cause our results of operations to fluctuate.

b. Risks Related to our Supply Chain

Our reliance on suppliers to provide fabrics for and to produce our products could cause problems if we experience a supply chain disruption and we are unable to secure additional suppliers of fabrics or other raw materials, or manufacturers of our end products.

We do not manufacture our products or the raw materials for them and rely instead on suppliers. Many of the specialty fabrics used in our products are technically advanced textile products developed and manufactured by third parties and may be available, in the short-term, from only one or a limited number of sources. We have no long-term contracts with any of our suppliers or manufacturers for the production and supply of our raw materials and products, and we compete with other companies for fabrics, other raw materials, and production. The following statistics are based on cost.

We have experienced, and may in the future experience, a significant disruption in the supply of fabrics or raw materials and may be unable to locate alternative suppliers of comparable quality at an acceptable price, or at all. In addition, if we experience significant increased demand, or if we need to replace an existing supplier or manufacturer, we may be unable to locate additional supplies of fabrics or raw materials or additional manufacturing capacity on terms that are acceptable to us, or at all, or we may be unable to locate any supplier or manufacturer with sufficient capacity to meet our requirements or fill our orders in a timely manner. Identifying a suitable supplier is an involved process that requires us to become satisfied with its quality control, responsiveness and service, financial stability, and labor and other ethical practices. Even if we are able to expand existing or find new manufacturing or fabric sources, we may encounter delays in production and added costs as a result of the time it takes to train our suppliers and manufacturers in our methods, products, and quality control standards. Our supply of fabric or manufacture of our products could be disrupted or delayed by the impact of health pandemics, including the current COVID-19 pandemic, and the related government and private sector responsive actions such as border closures, restrictions on product shipments, and travel restrictions. Delays related to supplier changes could also arise due to an increase in shipping times if new suppliers are located farther away from our markets or from other participants in our supply chain. Any delays, interruption, or increased costs in the supply of fabric or manufacture of our products could have an adverse effect on our ability to meet guest demand for our products and result in lower net revenue and income from operations both in the short and long term.

If we encounter problems with our distribution system, our ability to deliver our products to the market and to meet guest expectations could be harmed.

We rely on our distribution facilities for substantially all of our product distribution. Our distribution facilities include computer controlled and automated equipment, which means their operations may be subject to a number of risks related to security or computer viruses, the proper operation of software and hardware, electronic or power interruptions, or other system failures. In addition, our operations could also be interrupted by labor difficulties, extreme or severe weather conditions or by floods, fires, or other natural disasters near our distribution centers. If we encounter problems with our distribution system, our ability to meet guest expectations, manage inventory, complete sales, and achieve objectives for operating efficiencies could be harmed.

c. 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.

The U.S. Securities and Exchange Commission does not pass upon the merits of the Securities or the terms of the Offering, nor does it pass upon the accuracy or completeness of any Offering document or literature.

You should not rely on the fact that the Memorandum is accessible through the internet as an approval, endorsement or guarantee of compliance as it relates to this Offering. The U.S. Securities and Exchange Commission has not reviewed the Memorandum, nor any document or literature related to this Offering.

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 the Memorandum and the accompanying exhibits.

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

Unless the Company has agreed to a specific use of the proceeds from 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 based on the Company's determination of an Investor's sophistication.

The Company may prevent any Investor from committing more than a certain amount in this Offering based on the Company's determination of the Investor's sophistication and ability to assume the risk of the investment. This means that your desired investment amount may be limited or lowered based solely on the Company's determination. This also means that other Investors may receive larger allocations of the Offering based solely on the Company's determination.

Uncertain Economic, Social and Political Environment

Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world (such as the current conflict between the Russian Federation and Ukraine), fear of terrorist activity and/or military conflicts, global health pandemics, localized or global financial crises, trade wars or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn.

A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of the Fund, its Portfolio Funds and their portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses.

d. Risks Related to the Securities

The Securities will not be freely tradable under the Securities Act until one year from the initial purchase date. Although the Securities may be tradable under federal securities law, state securities regulations may apply, and each Investor should consult with their attorney.

You should be aware of the long-term nature of this investment. There is not now and likely will not ever be a public market for the Securities. Because the Securities have not been registered under the Securities Act or under the securities laws of any state or foreign jurisdiction, the Securities have transfer restrictions and therefore cannot be resold unless they are subsequently registered under the Securities Act and other applicable securities laws, or unless an exemption from registration is available. It is not currently contemplated that registration under the Securities Act or other securities laws will be effected. 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 should be aware of the long-term nature of their investment in the Company. Each Investor in this Offering will be required to represent that they are purchasing the Securities for their own account, for investment purposes and not with a view to resale or distribution thereof.

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.

In connection with investing in this Offering to purchase a Crowd SAFE ((Simple Agreement for Future Equity) Investors will designate Republic Investment Services LLC (f/k/a NextSeed Services, LLC) ("***Nominee***") to act on their behalf as 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 a Crowd 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 Crowd 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 Crowd 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 their behalf, and 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 holders of the Crowd SAFE and any securities acquired upon their conversion. 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 a holder of the Crowd SAFE to the Nominee 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 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 Crowd 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 Shadow Securities (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 Securities on behalf of the Investors are required to enter into a proxy agreement with its designee to vote their Shadow Securities with the majority of the holder(s) of the securities issued in the round of equity financing that triggered the conversion right. For example, if the Securities are converted in connection with an offering of Series B Preferred Stock, Investors would directly or beneficially receive Shadow Securities in the form of shares of Series B-Shadow Preferred Stock and such shares would be required to be subject to a proxy that allows a designee to vote their shares of Series B-Shadow Preferred Stock consistent with the majority of the Series B Preferred Stockholders. 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. Additionally, there are numerous methods by which the Company can terminate annual report obligations, resulting in no information rights, contractual, statutory or otherwise, owed to Investors. 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 a future equity financing or elect to convert the Securities if such future 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 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.

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, the price, liquidation preferences, dividend rights, or anti-dilution protection. Additionally, any equity securities issued at such conversion shall have only such preferences, rights, and protections in proportion to the conversion 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, which is attached as **Exhibit A**.

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 Securities. 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. Neither holders of the Securities nor holders of Shadow Securities can be guaranteed any proceeds in the event of the dissolution or bankruptcy of the Company.

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 the Memorandum and all exhibits carefully and should consult with their attorney and business advisor prior to making any investment decision.

The Company shall not be required to place any funds in escrow for any purpose.

All funds received by the Company in this Offering will be immediately available to the Company. The Company shall not be required to place any funds in escrow for any purpose or subject to any condition or occurrence.

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

XI. THE SECURITIES

Each prospective Investor should review this Memorandum and the form of SAFE attached as **Exhibit A**, in conjunction with the following summary information:

a. Transfer Agent and Registrar

The Company will act as transfer agent and registrar for the Securities.

b. 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.

c. Dividends and/or Distributions

The Securities do not entitle Investors to any dividends.

d. 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 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.

e. Conversion

Upon each future equity financing resulting in proceeds to the Company of not less than $6,000,000 (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 Investors to vote in accordance with the majority of the Investors purchasing securities from the Company in such Equity Financing with respect to any such required vote and (3) they do not provide any inspection or information rights. 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 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) the quotient of $30,000,000 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's 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) $30,000,000 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 issued on or after this Offering; 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**" as used above, 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.

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).

f. 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.

g. 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 Crowd SAFE agreement or (ii) the payment, or setting aside for payment, of amounts due to the Investor pursuant to a Liquidity Event or a Dissolution Event.

h. 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 Crowd 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 consistently at the direction of the Chief Executive Officer of the Company.

The Company does not have any voting agreements in place.

The Company does not have any shareholder or equity holder agreements in place, except as otherwise provided herein.

i. 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.

j. Restrictions on Transfer

Prior to making any transfer of the Securities or any capital stock into which they are convertible, such transferring Investor must either make such transfer pursuant to an effective registration statement filed with the SEC or provide the Company with an opinion of counsel reasonably satisfactory to the Company stating that a registration statement is not necessary to effect such transfer.

In addition, the Investor may not transfer the Securities or any capital stock into which they are convertible to any of the Company's competitors, 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.

k. 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.

XII. REGULATORY DISCLOSURE – CERTAIN U.S. SECURITIES LAWS MATTERS

Securities Act of 1933

The Shares will not be registered under the Securities Act, or any other U.S. or non-U.S. securities laws. The Shares will be offered and sold without registration in reliance upon Rule 506(c) of the Securities Act for transactions not involving a public offering and will be sold only to accredited Investors, as defined in Regulation D promulgated under the Securities Act. The Shares may also be offered and sold to accredited investors in reliance upon the exemption for offshore offerings pursuant to Regulation S promulgated under the Securities Act.

Each Investor will be required to make customary private placement representations, including that such Investor is acquiring Shares for its own account for investment and not with a view to resale or distribution. Further, each Investor must be prepared to bear the risk of an investment in the Shares for an indefinite period of time, since the Shares may not be transferred or resold except as permitted under the Securities Act and any applicable state or non-U.S. securities laws pursuant to registration or an exemption therefrom. It is extremely unlikely that the Shares will ever be registered under the Securities Act.

Securities Exchange Act of 1934

In connection with any acquisition or beneficial ownership by the Company of more than 5% of any class of the equity securities of a company registered under the U.S. Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), the Company may be required to make certain filings with the SEC. Generally, these filings require disclosure of the identity and background of the purchaser, the source and amount of Company's used to acquire the securities, the purpose of the transaction, the purchaser's interest in the securities, and any contracts, arrangements or undertakings regarding the securities.

XIII. LEGAL AND TAX MATTERS

a. Legal Counsel

Certain counsel (the "Law Firm") represents the Company solely with respect to the specific matters as to which it has been retained and consulted by the Company. Other matters may exist that could have a bearing on the Company as to which the Law Firm has been neither retained nor consulted. The Law Firm does not undertake to monitor compliance by the Company and its affiliates with investment guidelines and procedures set forth in this Memorandum, nor does the Law Firm monitor compliance by the Company and/or its affiliates with applicable laws, unless in each case the Law Firm has been specifically retained to do so. The Law Firm does not investigate or verify the accuracy and completeness of information set forth in this Memorandum concerning the Company. Furthermore, the Law Firm is not providing any advice, representation, warranty or other assurance of any kind as to any matter to any Investor of the Company, and Investors will be required to authorize and agree in the subscription materials as to the Law Firm's representation.

b. Certain U.S. Federal Income Tax Considerations

The following is a discussion of certain U.S. federal income tax considerations relating to the Company and does not purport to address all of the U.S. federal income tax consequences that may be applicable. For example, except as expressly described below, the discussion does not address the tax consequences of the disposition of shares in the Company. This discussion is based on laws, including the Internal Revenue Code of 1986, as amended (the "Code"), regulations and other authorities in effect as of the date of this Memorandum, all of which are subject to change, possibly with retroactive effect. The U.S. federal income taxation of corporations is extremely complex, involving, among other things, significant issues as to the character, timing of realization and sourcing of gains and losses. **Prospective Investors are urged to consult their own tax advisors prior to investing in the Company with respect to their particular tax situations, including, in the case of prospective Investors subject to special rules under U.S. federal income tax laws (such as banks, dealers in securities, life insurance companies, tax-exempt investors and non-U.S. investors), with reference to any special issues that investment in the Company may raise for such persons.** The activities of an Investor unrelated to such Investor's status as an Investor of the Company may affect the tax consequences to such Investor of an investment in the Company.

c. Treatment as Corporation

The Company will be treated as a corporation for U.S. federal income tax purposes.

d. Non-U.S. Investors

Below is a discussion of certain U.S. federal income tax considerations applicable to a nonresident alien individual or non-U.S. corporation that is considering an investment in the Company and does not purport to address all of the U.S. federal income tax consequences that may be applicable to any particular Investor. This discussion does not address the tax consequences of investing in the Company to non-U.S. Investors subject to special rules under U.S. federal income tax laws, such as non-U.S. governments and their controlled entities, trusts, former U.S. citizens or residents, and individual non-U.S. Investors that have a "tax home" in the United States. Prospective Investors are urged to consult with their tax advisors with reference to their specific tax situations. The discussion assumes that a non-U.S. Investor is not and will not be engaged in a trade or business within the United States, has and will have no U.S. source income apart from its investment in the Company, and, in the case of a non-U.S. individual, has not been (and will not be) present in the United States for 183 days or more in any taxable year.

e. Interest, Dividends, Etc.

A non-U.S. Investor is subject to U.S. federal withholding tax at the then-applicable rate (or a lower treaty rate, if applicable) on its distributive share of any U.S. source interest (subject to certain exemptions), dividends and certain other income received by the Company.

f. Certain U.S. State And Local Tax Considerations

The foregoing discussion does not address the U.S. state and local tax consequences of an investment in the Company. Investors may be subject to U.S. state and local taxation, and tax return filing requirements, in the jurisdictions of the Company's activities. Investors may not receive the relevant tax information prior to when their tax return reporting obligations become due and may need to file for extensions. Prospective Investors are urged to consult their own tax advisors regarding U.S. state and local tax matters.

g. Certain Other Tax Considerations

The Company may be subject to withholding and other taxes imposed by, and Investors may be subject to taxation and reporting requirements in the jurisdictions of the Company's activities. Tax conventions between such countries and the jurisdiction in which an Investor is a resident may reduce or eliminate certain of these taxes. A taxable Investor may be entitled to claim foreign tax credits or deductions with respect to such taxes, subject to applicable limitations.

h. Closing Requirements

In order to complete the closing process in this Offering, each Purchaser will be required to complete such documentation as may be requested by ODB on behalf of the Company, which may include, without limitation: (1) the execution and delivery of a token purchase agreement; (2) completion of purchaser qualification requirements (status as an Accredited Investor under Regulation D and KYC/AML or KYB (if applicable) screening requirements; (3) clearance from ODB's regulation best interest requirements, and (4) confirmation by ODB of BitPay's receipt of funds (collectively, the "***Closing Requirements***"). The proceeds of this Offering will be disbursed to the Company intermittently throughout the closing process, provided that all applicable Closing Requirements associated with such proceeds must be satisfied prior to disbursement

XIV. OTHER CONSIDERATIONS AND SECURITIES LAW LEGENDS

SECURITIES LAWS LEGEND

NOTICE TO RESIDENTS OF ARGENTINA
No public offering of the SAFEs is being made to investors resident in Argentina. SAFEs are only being offered to a limited number of institutional investors and sophisticated individual investors capable of understanding the risks of their investment. The Comision Nacional de Valores de Argentina has not reviewed or passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of the SAFEs to investors resident in Argentina.

NOTICE TO RESIDENTS OF AUSTRALIA
The Company is not a registered managed investment scheme, nor is it required to be registered as a managed investment scheme, and this Memorandum is not a product disclosure document lodged or required to be lodged with the Australian Securities and Investments Commission. SAFEs of the Company will only be offered in Australia to persons to whom such securities may be offered without a product disclosure statement under Part 7.9 of the Corporations Act 2001 (Cth). SAFEs of the Company subscribed for by investors in Australia must not be offered for resale in Australia for 12 months from allotment except in circumstances where disclosure to investors under the Corporations Act 2001 (Cth) would not be required or where a compliant product disclosure statement is produced. Prospective investors in Australia should confer with their professional advisors if in any doubt about their position.

NOTICE TO RESIDENTS OF AUSTRIA
The SAFEs may only be offered in the Republic of Austria in compliance with the provisions of the Austrian Capital Market Act and other laws applicable in the Republic of Austria governing the offer, issue and sale of the SAFEs in the Republic of Austria. The SAFEs are not registered or otherwise authorized for public offer either under the Capital Market Act, the Investment Company Act or any other securities regulation in Austria. The SAFEs are being offered exclusively to a limited number of institutional investors in Austria and are therefore not subject to the public offering requirements of the Austrian Capital Markets Act. The recipients of this Memorandum and other selling material in respect to SAFEs have been individually selected and are targeted exclusively on the basis of a private placement. This offer may not be made to any other persons than the recipients to whom this Memorandum is personally addressed. Any investor intending to offer and resell the SAFEs in Austria is solely responsible that any such offer and resale takes place in compliance with the applicable provisions of the Austrian Capital Market Act, the Investment Company Act and any other applicable securities regulation.

NOTICE TO RESIDENTS OF THE BAHAMAS
The SAFEs may not be offered or sold or otherwise disposed of in any manner to persons deemed by the Central Bank of the Bahamas (the "Bank") as resident for exchange control purposes, unless such persons deemed as resident obtain the prior approval of the Bank.

NOTICE TO RESIDENTS OF BAHRAIN
The offering of the SAFEs is a private placement. Neither the offering nor the SAFEs are subject to the regulations of the Central Bank of Bahrain that apply to public offerings of securities and the extensive disclosure requirements and other protections that these regulations contain. This Memorandum is therefore intended only for financially sophisticated institutional investors in Bahrain. The SAFEs offered pursuant to this Memorandum may only be offered at a minimum subscription amount of U.S. $250,000 or its equivalent in applicable foreign currencies. The Central Bank of Bahrain assumes no responsibility for the accuracy and completeness of the statements and information contained in this Memorandum and expressly disclaims any liability whatsoever arising from reliance upon the whole or any part of the contents of this Memorandum.

NOTICE TO RESIDENTS OF BELGIUM
The Company has not been and will not be registered with the Belgian Banking, Finance and Insurance Commission (Commissie voor het Bank-, Financie- en Assurantiewezen / Commission Bancaire, Financière et des Assurances) ("CBFA") as a foreign collective investment institution referred to under Article 127 of the Belgian Act of July 20, 2004 relating to certain forms of collective management of investment portfolios. This Memorandum and the offering of the SAFEs have not been and will not be notified to, and have not been approved or disapproved by, the CBFA. The public offering of the SAFEs in Belgium within the meaning of the Belgian Act of July 20, 2004, and the Belgian Act of June 16, 2006 on the public offering of investment instruments and the admission of investment instruments to

listing on a regulated market has not been authorized by the Manager or the Company. The offering may therefore not be advertised, and the SAFEs may not be offered, sold, transferred or delivered to, or subscribed to by, and no memorandum, information circular, brochure or similar document may be distributed to, directly or indirectly, any individual or legal entity in Belgium, except (i) to "qualified investors" as referred to in Article 10, § 1 of the aforementioned Act of June 16, 2006, (ii) subject to the restriction of a minimum investment of €50,000 per investor or (iii) in any other circumstances in which the present offering does not qualify as a public offering in accordance with the aforementioned Act of June 16, 2006. This Memorandum has been issued to the intended recipient for personal use only and exclusively for the purpose of the offering; therefore, this Memorandum may not be used for any other purpose, nor may it be passed on to any other person in Belgium.

NOTICE TO RESIDENTS OF BERMUDA

The SAFEs may not be marketed, offered or sold directly or indirectly to the public in Bermuda and neither this Memorandum, which is not subject to and has not received approval from either the Bermuda Monetary Authority or the Registrar of Companies and no statement to the contrary, explicit or implicit, is authorized to be made in this regard. Furthermore, the offering material and information contained herein relating to the SAFEs may not be supplied to the public in Bermuda or used in connection with any offer for the subscription or sale of SAFEs to the public in Bermuda. Bermuda investors may be subject to foreign exchange control approval and filing requirements under the relevant Bermuda foreign exchange control regulations, as well as offshore investment approval requirements.

NOTICE TO RESIDENTS OF BRAZIL

The Company is not listed with any stock exchange, organized over the counter market or electronic system of securities trading. SAFEs of the Company have not been and will not be registered with any securities exchange commission or other similar authority, including the Brazilian Securities and Exchange Commission (Comissão de valores Mobiliários - or the "CVM"). Interest in the Company will not be directly or indirectly offered or sold within Brazil through any public offering, as determined by Brazilian law and by the rules issued by the CVM, including Law No. 6,385 (Dec. 7, 1976) and CVM Rule No. 400 (Dec. 29, 2003), as amended from time to time, or any other law or rules that may replace them in the future.

Acts involving a public offering in Brazil, as defined under Brazilian laws and regulations and by the rules issued by the CVM, including Law No. 6,385 (Dec. 7, 1976) and CVM Rule No. 400 (Dec. 29, 2003), as amended from time to time, or any other law or rules that may replace them in the future, must not be performed without such prior registration. Persons in Brazil wishing to acquire SAFEs of the Company should consult with their own counsel as to the applicability of these registration requirements or any exemption therefrom. Without prejudice to the above, the sale and solicitation of SAFEs of the Company is limited to qualified investors as defined by CVM Rule No. 409 (Aug. 18, 2004), as amended from time to time or as defined by any other rule that may replace it in the future.

This document is confidential and intended solely for the use of the addressee and cannot be delivered or disclosed in any manner whatsoever to any person or entity other than the addressee.

NOTICE TO RESIDENTS OF BRUNEI

This Memorandum has not been delivered to, licensed or permitted by the Ministry of Finance as designated under the Brunei Darassalam Mutual Companys Order 2001 nor has it been registered with the Registrar of Companies.

NOTICE TO RESIDENTS OF CANADA

This Memorandum constitutes an offering in Canada of the SAFEs only in those jurisdictions and to those persons where and to whom they may lawfully be offered for sale, and therein only by persons permitted to sell such securities. This Memorandum is not, and under no circumstances is to be construed as, a prospectus, an advertisement or a public offering of the securities described herein in Canada. No securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of the securities described herein, and any representation to the contrary is an offence.

This Memorandum is not, and under no circumstances is to be construed as, an advertisement or a public offering of the SAFEs in any province or territory of Canada. Any offer or sale of the SAFEs in any province or territory of Canada will only be made on a private placement basis, under an exemption from the requirement that the issuer prepare and file a prospectus with the relevant Canadian securities regulatory authorities. The offers and sales in Canada will only be made by the Company's agents named in this Memorandum or by their respective affiliates, as applicable (together, the "Canadian Dealers"), in either case, who are properly registered under applicable Canadian

securities laws, or pursuant to an exemption from the requirement that such an agent or dealer be registered in the jurisdiction in which the offer or sale is made.

This Memorandum is for the confidential use of those persons to whom it is delivered in connection with the offering of the SAFEs in Canada. The Manager reserves the right to reject all or part of any offer to purchase these securities for any reason, or allocate to any prospective purchaser less than all of the SAFEs for which it has subscribed.

RESPONSIBILITY
Except as otherwise expressly required by applicable law or as agreed to in contract, no representation, warranty or undertaking (express or implied) is made and no responsibilities or liabilities of any kind or nature whatsoever are accepted by any Canadian Dealer as to the accuracy or completeness of the information contained in this Memorandum or any other information provided by the issuer of the SAFEs in connection with the offering of the SAFEs in Canada.

Investing in the SAFEs involves risks. Prospective purchasers should refer to the risk factor disclosure contained in this Memorandum for additional information concerning these risks.

ENFORCEMENT OF LEGAL RIGHTS
The Company, the Manager and the directors and officers of the Manager are located outside of Canada, and as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon the Company, the Manager or the Manager's directors or officers. All or a substantial portion of the assets of the Company, the Manager and the Manager's directors and officers may be located outside of Canada, and as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside of Canada.

STATUTORY RIGHTS OF ACTION FOR DAMAGES OR RESCISSION
Securities legislation in certain of the provinces of Canada provides purchasers of securities in such jurisdictions with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to such purchasers describing, among other things, the details of the securities to be offered contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective Canadian purchasers should refer to the applicable provisions of the securities legislation of their respective provinces for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers under the securities legislation of Ontario, Nova Scotia, New Brunswick and Saskatchewan. The rights of action described below are available only with respect to the final version of this Memorandum, and the references to this "Memorandum" means the final version of the Memorandum, including, without limitation, all supplements and addendum thereto.

Ontario
In Ontario, every Ontario purchaser of the SAFEs (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Company if this Memorandum or any amendment hereto contains a misrepresentation. If a purchaser elects to exercise the right of action for recession, such purchaser will have no additional right for action for damages against the Company. This right of action for rescission or damages is in addition to and without derogation from any other right such purchaser may have at law. In particular, Section 130.1 of the *Securities Act* (Ontario) provides that, if this Memorandum contains a misrepresentation, a purchaser who subscribes for and acquires the SAFEs shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Company, provided that:

(a) the Company will not be liable if it proves that the purchaser purchased the SAFEs with knowledge of the misrepresentation;
(b) in an action for damages, the Company is NOT liable for all or any portion of the damages that the Company proves does not represent the depreciation in value of the SAFEs as a result of the misrepresentation relied upon; and

(c) in no case shall the amount recoverable exceed the price at which the SAFEs were offered.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these rights more than:

(a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
(b) in the case of any action, other than an action for rescission, the earlier of:
  (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action; and
  (ii) three years after the date of the transaction that gave rise to the cause of action.

These rights are in addition to and not in derogation from any other right an Ontario purchaser of the SAFEs may have.

Nova Scotia

In the event that this Memorandum, a record incorporated by reference in or deemed incorporated into this Memorandum, any amendment to this Memorandum or any advertising or sales literature (as defined in the *Securities Act* (Nova Scotia)) contains a misrepresentation that was a misrepresentation at the time of a Nova Scotia purchaser's purchase, such purchaser of the SAFEs in Nova Scotia shall be deemed to have relied upon the misrepresentation and will have a statutory right of action for damages against the Company, and subject to additional defenses, against any directors of the Company and persons who have signed or are deemed to have signed this Memorandum. Alternatively, such purchaser may elect to exercise a statutory right of rescission against the Company, in which case such purchaser shall have no right of action for damages. These rights are in addition to and not in derogation from any other rights such purchaser may have.

The right of action for damages or rescission is exercisable not later than 120 days after the date on which payment was made for the SAFEs (or after the date on which the initial payment for the SAFEs was made where payments subsequent to the initial payment were made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment), provided that:

(a) the Company will not be liable if it proves that the purchaser purchased the SAFEs with knowledge of the misrepresentation;
(b) in any action for damages, the Company will not be liable for all or any portion of those damages that it proves do not represent the depreciation in value of the SAFEs as a result of the misrepresentation; and
(c) in no case will the amount recoverable exceed the price at which the SAFEs were offered to the purchaser.

New Brunswick

In the event that any information relating to the offering which has been provided to purchasers of SAFEs in New Brunswick contains a misrepresentation, such a purchaser of the SAFEs in New Brunswick shall be deemed to have relied upon the misrepresentation if it was a misrepresentation at the time of purchase and will have a statutory right of action against the Company for damages or, alternatively, for rescission, provided that no action shall be commenced to enforce a right of action more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
(b) in the case of any action, other than an action for rescission, the earlier of:
  (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action, and
  (ii) six years after the date of the transaction that gave rise to the cause of action;

and also provided that:

(c) the Company will not be liable if it proves that the purchaser purchased the SAFEs with knowledge of the misrepresentation;
(d) in any action for damages, the Company will not be liable for all or any portion of those damages that it proves do not represent the depreciation in value of the SAFEs as a result of the misrepresentation; and
(e) in no case will the amount recoverable under this paragraph exceed the price at which the SAFEs were sold to the purchaser.

These rights are in addition to and not in derogation from any other right the purchaser may have.

Saskatchewan

Section 138 of *The Securities Act, 1988* (Saskatchewan), as amended (the "Saskatchewan Act"), provides that, where an offering memorandum, such as this Memorandum, or any amendment to it, is sent or delivered to a purchaser and it contains a misrepresentation (as defined in the Saskatchewan Act), a purchaser who purchases a security covered by the offering memorandum or any amendment to it has, without regard to whether the purchaser relied on the misrepresentation, a right of action for rescission against the issuer or a selling security holder on whose behalf the distribution is made or a right of action for damages against:

(a) the issuer or a selling security holder on whose behalf the distribution is made;
(b) every promoter and director of the issuer or the selling security holder, as the case may be, at the time the offering memorandum or any amendment to it was sent or delivered;
(c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them;
(d) every person who or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed the offering memorandum or the amendment to the offering memorandum; and
(e) every person who or company that sells securities on behalf of the issuer or selling security holder under the offering memorandum or amendment to the offering memorandum.

Such rights of rescission and damages are subject to certain limitations including the following:

(a) if the purchaser elects to exercise its right of rescission against the issuer or selling security holder, it shall have no right of action for damages against that party;
(b) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the securities resulting from the misrepresentation relied on;
(c) no person or company, other than the issuer or a selling security holder, will be liable for any part of the offering memorandum or any amendment to it not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation or believed that there had been a misrepresentation;
(d) in no case shall the amount recoverable exceed the price at which the securities were offered; and
(e) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation.

In addition, no person or company, other than the issuer or selling security holder, will be liable if the person or company proves that:

(a) the offering memorandum or any amendment to it was sent or delivered without the person's or company's knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company gave reasonable general notice that it was so sent or delivered; or
(b) with respect to any part of the offering memorandum or any amendment to it purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that such person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, the part of the offering memorandum or any amendment to it did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Not all defenses upon which the Company or others may rely are described herein. Please refer to the full text of the Saskatchewan Act for a complete listing.

Similar rights of action for damages and rescission are provided in section 138.1 of the Saskatchewan Act in respect of a misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.

Section 138.2 of the Saskatchewan Act also provides that, where an individual makes a verbal statement to a prospective purchaser that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser has, without regard to whether the purchaser relied on the misrepresentation, a right of action for damages against the individual who made the verbal statement.

Section 141(1) of the Saskatchewan Act provides a purchaser with the right to void the SAFE and to recover all money and other consideration paid by the purchaser for the securities if the securities are purchased from a vendor who is trading in contravention of the Saskatchewan Act, the regulations to the Saskatchewan Act or a decision of the Saskatchewan Financial Services Commission.

Section 141(2) of the Saskatchewan Act also provides a right of action for rescission or damages to a purchaser of securities to whom an offering memorandum or any amendment to it was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities, as required by Section 80.1 of the Saskatchewan Act.

The rights of action for damages or rescission under the Saskatchewan Act are in addition to and do not derogate from any other right which a purchaser may have at law.

Section 147 of the Saskatchewan Act provides that no action shall be commenced to enforce any of the foregoing rights more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
(b) in the case of any other action, other than an action for rescission, the earlier of:
    (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action; and
    (ii) six years after the date of the transaction that gave rise to the cause of action.

The Saskatchewan Act also provides that a purchaser who has received an amended offering memorandum delivered in accordance with subsection 80.1(3) of the Saskatchewan Act has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person or company that is selling the securities indicating the purchaser's intention not to be bound by the SAFE, provided that such notice is delivered by the purchaser within two business days of receiving the amended offering memorandum.

THE FOREGOING SUMMARY IS SUBJECT TO THE EXPRESS PROVISIONS OF THE SECURITIES LEGISLATION OF THE RELEVANT PROVINCES AND THE REGULATIONS, RULES AND POLICY STATEMENTS THEREUNDER AND REFERENCE IS MADE THERETO FOR THE COMPLETE TEXT OF SUCH PROVISIONS.

CERTAIN CANADIAN INCOME TAX CONSIDERATIONS

Any discussion of taxation and related matters contained in this Memorandum is not a comprehensive description of all the tax considerations that may be relevant to a decision to purchase these securities. Prospective Canadian purchasers of the SAFEs should consult their own tax advisers with respect to any taxes payable in connection with an investment in the Company. It is recommended that tax advisers be employed in Canada, as there are a number of substantive Canadian tax compliance requirements for Canadian investors.

CONVERSION OF AMOUNTS INTO CANADIAN DOLLAR EQUIVALENT

Unless specifically stated otherwise, all dollar amounts contained in this Memorandum are in U.S. dollars and must be converted into Canadian dollars based on the prevailing relevant foreign exchange rate at the time such amounts arise.

FINANCIAL INFORMATION

Financial information contained in this Memorandum has been prepared in accordance with U.S. Generally Accepted Accounting Principles, which differ in certain respects from those accounting principles used in other jurisdictions, including Canada. Prospective purchasers should conduct their own investigation and analysis of the business, data and transaction described herein and consult their own financial advisers.

RESALE RESTRICTIONS IN CANADA

The distribution of SAFEs in Canada is being made on a private placement basis only and is exempt from the requirement that the Company prepare and file a prospectus with the relevant Canadian regulatory authorities. Accordingly, any resale of the SAFEs in Canada must be made in accordance with applicable securities laws which may require resales to be made in accordance with exemptions from registration and prospectus requirements. Purchasers in Canada are advised to seek legal advice prior to any resale of the SAFEs.

The Company is not a "reporting issuer", as such term is defined under applicable Canadian securities legislation, in any province or territory of Canada in which the SAFEs will be offered. Under no circumstances will the Company be required to file a prospectus or similar document with any securities regulatory authority in Canada qualifying the resale of the SAFEs to the public in any province or territory of Canada. Canadian investors are advised that the Company currently does not intend to file a prospectus or similar document with any securities regulatory authority in Canada qualifying the resale of the SAFEs to the public in any province or territory of Canada in connection with this offering of the SAFEs. Therefore, there will be no public market in Canada for the SAFEs and the resale or transfer of the SAFEs will be subject to restrictions.

REPRESENTATIONS OF CANADIAN PURCHASERS

Each purchaser and beneficial owner of the SAFEs resident in Canada will be deemed to have represented to the Company, the Manager and their respective affiliates, as well as to any placement agent and any Canadian Dealer who sells the SAFEs to such Canadian purchaser that:

(a) the offer and sale of SAFEs was made to such purchaser exclusively through this Memorandum and was not made through an advertisement of such SAFEs in any printed media of general and regular paid circulation, radio, television or telecommunications, including electronic display, or any other form of advertising in Canada;
(b) such purchaser has reviewed and acknowledges the terms of this Memorandum, including without limitation, this "Notice to Canadian Investors," including in respect of applicable resale restrictions;
(c) where required by law, such purchaser is purchasing as principal for its own account and not as agent;
(d) such purchaser or any ultimate purchaser for which such purchaser is acting as agent is entitled under applicable Canadian securities laws to purchase such SAFEs without the benefit of a prospectus qualified under such securities laws, and without limiting the generality of the foregoing, (1) is an "accredited investor" as defined in section 1.1 of National Instrument 45-106 ("NI 45-106"), fulfills the requirements of section 2.3 of NI 45-106 and was not created and is not being used solely to purchase or hold securities as an "accredited investor", or (2) fulfills the requirements of section 2.10 of NI 45-106;
(e) to the best of such purchaser's knowledge, none of the Companys to be provided by or on behalf of such purchaser to the Company or its agents are being tendered on behalf of a person or entity who has not been identified to the Manager;
(f) none of the Companys being used to purchase the SAFEs are, to such purchaser's knowledge, proceeds obtained or derived, directly or indirectly, as a result of illegal activities and that:
    (i) the Companys being used to purchase the SAFEs and advanced by or on behalf of such purchaser to the Company or its agents do not represent proceeds of crime for the purpose of the *Proceeds of Crime (Money Laundering) Act* (Canada) (the "PCMLA"); and
    (ii) such purchaser is not a person or entity identified in the *Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism*, the *United Nations Al-Qaida and Taliban Regulations*, the *Regulations Implementing the United Nations Resolution on the Democratic People's Republic of Korea*, the *Regulations Implementing the United Nations Resolution on Iran*, the *United Nations Cote d'Ivoire Regulations,* the *United Nations Democratic Republic of Congo Regulations,* the *United Nations Liberal Regulations,* the *United Nations Sudan Regulations*, the *Special Economic Measures (Zimbabwe) Regulations* or the *Special Economic Measures (Burma) Regulations* (collectively, the "Trade Sanctions");
(g) acknowledges that the Company or its agents may in the future be required by law to disclose the investor's name and other information relating to such purchaser and any purchase of the SAFEs, on a confidential basis, pursuant to the PCMLA, the Criminal Code (Canada) and the Trade Sanctions or as otherwise may be required by applicable laws, regulations or rules, and by accepting delivery of this Memorandum, such purchaser will be deemed to have agreed with the foregoing;
(h) it shall promptly notify the Company or its agents if such purchaser discovers that any such representations cease to be true, and shall provide the Company or its agents with appropriate information in connection therewith; and
(i) where required by applicable securities laws, regulations or rules, such purchaser will execute, deliver and file such reports, undertakings and other documents relating to the purchase of the SAFEs by such purchaser as may be required by such laws, regulations and rules, and to assist the Company and its agents, as applicable, in obtaining the information (to the extent required or otherwise necessary to be included in any such reports, undertakings and other documents) and filing such reports, undertakings and other documents.

In addition, each purchaser and each beneficial owner of the SAFEs resident in Canada will be deemed to have represented to the Company and its affiliates that such person or entity:

(a) has been notified by the Company that
    (i) the Company and its affiliates are required to provide information ("personal information") pertaining to the beneficial owner of the SAFEs as required to be disclosed in Schedule I of Form 45-106F1 under NI 45-106 (including its name, address, telephone number and the number and value of any SAFEs purchased), which Form 45-106F1 is required to be filed by the Company and the Manager under NI 45-106;
    (ii) such personal information will be delivered to the Ontario Securities Commission (the "OSC") in accordance with NI 45-106;
    (iii) such personal information is being collected indirectly by the OSC under the authority granted to it under the securities legislation of Ontario;
    (iv) such personal information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario; and
    (v) that the public official in Ontario who can answer questions about the OSC's indirect collection of such personal information is the Administrative Support Clerk at the Ontario Securities Commission, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario M5H 3S8, Telephone: (416) 593-3684;
(b) acknowledges and authorizes the indirect collection of the personal information by the OSC;
(c) acknowledges, authorizes and agrees that its name, address, telephone number and other specified information, including the amount of SAFEs it has purchased and the aggregate purchase price paid by such purchaser, may be disclosed to other Canadian securities regulatory authorities and may become available to the public in accordance with the requirements of applicable laws; and
(d) will consult their own legal and tax advisers with respect to the tax consequences of an investment in the SAFEs in their particular circumstances and with respect to the eligibility of the SAFEs for investment by such investor under relevant Canadian legislation.

By subscribing for and purchasing the SAFEs, each purchaser and beneficial owner resident in Canada consents to the disclosure of the information described above about such purchaser or beneficial owner to applicable securities regulatory authorities.

PLACEMENT AGENT
The placement of SAFEs to residents of Ontario will be effected through a person entitled to act as a dealer in Ontario for purposes of placing the SAFEs in such jurisdictions.

CHOICE OF LANGUAGE OF DOCUMENTS IN CANADA
Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the SAFEs (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

NOTICE TO RESIDENTS OF THE CAYMAN ISLANDS
This Memorandum is not an offer of the SAFEs to the public in the Cayman Islands; neither the Cayman Islands Monetary Authority nor any other governmental authority in the Cayman Islands has passed upon or approved the terms or merits of this Memorandum or the SAFEs.

NOTICE TO RESIDENTS OF CHILE
The SAFEs described herein have not been, and will not be, registered with the Superintendencia de Valores y Seguoros de Chile and may not be offered or sold in Chile except in circumstances that do not constitute a public offering or distribution under applicable Chilean laws and regulations.

NOTICE TO RESIDENTS OF THE PEOPLE'S REPUBLIC OF CHINA
The SAFEs may not be marketed, offered or sold directly or indirectly to the public in China and neither this Memorandum, which has not been submitted to the Chinese Securities and Regulatory Commission, nor any offering material or information contained herein relating to the SAFEs, may be supplied to the public in China or used in connection with any offer for the subscription or sale of SAFEs to the public in China. The SAFEs may only be marketed, offered or sold to Chinese institutions which are authorized to engage in foreign exchange business and

offshore investment from outside China. Chinese investors may be subject to foreign exchange control approval and filing requirements under the relevant Chinese foreign exchange regulations, as well as applicable offshore investment approval requirements.

NOTICE TO RESIDENTS OF COSTA RICA

The SAFEs described herein have not been, and will not be, registered with the Comisión Nacional de Valores and may not be offered or sold in Costa Rica except in circumstances that do not constitute a public offering or distribution under Costa Rican laws and regulations.

NOTICE TO RESIDENTS OF CYPRUS

No public offering of SAFEs is being made to investors resident in Cyprus. SAFEs are being offered in Cyprus only to a limited number of institutional investors and sophisticated individual investors capable of understanding the risks of their investment in the Company. The Cyprus Securities Commission has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of SAFEs to investors resident in Cyprus.

NOTICE TO RESIDENTS OF CZECH REPUBLIC

No public offer is being made and no action is being taken that would, or is intended to, permit a public offering of the SAFEs to be made in the Czech Republic. Subject to any exemptions that may be available under applicable law, the SAFEs may not be offered or sold, directly or indirectly, and neither this Memorandum nor any other offering material or advertisement in connection with the offering of the SAFEs may be distributed or published in or from the Czech Republic. This Memorandum has not and will not be submitted for approval to the Czech National Bank. The Czech National Bank has not approved or authorized the offering of SAFEs to investors resident in the Czech Republic.

NOTICE TO RESIDENTS OF DENMARK

SAFEs are being offered to a limited number of institutional and sophisticated investors. Pursuant to section 11 of the Prospectus Order (Ministerial Order No. 223 of March 10, 2010 on the prospectus requirements for offerings of a value above €2,500,000) issued in accordance with section 23(8) of the Danish Securities Trading Act (Consolidated Act No. 959 of August 11, 2010) the following types of offerings are exempted from prospectus registration requirements:

(a) offerings to accredited investors;
(b) offerings to non-accredited investors if the offer is directed at fewer than 100 private or legal persons in Denmark;
(c) offerings for which the value of each interest exceeds €50,000; or
(d) offerings where participation is conditional upon payment of more than €50,000 per investor.

This Memorandum may only be distributed to and the offering may only be subscribed by investors that satisfy one or more of the conditions set out clauses (a) through (d) above. Accordingly, this Memorandum has not been and will not be registered with the Danish Financial Supervisory Authority or the Danish Commerce and Companies Agency under the relevant Danish acts and regulations on the offering in Denmark of limited partnership interests.

NOTICE TO RESIDENTS OF ESTONIA

The Estonian Financial Supervisory Authority has not reviewed this Memorandum nor approved its contents. The SAFEs are not available to (nor being offered to) the general public in Estonia for purposes of the Investment Companys Act (adopted on April 14, 2004 and effective on May 1, 2004, as amended) and the Securities Market Act (adopted on October 17, 2001 and effective on January 1, 2002, as amended.

NOTICE TO RESIDENTS OF EU MEMBER STATES

The European Union Prospectus Directive (203/71/EC), as implemented by the member states of the European Union, contains various exemptions from the prospectus requirements arising under the Prospectus Directive and under the securities laws of the European Union member states. To the extent such exemptions apply to the offering of SAFEs, the Company reserves the right to offer the SAFEs in accordance with such exemptions, notwithstanding references herein to any other provision of the securities laws of any European Union member state.

NOTICE TO RESIDENTS OF FINLAND

As the Company is a closed-end Company, the marketing of the SAFEs is interpreted not to be subject to the provisions of the Finnish Act on Mutual Companys (sijoitusrahastolaki, 29.1.1999, as amended, the "MFA"). Accordingly, this

Memorandum is not a Company prospectus within the meaning of the MFA and the marketing of the SAFEs is not subject to receipt of marketing permission from the Finnish Financial Supervisory Authority (Finanssivalvonta; "FIN-FSA"). Furthermore, even if the SAFEs were to be construed as "securities" as defined in the Finnish Securities Markets Act (arvopaperimarkkinalaki, 26.5.1989/495, as amended, the "SMA"), based on the exemptions set forth in Decree 452/2005 issued by the Ministry of Finance, the offering of SAFEs would be exempted from the prospectus requirements of the SMA. Accordingly, this Memorandum is not a prospectus within the meaning set forth in the SMA. Neither the Manager, the Company nor any of their respective affiliates is an investment firm (sijoituspalveluyritys) within the meaning of the Finnish Investment Firms Act (laki sijoituspalveluyrityksistä, 922/2007) and none of them are subject to the supervision of the FIN-FSA. Each recipient is hereby advised that it is not a client of any placement agent engaged by the Manager or the Company in connection with the offering of the SAFEs and that no such placement agent is under any duty to safeguard the interests of prospective investors. Furthermore, the Company is not a property Company within the meaning of the Finnish Act on Property Companys (*kiinteistörahastolaki*, 1173/1997). The FIN-FSA has not authorized any offering for the subscription of the SAFEs; accordingly, the SAFEs may not be offered or sold in Finland or to residents thereof except as permitted by Finnish law. This Memorandum has been prepared for private information purposes only and it may not be used for, and shall not be deemed, a public offering of the SAFEs. This Memorandum is strictly for private use by its holder and may not be passed on to third parties or otherwise distributed publicly.

NOTICE TO RESIDENTS OF FRANCE

This Memorandum (including any amendment, supplement or replacement thereto) is not being distributed in the context of a public offering in France within the meaning of Article L. 411-1 of the French Monetary and Financial Code (Code Monétaire et Financier). This Memorandum has not been and will not be submitted to the French Autorité des marchés financiers ("AMF") for approval in France and accordingly may not and will not be distributed to the public in France.

The SAFEs may not be directly or indirectly offered or sold to the public, and offers and sales of the SAFEs will be made only to qualified investors in France in accordance with Articles L. 411-2, II, 4° and D. 411-1 of the French Monetary and Financial Code. In addition, this Memorandum and any offering material relating to the SAFEs will only be distributed to those French investors (if any) to whom offers and sales of the SAFEs in France may be made.

Pursuant to Article 211-4 of the AMF General Regulations, potential French investors are informed that:

(a) the offering of the SAFEs does not require a prospectus to be submitted for approval to the AMF;
(b) persons or entities referred to in Point 2°, Section II of Article L.411-2 of the French Monetary and Financial Code may acquire (i.e., subscribe for) the SAFEs solely for their own account, as provided in Articles D. 411-1, D. 411-2, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the French Monetary and Financial Code; and
(c) the SAFEs can not be distributed or resold, directly or indirectly, to the public otherwise than in accordance with the provisions of articles L. 411-1, L. 411-2, L. 412-1 and L 621-8 to L. 621-8-3 of the French Monetary and Financial Code.

This Memorandum is not to be further distributed or reproduced (in whole or in part) in France by the recipients of this Memorandum. This Memorandum has been distributed on the understanding that its recipients will only participate in the issue or sale of the SAFEs for their own account and undertake not to transfer, directly or indirectly, the SAFEs to the public in France, other than in compliance with all applicable laws and regulations and in particular with Articles L. 411-1 and L. 411-2 of the French Monetary and Financial Code.

NOTICE TO RESIDENTS OF GERMANY

This Memorandum has not been and will not be submitted to, nor has it been approved by, the Bundesanstalt für Finanzdienstleistungsaufsicht (the German Financial Services Authority). The SAFEs may not be distributed within Germany by way of a public offer, public advertisement or in any similar manner except to persons who buy or sell securities or alternative investment products as defined in Sec. 8f para 1 of the German Sales Prospectus Act (Verkaufsprospektgesetz) as part of their profession or trade for their own account or for the account of others, and this Memorandum and any other document relating to the SAFEs, as well as information contained herein, may not be distributed or otherwise supplied to the public in Germany or used in connection with any offer to the public in Germany of the SAFEs for subscription. This Memorandum and other offering materials relating to the offer of the

SAFEs are strictly confidential and may not be distributed in Germany to any person or entity other than the recipients hereof.

NOTICE TO RESIDENTS OF GREECE

Neither the Company nor a securities prospectus in respect of SAFEs has been, or is intended to be, registered with, or approved by, the Greek Capital Market Committee. The SAFEs are therefore not eligible for advertising, placement or public circulation in Greece. The information provided in this Memorandum is not an offer, or an invitation to make offers, to sell, exchange or otherwise transfer the SAFEs in Greece to or for the benefit of any Greek person or entity. This Memorandum is not to be distributed or reproduce, in whole or in part, in Greece by any recipient of this Memorandum. This Memorandum has been distributed on the condition and based on the understanding that the recipient will subscribe for and participate in the SAFEs outside of Greece on such recipient's own account and that the recipient will not transfer, directly or indirectly, SAFEs of the Company to the public in Greece.

NOTICE TO RESIDENTS OF GUERNSEY

The Company is a limited partnership, organized under the laws of the State of Delaware in the United States of America, or, as applicable, an exempted limited partnership organized under the laws of Bermuda, and has not been authorized by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended. Accordingly, until such authorization is obtained, any marketing material or prospectus in relation to the Company may not be circulated within the Bailiwick of Guernsey for the purpose of soliciting an investment in the Company, and there should be no onward distribution of the same.

NOTICE TO RESIDENTS OF HONG KONG

The contents of this Memorandum have not been reviewed or approved by any regulatory authority in Hong Kong. This Memorandum does not constitute an offer or invitation to the public in Hong Kong to acquire the SAFEs. Accordingly, except as permitted by the securities laws of Hong Kong, no person may issue or have in its possession for the purposes of issuing, this Memorandum or any advertisement, invitation or document relating to the SAFEs, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong other than in relation to SAFEs which are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" (as such term is defined in the Securities and Futures Ordinance of Hong Kong (Cap. 571) (the "SFO") and the subsidiary legislation made thereunder) or in circumstances which do not constitute an offer or an invitation to the public for the purposes of the SFO. The offer of the SAFEs is personal to the person or company to whom this Memorandum has been delivered by or on behalf of the Company, and a subscription for the SAFEs will only be accepted from such person or company. No person or company to whom a copy of this Memorandum is issued may issue, circulate or distribute this Memorandum in Hong Kong or make or give a copy of this Memorandum to any other person. Each Hong Kong resident is advised to exercise caution in relation to the offer of the SAFEs and to obtain independent professional advice regarding such offering.

NOTICE TO RESIDENTS OF ICELAND

This Memorandum has been issued to the recipient, for personal use only, exclusively in connection with a private placement of the SAFEs. Accordingly, this Memorandum may not be used by the recipient for any other purpose nor forwarded to any other person or entity in Iceland. The offering of the SAFEs described in this Memorandum is a private placement under Icelandic law and the SAFEs may only be offered and sold (as well as resold) in Iceland to a person or entity that is a Qualified Investor as defined in Item No. 9 of Article 43 of the Icelandic Act on Securities Transactions. Also, any subsequent transfer or resale of the SAFEs in Iceland will need to comply with the applicable provisions of the Icelandic Act on Securities Transactions. Prospective Icelandic investors should consult with their own tax advisors as to the tax consequences of an investment in the Company.

NOTICE TO RESIDENTS OF INDONESIA

This Memorandum is for the exclusive use of the intended recipient. The SAFEs will not be offered or sold, directly or indirectly, in the Republic of Indonesia or to Indonesian citizens, nationals or corporations, wherever located, or entities or residents in Indonesia in a manner which constitutes a public offering of the SAFEs under the applicable laws and regulations of Indonesia.

NOTICE TO RESIDENTS OF IRELAND

This Memorandum and the information contained herein are private and confidential and are for the use only of the persons to whom such material is addressed and may not be distributed in Ireland. No person receiving a copy of this

Memorandum may treat it as constituting an invitation to them to subscribe for an interest or a solicitation to anyone other than the addressee. Accordingly, this Memorandum does not constitute an offer or solicitation to anyone other than the addressee and does not constitute an offer for sale to the public in Ireland within the meaning of the Unit Trusts Act, 1990 in Ireland.

NOTICE TO RESIDENTS OF ISRAEL

The SAFEs described in this Memorandum have not been registered and are not expected to be registered under the Israeli Securities Law - 1968 (the "Israeli Securities Law") or under the Israeli Joint Investment Trust Law - 1994. Accordingly, the SAFEs described herein will only be offered and sold in Israel pursuant to applicable private placement exemptions, to either (i) qualified investors described in Section 15A(b)(1) of the Israeli Securities Law or (ii) 35 or fewer offerees as determined for purposes of the Israeli Securities Law. If any recipient in Israel of a copy of this Memorandum is not qualified as such, such recipient should promptly return this Memorandum to the Company. Neither the Company nor the Company's manager is a licensed investment marketer under the Law for the Regulation of Provisions of Investment Advice, Marketing Investments and Portfolio Management - 1995 (the "Israeli Investment Advisor Law") and neither the Company nor the Company's manager maintains insurance as required under such law. Accordingly, the SAFEs described herein will only be offered and sold in Israel to parties which qualify as "eligible customers" for purposes of Section 3(a)(11) of the Israeli Investment Advisor Law. The Company and the Company's manager may be deemed to be providing investment marketing services in Israel but neither is an investment advisor for purposes of Israeli law. Any investment advice to investors and potential investors in the Company which may be deemed to have been provided under applicable Israeli law in connection with an investment in the Company is deemed provided on a one-time only basis and neither the Company nor the Company's manager will provide any ongoing investment marketing services to the Company's investors.

NOTICE TO RESIDENTS OF ITALY

The Company is not a UCITS Company. It has not been nor will it be filed with the Italian authorities for registration. The SAFEs are offered upon the express request of the investor, who has directly contacted the Company or its sponsor on the investor's own initiative. No active marketing of the Company has been made in Italy, and this Memorandum has been sent to the investor at the investor's unsolicited request. The investor acknowledges the above and hereby agrees not to transfer or otherwise further sell any SAFEs or to circulate this Memorandum to other Italian investors unless expressly permitted by applicable law.

NOTICE TO RESIDENTS OF JAPAN

The SAFEs are a security set forth in Article 2, Paragraph 2, Item 6, of the Financial Instruments and Exchange Law of Japan (the "FIEL"). No public offering of the SAFEs is being made to investors resident in Japan and in accordance with Article 2, paragraph 3, Item 3, of the FIEL, no securities registration statement pursuant to Article 4, paragraph 1, of the FIEL has been made or will be made in respect to the offering of the SAFEs in Japan. The offering of the SAFEs in Japan and the investment management of the Company in Japan is made as "Special Exempted Business for Qualified Institutional Investors, Etc." under Article 63, Paragraph 1, of the FIEL. Thus, the SAFEs are being offered only to a limited number of investors in Japan. Neither the Company nor any of its affiliates is or will be registered as a "financial instruments firm" pursuant to the FIEL. Neither the Financial Services Agency of Japan nor the Kanto Local Finance Bureau has passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of the SAFEs to investors resident in Japan.

NOTICE TO RESIDENTS OF JERSEY

No consent has been sought from, nor has any such consent been granted by, the Jersey Financial Services Commission under Article 10 of the Control of Borrowing (Jersey) Order 1958, as amended. No public offering of SAFEs is being made to investors resident in Jersey. Accordingly, the SAFEs are being offered only to a limited number of institutional and sophisticated individual investors in Jersey.

NOTICE TO RESIDENTS OF KOREA

Neither the Company nor any of its affiliates is making any representation with respect to the eligibility of any recipients of this Memorandum to acquire the SAFEs under the laws of Korea, including, but without limitation, the Foreign Exchange Transaction Law and Regulations thereunder. The SAFEs have not been registered with the Financial Services Commission of Korea (the "FSC") for a public offering in Korea under the Financial Investment Services and Capital Markets Act of Korea, and none of the SAFEs may be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant

to applicable laws and regulations of Korea. Furthermore, the SAFEs may not be re-sold to Korean residents unless the purchaser of the SAFEs complies with all applicable regulatory requirements (including, but not limited to, governmental approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with any such secondary purchase of the SAFEs.

NOTICE TO RESIDENTS OF KUWAIT

This Memorandum is not for general circulation to the public in Kuwait. SAFEs of the Company have not been licensed for offering in Kuwait by the Capital Markets Authority, the Kuwait Central Bank or any other relevant Kuwaiti governmental agency. The offering of SAFEs of the Company in Kuwait on the basis of a private placement or public offering is, therefore, restricted in accordance with Decree Law No. 31 of 1990 (as amended) and Law No. 7 of 2010 and the bylaws thereto (as amended). No private or public offering of SAFEs of the Company is being made in Kuwait, and no agreement relating to the sale of SAFEs of the Company will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market SAFEs of the Company in Kuwait.

NOTICE TO RESIDENTS OF LIBYA

This Memorandum has not been approved by the Libyan Ministry of Economy nor by any other Libyan governmental authority, nor has the Company received authorization or licensing from the Libyan Ministry of Economy nor by any other Libyan authority to market or sell the SAFEs within Libya. Therefore, no services relating to the offering, including, without limitation, the receipt of subscriptions or the allotment of the SAFEs, may be rendered within Libya by the Company or persons representing the Company.

NOTICE TO RESIDENTS OF LIECHTENSTEIN

This offer is private and confidential and intended only for your personal use. You should not disclose its contents to anyone. This Memorandum is not an offer of the SAFEs to the public in Liechtenstein. The Company has taken no action to permit an offering of the SAFEs to the public in Liechtenstein. No governmental agency or regulatory authority in Liechtenstein has reviewed, approved, or authorized this Memorandum or the sale of the SAFEs.

NOTICE TO RESIDENTS OF LUXEMBOURG

No public offering of the SAFEs is being made to investors resident in Luxembourg. The SAFEs are only being offered to a limited number of sophisticated and professional investors in Luxembourg. The Commission de Surveillance du Secteur Financier of Luxembourg has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of the SAFEs to investors resident in Luxembourg.

NOTICE TO RESIDENTS OF MALAYSIA

The offering made under this Memorandum does not constitute, and should not be construed as constituting an offer or invitation to subscribe for or purchase any securities in Malaysia. The Company, by distribution of this Memorandum, is not making and has not made available any securities for subscription or purchase in Malaysia. This Memorandum is being distributed in Malaysia for information purposes only and does not constitute, and should not be construed as offering or making available the SAFEs for subscription or purchase in Malaysia.

NOTICE TO RESIDENTS OF MARSHALL ISLANDS

The SAFEs are being offered in the Marshall Islands exclusively to non-resident, domestic business entities (as defined under applicable law in the Republic of the Marshall Islands) and not to any resident domestic business entities or individuals resident in the Republic of the Marshall Islands. Neither the Company nor any other person is offering hereby to sell the SAFEs to, or soliciting any offer to purchase or subscribe for the SAFEs from, investors located in the Republic of the Marshall Islands except as may otherwise be permitted under applicable law.

NOTICE TO RESIDENTS OF MEXICO

The offering made under this Memorandum does not constitute a public offering of securities under Mexican law and therefore is not subject to obtaining the prior authorization of the Mexican National Banking and Securities Commission or the registration of the SAFEs with the Mexican National Registry of Securities.

NOTICE TO RESIDENTS OF MONACO

No public offering of SAFEs is being made to investors resident in Monaco. SAFEs are being offered only to a limited number of institutional investors (i.e., duly licensed banks and portfolio management companies), capable of understanding the risks of their investment in the Company. The Commission de Contrôle des Activités Financières

of Monaco has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of SAFEs to investors resident in Monaco.

NOTICE TO RESIDENTS OF THE NETHERLANDS
The Company is not subject to a licensing requirement under the Financial Supervision Act (Wet op het financieel toezicht) in respect of the issuance of the SAFEs. Furthermore, the Company is not under the supervision or authority of the Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten).

NOTICE TO RESIDENTS OF NEW ZEALAND
No public offering of the SAFEs is being made to investors in New Zealand. The SAFEs are being offered to investors resident in New Zealand pursuant to exemptions from the prospectus requirements under the Securities Act of 1978. The New Zealand Securities Commission has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of the SAFEs to investors resident in New Zealand.

NOTICE TO RESIDENTS OF NORWAY
The offering of the SAFEs is not subject to the prospectus requirements set forth in the Norwegian Securities Trading Act. This Memorandum has not been and will not be registered with or authorized by any governmental body in Norway. The SAFEs may only be solicited, acquired or offered in or from Norway to investors for a minimum subscription of at least €50,000.

NOTICE TO RESIDENTS OF OMAN
This Memorandum, and the SAFEs to which it relates, may not be advertised, marketed, distributed or otherwise made available to the general public in Oman. In connection with the offering of the SAFEs, no prospectus has been registered with or approved by the Central Bank of Oman, the Oman Ministry of Commerce and Industry, the Oman Capital Market Authority or any other regulatory body in the Sultanate of Oman. The offering and sale of SAFEs described in this Memorandum will not take place inside Oman. The SAFEs are being offered on a limited private basis, and do not constitute marketing, offering or sales to the general public in Oman. Therefore, this Memorandum is strictly private and confidential, and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any person other than the intended recipient hereof.

NOTICE TO RESIDENTS OF PANAMA
No public offering of SAFEs is being made to investors in the Republic of Panama. SAFEs are being offered to Panamanian investors pursuant to exemptions from the prospectus requirements under the securities laws of the Republic of Panama. The National Securities Commission has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of SAFEs to investors resident in the Republic of Panama.

NOTICE TO RESIDENTS OF PHILIPPINES
The securities (i.e., the SAFEs) being offered or sold hereunder have not been registered with the Securities and Exchange Commission of the Philippines under the Philippines Securities Regulation Code. Any future offer or sale of the SAFEs is subject to the registration requirements of the Philippines Securities Regulation Code unless such offer or sale qualifies as an exempt transaction thereunder.

NOTICE TO RESIDENTS OF POLAND
This Memorandum (including any amendment, supplement or replacement thereto) is not being distributed in the context of a public offering in Poland within the meaning of Article 7.1 Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies dated July 29th 2005 (the "Act of the Public Offering"). The SAFEs are being offered only to a limited number of investors in Poland pursuant to exemptions from the registration requirements of the Act of the Public Offering. This Memorandum has not been and will not be submitted to the Polish Financial Supervisory Authority (*Komisja Nadzoru Finansowego*) for approval in Poland and accordingly may not and will not be distributed to the public in Poland.

NOTICE TO RESIDENTS OF PORTUGAL
The offering of the SAFEs is only to investors that subscribe for a minimum of €50,000 as required pursuant to Article 111(1)(e)of the Portuguese Securities Code. The offering of the SAFEs does not qualify as marketing of participation

units in undertakings for collective investments, as per Article 1 No. 3 ex vi Article 15 of the Undertakings for Collective Investment Law.

NOTICE TO RESIDENTS OF QATAR
The SAFEs described in this Memorandum have not been offered, sold or delivered, and will not be offered, sold or delivered at any time, directly or indirectly, in the State of Qatar in a manner that would constitute a public offering. This Memorandum has not been reviewed or registered with the Qatari Central Bank or any other Qatari government authorities and does not constitute a public offering of securities in the State of Qatar. Therefore, this Memorandum is strictly private and confidential, and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any person other than the intended recipient hereof.

NOTICE TO RESIDENTS OF RUSSIA FEDERATION
Under Russian law, the SAFEs may be considered securities of a foreign (i.e., non-Russian) issuer. Neither the issuance of the SAFEs nor this Memorandum has been, or is intended to be, registered with the Federal Service for Financial Markets of the Russian Federation, and hence the SAFEs are not eligible for advertising, initial placement or public circulation in the Russian Federation. The information provided in this Memorandum (including any amendment or supplement thereto or replacement thereof) is not an offer, or an invitation to make offers, to sell, exchange or otherwise transfer the SAFEs in the Russian Federation to or for the benefit of any Russian person or entity.

This Memorandum is not to be distributed or reproduced (in whole or in part) in the Russian Federation by the recipients of this Memorandum. This Memorandum has been distributed to its recipients with the understanding that such recipients will only participate in the issue of the SAFEs outside the Russian Federation for their own account and undertake not to transfer, directly or indirectly, the SAFEs to the public in the Russian Federation.

NOTICE TO RESIDENTS OF SAUDI ARABIA
Neither this Memorandum nor the SAFEs have been approved, disapproved or passed on in any way by the Capital Market Authority or any other governmental authority in the Kingdom of Saudi Arabia, nor has the Company received authorization or licensing from the Capital Market Authority or any other governmental authority in the Kingdom of Saudi Arabia to market or sell the SAFEs within the Kingdom of Saudi Arabia. This Memorandum does not constitute and may not be used for the purpose of an offer or invitation. No services relating to the SAFEs, including the receipt of applications and the allotment or redemption of the SAFEs, may be rendered by the Company within the Kingdom of Saudi Arabia.

NOTICE TO RESIDENTS OF SINGAPORE
This Memorandum has not been and will not be filed or registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Memorandum and any other documents or material prepared in connection with offer, sale or solicitation for subscription or purchase of the SAFEs may not be circulated or distributed, whether directly or indirectly, to persons in Singapore other than an institutional investor pursuant to Section 274 of the Securities and Futures Act ("SFA") nor may the SAFEs be offered or sold, to any investors in Singapore other than institutional investors pursuant to Section 274 of the SFA. Any offer, sale or solicitation for subscription or purchase of the SAFEs in Singapore to any institutional investors in Singapore pursuant to Section 274 of the SFA may only be pursuant to a transaction involving a subscription for at least S$200,000 (or its equivalent in a non-Singapore currency) unless such transaction is pursuant to and in accordance with the conditions of any other applicable provisions of the SFA.

NOTICE TO RESIDENTS OF SOUTH AFRICA
The SAFEs may not be marketed, offered or sold directly or indirectly to the public in South Africa and neither this Memorandum, which has not been submitted to the Ministry of Finance, nor any offering material or information contained herein relating to the SAFEs, may be supplied to the public in South Africa or used in connection with any offer for the subscription or sale of the SAFEs to the public in South Africa. In addition, investors resident in South Africa may be subject to foreign exchange control approval and filing requirements under the relevant South Africa foreign exchange regulations, as well as offshore investment approval requirements.

NOTICE TO RESIDENTS OF SPAIN
The SAFEs may not be offered or sold in Spain except in accordance with the requirements of the Spanish Securities Market Law (Ley 24/1988, de 28 de Julio, del Mercado de Valores) as amended and restated, Royal Decree 1310/2005,

on securities admission to trade on secondary official markets, public offerings or subscriptions, and prospectus required to such effects, and/or subject and in compliance with the requirements contained in such regulations (Real Decreto 1310/2005, de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, del Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos), and subsequent legislation. This Memorandum has not been verified by nor registered with the Comisión Nacional del Mercado de Valores, and therefore no public offering of the SAFEs may be carried out in Spain.

NOTICE TO RESIDENTS OF SWEDEN

This Memorandum has not been, nor will it be, registered with or approved by Finansinspektionen (the Swedish Financial Supervisory Authority). Accordingly, this Memorandum may not be made available, nor may the SAFEs offered hereunder be marketed and offered for sale in Sweden, other than under circumstances which are deemed not to require a prospectus under the Swedish Financial Instruments Trading Act (1991:980, (Sw. lag (1991:980) om handel med finansiella instrument). Accordingly, the offering of SAFEs will only be directed to investors resident in Sweden who subscribe for SAFEs for a total consideration of at least €50,000 per investor.

NOTICE TO RESIDENTS OF SWITZERLAND

Under the Collective Investment Schemes Act of June 23, 2006 (the "CISA"), the offering, sale and distribution of units in foreign collective investment schemes in or from Switzerland are subject to authorization by the Swiss Financial Market Supervisory Authority. The concept of "foreign collective investment schemes" covers, inter alia, non-Swiss companies and similar schemes (including those created on the basis of a collective investment contract or a contract of another type with similar effects) created for the purpose of collective investment, whether such companies or schemes are closed-ended or open-ended. SAFEs in a foreign investment scheme which has not been authorized by the Swiss Financial Market Supervisory Authority may be promoted in or from Switzerland only if no public solicitation, offering or advertising is carried out by persons operating in or from Switzerland. There are reasonable grounds to believe that the Company would be characterized as a foreign collective investment scheme from a Swiss legal point of view. As the SAFEs have not been, and cannot be, registered or authorized for distribution under the CISA, any offering of the SAFEs, and any other form of solicitation of investors in relation to the Company (including by way of circulation of offering materials or information, including this Memorandum), must be made by way of private placement, e.g., by limiting the offer to investors considered as qualified investors as defined in the CISA and in Circular 08/8 Public Offering of the Swiss Financial Market Supervisory Authority dated November 20, 2008. Failure to comply with the above-mentioned requirements may constitute a breach of the CISA.

NOTICE TO RESIDENTS OF TAIWAN

The SAFEs have not been registered in the Republic of China, nor is approval by the Financial Supervisory Commission, Executive Yuan, the Republic of China ("FSC") required. Investors should review the financial information and relevant documents and consult with an independent consultant regarding an investment in the SAFEs. Subscribers within the territory of the Republic of China are required to meet certain requirements set forth in the Rules Governing Offshore Companys and conditions promulgated by the FSC. Furthermore, investors resident in the Republic of China generally can not resell the SAFEs nor solicit any other purchasers for the SAFEs.

NOTICE TO RESIDENTS OF THAILAND

This Memorandum is provided to the recipient solely in response to the recipient's request and is not intended to be an offer, sale or invitation for subscription or purchase of securities in Thailand. This Memorandum has not been registered as a prospectus with the Office of the Securities and Exchange Commission of Thailand. Accordingly, this Memorandum and any other documents and materials provided to the recipient in connection with the offer, sale or invitation for subscription or purchase, of the SAFEs may not be circulated or distributed, nor may the SAFEs be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any members of the public in Thailand. Neither the Company, any of its affiliates or any of their respective representatives maintain any license, authorization or registration in Thailand nor is the Company or any of its affiliates registered in Thailand. The offer and sale of securities within Thailand and the provision of securities services in Thailand or to Thai persons or entities may not be possible or may be subject to legal restriction or conditions.

NOTICE TO RESIDENTS OF TURKEY
The SAFEs are only being offered in Turkey to qualified investors as such term is defined in Article 15 of the Communiqué on Principles Regarding Registration with the Board and Sale of Foreign Mutual Companys.

NOTICE TO RESIDENTS OF UKRAINE
Under Ukrainian law, the SAFEs are securities of a non-Ukrainian issuer. The SAFEs are not eligible for initial public offering and public circulation in Ukraine. Neither the issuance of the SAFEs nor any securities prospectus in respect of the SAFEs has been, or is intended to be, registered with the State Commission for Securities or the Stock Market of Ukraine. The information provided in this document is not an offer, or an invitation to make offers, to sell, exchange or otherwise transfer the SAFEs in Ukraine.

NOTICE TO RESIDENTS OF UNITED ARAB EMIRATES (ABU DHABI AND DUBAI, INCLUDING DUBAI INTERNATIONAL FINANCE CENTER)
The SAFEs are being offered on a private placement basis, and do not constitute marketing, offering or sales to the general public in the (the "UAE"). This Memorandum does not constitute a public offer of securities in the UAE pursuant to the Commercial Companies Law (Federal Law No. 8 of 1984, as amended).

Neither this Memorandum nor the SAFEs have been approved, disapproved or passed on in any way by the Central Bank of the UAE nor any other governmental authority in the UAE, nor has the Company received authorization or licensing from the Central Bank of the UAE or any other governmental authority in the UAE to market or sell the SAFEs within the UAE. This Memorandum does not constitute and may not be used for the purpose of an offer or invitation to subscribe for the SAFEs within the UAE. No services relating to the SAFEs including the receipt of applications and/or the allotment or redemption of such SAFEs may be rendered within the UAE by the Company. With respect to any potential investors in the SAFEs located in the Dubai International Finance Center, no offer or invitation to subscribe for SAFEs or sale of the SAFEs is valid or permitted in, or to any persons in, or from, the Dubai International Finance Center. Neither this Memorandum nor the SAFEs have been approved, disapproved or passed on in any way by the Dubai Financial Services Authority nor any other governmental authority in the Dubai International Finance Center, nor has the Company received authorization or licensing from the Dubai Financial Services Authority or any other governmental authority in the Dubai International Finance Center to market or sell the SAFEs. This Memorandum does not constitute and may not be used for the purpose of an offer or invitation to subscribe for the SAFEs within the Dubai International Finance Center.

NOTICE TO RESIDENTS OF THE UNITED KINGDOM
In the United Kingdom, this document is being distributed only to and is directed at (a) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order") or (b) high-net-worth entities and other persons to whom it may otherwise lawfully be communicated, falling within Article 49(2) of the Order (all such persons together being referred to as "relevant persons"). Persons who are not relevant persons must not act on or rely on this document or any of its contents. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. Recipients must not distribute, publish, reproduce, or disclose this document (in whole or in part) to any other person.

The content of this Memorandum has not been approved by an authorized person within the meaning of the Financial Services and Markets Act 2000. Reliance on this Memorandum for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all of the property or other assets invested.

The content of this Memorandum is exempt from the general restriction (in Section 21 of the Financial Services and Markets Act 2000) on the communication of invitations or inducements to engage in investment activity on the grounds that it is made to certified high net worth individuals. Any individual who has any doubt with respect to the investment to which this Memorandum relates should consult an authorized person specializing in advising on investments of the kind in question.

In order for an individual investor to qualify as a certified high net worth investor, the investor must:

(a) have had an annual income of £100,000 or more for the immediately preceding financial year; or
(b) hold net assets to the value of £250,000 or more.

Net assets for these purposes do not include (i) the property which is the investor's primary residence or any loan secured by that residence, (ii) any rights of the investor under a qualifying contract of insurance within the meaning of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 or (iii) any benefits (in the form of pensions or otherwise) which are payable on the termination of the investor's service or on the investor's death or retirement and to which the investor is (or the investor's dependents are), or may be, entitled.

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XV. US State Regulatory Compliance

JURISDICTIONAL (NASAA) LEGENDS

FOR RESIDENTS OF ALL STATES: THE PRESENCE OF A LEGEND FOR ANY GIVEN STATE REFLECTS ONLY THAT A LEGEND MAY BE REQUIRED BY THAT STATE AND SHOULD NOT BE CONSTRUED TO MEAN AN OFFER OR SALE MAY BE MADE, HAS BEEN MADE, OR WILL BE MADE IN A PARTICULAR STATE. IF YOU ARE UNCERTAIN AS TO WHETHER OR NOT OFFERS OR SALES MAY BE LAWFULLY MADE IN ANY GIVEN STATE, YOU ARE HEREBY ADVISED TO CONTACT THE COMPANY. THE SECURITIES DESCRIBED IN THIS MEMORANDUM HAVE NOT BEEN REGISTERED UNDER ANY STATE SECURITIES LAWS (COMMONLY CALLED "BLUE SKY" LAWS). THESE SECURITIES MUST BE ACQUIRED FOR INVESTMENT PURPOSES ONLY AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION OF SUCH SECURITIES UNDER SUCH LAWS, OR AN OPINION OF COUNSEL ACCEPTABLE TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED. THE PRESENCE OF A LEGEND FOR ANY GIVEN STATE REFLECTS ONLY THAT A LEGEND MAY BE REQUIRED BY THE STATE AND SHOULD NOT BE CONSTRUED TO MEAN AN OFFER OF SALE MAY BE MADE IN ANY PARTICULAR STATE.

1. NOTICE TO ALABAMA RESIDENTS ONLY: THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE ALABAMA SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ALABAMA SECURITIES COMMISSION. THE COMMISSION DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

2. NOTICE TO ALASKA RESIDENTS ONLY: THE SECURITIES OFFERED HAVE NOT BEEN REGISTERED WITH THE ADMINISTRATOR OF SECURITIES OF THE STATE OF ALASKA UNDER PROVISIONS OF 3 AAC 08.503. THE INVESTOR IS ADVISED THAT THE ADMINISTRATOR HAS MADE ONLY A CURSORY REVIEW OF THE REGISTRATION STATEMENT AND HAS NOT REVIEWED THIS DOCUMENT SINCE THE DOCUMENT IS NOT REQUIRED TO BE FILED WITH THE ADMINISTRATOR. THE FACT OF REGISTRATION DOES NOT MEAN THAT THE ADMINISTRATOR HAS PASSED IN ANY WAY UPON THE MERITS, RECOMMENDED, OR APPROVED THE SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS A VIOLATION OF 45.55.170. THE INVESTOR MUST RELY ON THE INVESTOR'S OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT DECISION ON THESE SECURITIES.

3. NOTICE TO ARIZONA RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE ARIZONA SECURITIES ACT IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION PURSUANT TO A.R.S. SECTION 44-1844 (1) AND THEREFORE CANNOT BE RESOLD UNLESS THEY ARE ALSO REGISTERED OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

4. NOTICE TO ARKANSAS RESIDENTS ONLY: THESE SECURITIES ARE OFFERED IN RELIANCE UPON CLAIMS OF EXEMPTION UNDER THE ARKANSAS SECURITIES ACT AND SECTION 4(2) OF THE SECURITIES ACT OF 1933. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ARKANSAS SECURITIES DEPARTMENT OR WITH THE SECURITIES AND

EXCHANGE COMMISSION. NEITHER THE DEPARTMENT NOR THE COMMISSION HAS PASSED UPON THE VALUE OF THESE SECURITIES, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED THIS OFFERING OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

5. FOR CALIFORNIA RESIDENTS ONLY: THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS OFFERING HAS NOT BEEN QUALIFIED WITH COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SECURITIES OR PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFORE PRIOR TO SUCH QUALIFICATIONS IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPTED FROM QUALIFICATION BY SECTION 25100, 25102, OR 25104 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS OFFERING ARE EXPRESSLY CONDITION UPON SUCH QUALIFICATIONS BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

6. FOR COLORADO RESIDENTS ONLY: THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE COLORADO SECURITIES ACT OF 1991 BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE RESOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE COLORADO SECURITIES ACT OF 1991, IF SUCH REGISTRATION IS REQUIRED.

7. NOTICE TO CONNECTICUT RESIDENTS ONLY: SHARES ACQUIRED BY CONNECTICUT RESIDENTS ARE BEING SOLD AS A TRANSACTION EXEMPT UNDER SECTION 36b-31-21b-9b OF THE CONNECTICUT, UNIFORM SECURITIES ACT. THE SHARES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF CONNECTICUT. ALL INVESTORS SHOULD BE AWARE THAT THERE ARE CERTAIN RESTRICTIONS AS TO THE TRANSFERABILITY OF THE SHARES.

8. NOTICE TO DELAWARE RESIDENTS ONLY: IF YOU ARE A DELAWARE RESIDENT, YOU ARE HEREBY ADVISED THAT THESE SECURITIES ARE BEING OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE DELAWARE SECURITIES ACT. THE SECURITIES CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

9. NOTICE TO DISTRICT OF COLUMBIA RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES BUREAU OF THE DISTRICT OF COLUMBIA NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

10. NOTICE TO FLORIDA RESIDENTS ONLY: THE SHARES DESCRIBED HEREIN HAVE NOT BEEN REGISTERED WITH THE FLORIDA DIVISION OF SECURITIES AND INVESTOR PROTECTION UNDER THE FLORIDA SECURITIES ACT. THE SHARES REFERRED TO HEREIN WILL BE SOLD TO, AND ACQUIRED BY THE HOLDER IN A TRANSACTION EXEMPT UNDER SECTION 517.061 OF SAID ACT. THE SHARES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF FLORIDA. IN ADDITION, ALL OFFEREES WHO ARE FLORIDA RESIDENTS SHOULD BE AWARE THAT SECTION 517.061(11)(a)(5) OF THE 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 THIS SECTION IS VOIDABLE BY THE PURCHASER IN SUCH SALE EITHER WITHIN 3 DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE PURCHASER TO THE ISSUER, AN AGENT OF THE ISSUER OR WITHIN 3 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(11) IS HEREBY COMMUNICATED TO EACH FLORIDA OFFEREE. EACH PERSON ENTITLED TO EXERCISE THE PRIVILEGE TO AVOID SALES GRANTED BY SECTION 517.061 (11) (A)(5) AND WHO WISHES TO EXERCISE SUCH RIGHT, MUST, WITHIN 3 DAYS AFTER THE TENDER OF ANY AMOUNT TO THE COMPANY OR TO ANY AGENT OF THE COMPANY

(INCLUDING THE SELLING AGENT OR ANY OTHER DEALER ACTING ON BEHALF OF THE PARTNERSHIP OR ANY SALESMAN OF SUCH DEALER) CAUSE A WRITTEN NOTICE OR TELEGRAM TO BE SENT TO THE COMPANY AT THE ADDRESS PROVIDED IN THIS CONFIDENTIAL EXECUTIVE SUMMARY. SUCH LETTER OR TELEGRAM MUST BE SENT AND, IF POSTMARKED, POSTMARKED ON OR PRIOR TO THE END OF THE AFOREMENTIONED THIRD DAY. IF A PERSON IS SENDING A LETTER, IT IS PRUDENT TO SEND SUCH LETTER BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ASSURE THAT IT IS RECEIVED AND ALSO TO EVIDENCE THE TIME IT WAS MAILED. SHOULD A PERSON MAKE THIS REQUEST ORALLY, HE MUST ASK FOR WRITTEN CONFIRMATION THAT HIS REQUEST HAS BEEN RECEIVED.

11. NOTICE TO GEORGIA RESIDENTS ONLY: THESE SECURITIES ARE OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE GEORGIA SECURITIES ACT PURSUANT TO REGULATION 590-4-5-04 AND -01. THE SECURITIES CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

12. NOTICE TO HAWAII RESIDENTS ONLY: NEITHER THIS PROSPECTUS NOR THE SECURITIES DESCRIBED HEREIN BEEN APPROVED OR DISAPPROVED BY THE COMMISSIONER OF SECURITIES OF THE STATE OF HAWAII NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS.

13. NOTICE TO IDAHO RESIDENTS ONLY: THESE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE IDAHO SECURITIES ACT IN RELIANCE UPON EXEMPTION FROM REGISTRATION PURSUANT TO SECTION 30-14-203 OR 302(c) THEREOF AND MAY NOT BE SOLD, TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SAID ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SAID ACT.

14. NOTICE TO ILLINOIS RESIDENTS: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECRETARY OF THE STATE OF ILLINOIS NOR HAS THE STATE OF ILLINOIS PASSED UPON THE ACCURACY OR ADEQUACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

15. NOTICE TO INDIANA RESIDENTS ONLY: THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER SECTION 23-2-1-2 OF THE INDIANA SECURITIES LAW AND HAVE NOT BEEN REGISTERED UNDER SECTION 23-2-1-3. THEY CANNOT THEREFORE BE RESOLD UNLESS THEY ARE REGISTERED UNDER SAID LAW OR UNLESS AN EXEMPTION FORM REGISTRATION IS AVAILABLE. A CLAIM OF EXEMPTION UNDER SAID LAW HAS BEEN FILED, AND IF SUCH EXEMPTION IS NOT DISALLOWED SALES OF THESE SECURITIES MAY BE MADE. HOWEVER, UNTIL SUCH EXEMPTION IS GRANTED, ANY OFFER MADE PURSUANT HERETO IS PRELIMINARY AND SUBJECT TO MATERIAL CHANGE.

16. NOTICE TO IOWA RESIDENTS ONLY: 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; 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.

17. NOTICE TO KANSAS RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO

AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 81-5-15 OF THE KANSAS SECURITIES ACT AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

18. NOTICE TO KENTUCKY RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER TITLE 808 KAR 10:210 OF THE KENTUCKY SECURITIES ACT AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

19. NOTICE TO LOUISIANA RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER RULE 1 OF THE LOUISIANA SECURITIES LAW AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

20. NOTICE TO MAINE RESIDENTS ONLY: THE ISSUER IS REQUIRED TO MAKE A REASONABLE FINDING THAT THE SECURITIES OFFERED ARE A SUITABLE INVESTMENT FOR THE PURCHASER AND THAT THE PURCHASER IS FINANCIALLY ABLE TO BEAR THE RISK OF LOSING THE ENTIRE AMOUNT INVESTED.

THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION UNDER §16202(15) OF THE MAINE UNIFORM SECURITIES ACT AND ARE NOT REGISTERED WITH THE SECURITIES ADMINISTRATOR OF THE STATE OF MAINE.

THE SECURITIES OFFERED FOR SALE MAY BE RESTRICTED SECURITIES AND THE HOLDER MAY NOT BE ABLE TO RESELL THE SECURITIES UNLESS:

(1) THE SECURITIES ARE REGISTERED UNDER STATE AND FEDERAL SECURITIES LAWS, OR

(2) AN EXEMPTION IS AVAILABLE UNDER THOSE LAWS.

21. NOTICE TO MARYLAND RESIDENTS ONLY: IF YOU ARE A MARYLAND RESIDENT AND YOU ACCEPT AN OFFER TO PURCHASE THESE SECURITIES PURSUANT TO THIS MEMORANDUM, YOU ARE HEREBY ADVISED THAT THESE SECURITIES ARE BEING SOLD AS A TRANSACTION EXEMPT UNDER SECTION 11-602(9) OF THE MARYLAND SECURITIES ACT. THE SHARES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF MARYLAND. ALL INVESTORS SHOULD BE AWARE THAT THERE ARE CERTAIN RESTRICTIONS AS TO THE TRANSFERABILITY OF THE SHARES.

22. NOTICE TO MASSACHUSETTS RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE MASSACHUSETTS UNIFORM SECURITIES ACT, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THIS OFFERING. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE

23. NOTICE TO MICHIGAN RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER SECTION 451.701 OF THE MICHIGAN UNIFORM SECURITIES ACT (THE ACT) AND MAY BE TRANSFERRED OR RESOLD BY RESIDENTS OF MICHIGAN ONLY IF REGISTERED PURSUANT TO THE PROVISIONS OF THE ACT, OR IF AN EXEMPTION FROM REGISTRATION IS AVAILABLE. THE INVESTMENT IS SUITABLE IF IT DOES NOT EXCEED 10% OF THE INVESTOR'S NET WORTH.

24. NOTICE TO MINNESOTA RESIDENTS ONLY: THESE SECURITIES BEING OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER CHAPTER 80A OF THE MINNESOTA SECURITIES LAWS AND

MAY NOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO REGISTRATION, OR AN EXEMPTION THEREFROM.

25. NOTICE TO MISSISSIPPI RESIDENTS ONLY: THE SHARES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE MISSISSIPPI SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE MISSISSIPPI SECRETARY OF STATE OR WITH THE SECURITIES AND EXCHANGE COMMISSION. NEITHER THE SECRETARY OF STATE NOR THE COMMISSION HAS PASSED UPON THE VALUE OF THESE SECURITIES, OR APPROVED OR DISAPPROVED THIS OFFERING. THE SECRETARY OF STATE DOES NOT RECOMMEND THE PURCHASE OF THESE OR ANY OTHER SECURITIES. EACH PURCHASER OF THE SECURITIES MUST MEET CERTAIN SUITABILITY STANDARDS AND MUST BE ABLE TO BEAR AN ENTIRE LOSS OF THIS INVESTMENT. THE SECURITIES MAY NOT BE TRANSFERRED FOR A PERIOD OF ONE (1) YEAR EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE MISSISSIPPI SECURITIES ACT OR IN A TRANSACTION IN COMPLIANCE WITH THE MISSISSIPPI SECURITIES ACT.

26. FOR MISSOURI RESIDENTS ONLY: THE SECURITIES OFFERED HEREIN WILL BE SOLD TO, AND ACQUIRED BY, THE PURCHASER IN A TRANSACTION EXEMPT UNDER SECTION 4.G OF THE MISSOURI SECURITIES LAW OF 1953, AS AMENDED. THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF MISSOURI. UNLESS THE SECURITIES ARE SO REGISTERED, THEY MAY NOT BE OFFERED FOR SALE OR RESOLD IN THE STATE OF MISSOURI, EXCEPT AS A SECURITY, OR IN A TRANSACTION EXEMPT UNDER SAID ACT.

27. NOTICE TO MONTANA RESIDENTS ONLY: IN ADDITION TO THE INVESTOR SUITABILITY STANDARDS THAT ARE OTHERWISE APPLICABLE, ANY INVESTOR WHO IS A MONTANA RESIDENT MUST HAVE A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) IN EXCESS OF FIVE (5) TIMES THE AGGREGATE AMOUNT INVESTED BY SUCH INVESTOR IN THE SHARES.

28. NOTICE TO NEBRASKA RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER CHAPTER 15 OF THE NEBRASKA SECURITIES LAW AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

29. NOTICE TO NEVADA RESIDENTS ONLY: IF ANY INVESTOR ACCEPTS ANY OFFER TO PURCHASE THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION NRS 92.520 OF THE NEVADA SECURITIES LAW. THE INVESTOR IS HEREBY ADVISED THAT THE ATTORNEY GENERAL OF THE STATE OF NEVADA HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING AND THE FILING OF THE OFFERING WITH THE BUREAU OF SECURITIES DOES NOT CONSTITUTE APPROVAL OF THE ISSUE, OR SALE THEREOF, BY THE BUREAU OF SECURITIES OR THE DEPARTMENT OF LAW AND PUBLIC SAFETY OF THE STATE OF NEVADA. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. NEVADA ALLOWS THE SALE OF SECURITIES TO 25 OR FEWER PURCHASERS IN THE STATE WITHOUT REGISTRATION. HOWEVER, CERTAIN CONDITIONS APPLY, I.E., THERE CAN BE NO GENERAL ADVERTISING OR SOLICITATION AND COMMISSIONS ARE LIMITED TO LICENSED BROKER-DEALERS. THIS EXEMPTION IS GENERALLY USED WHERE THE PROSPECTIVE INVESTOR IS ALREADY KNOWN AND HAS A PRE-EXISTING RELATIONSHIP WITH THE COMPANY. (SEE NRS 90.530.11.)

30. NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY: NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE UNDER THIS CHAPTER 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 SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER 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 THAT THE SECRETARY OF STATE HAS

PASSED IN ANY WAY UPON THE 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.

31. NOTICE TO NEW JERSEY RESIDENTS ONLY: IF YOU ARE A NEW JERSEY RESIDENT AND YOU ACCEPT AN OFFER TO PURCHASE THESE SECURITIES PURSUANT TO THIS MEMORANDUM, YOU ARE HEREBY ADVISED THAT THIS MEMORANDUM HAS NOT BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY PRIOR TO ITS ISSUANCE AND USE. THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

32. NOTICE TO NEW MEXICO RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES DIVISION OF THE NEW MEXICO DEPARTMENT OF BANKING NOR HAS THE SECURITIES DIVISION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

33. NOTICE TO NEW YORK RESIDENTS ONLY: THIS DOCUMENT HAS NOT BEEN REVIEWED BY THE ATTORNEY GENERAL OF THE STATE OF NEW YORK PRIOR TO ITS ISSUANCE AND USE. THE ATTORNEY GENERAL OF THE STATE OF NEW YORK HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THE COMPANY HAS TAKEN NO STEPS TO CREATE AN AFTERMARKET FOR THE SHARES OFFERED HEREIN AND HAS MADE NO ARRANGEMENTS WITH BROKERS OF OTHERS TO TRADE OR MAKE A MARKET IN THE SHARES. AT SOME TIME IN THE FUTURE, THE COMPANY MAY ATTEMPT TO ARRANGE FOR INTERESTED BROKERS TO TRADE OR MAKE A MARKET IN THE SECURITIES AND TO QUOTE THE SAME IN A PUBLISHED QUOTATION MEDIUM, HOWEVER, NO SUCH ARRANGEMENTS HAVE BEEN MADE AND THERE IS NO ASSURANCE THAT ANY BROKERS WILL EVER HAVE SUCH AN INTEREST IN THE SECURITIES OF THE COMPANY OR THAT THERE WILL EVER BE A MARKET THEREFORE.

34. NOTICE TO NORTH CAROLINA RESIDENTS ONLY: 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 MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FORGOING AUTHORITIES HAVE NOT CONFIRMED ACCURACY OR DETERMINED ADEQUACY OF THIS DOCUMENT. REPRESENTATION TO THE CONTRARY IS UNLAWFUL. 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 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.

35. NOTICE TO NORTH DAKOTA RESIDENTS ONLY: 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.

36. NOTICE TO OHIO RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 1707.3(X) OF THE OHIO SECURITIES LAW AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

37. NOTICE TO OKLAHOMA RESIDENTS ONLY: THESE SECURITIES ARE OFFERED FOR SALE IN THE STATE OF OKLAHOMA IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION FOR PRIVATE OFFERINGS. ALTHOUGH A PRIOR FILING OF THIS MEMORANDUM AND THE INFORMATION HAS BEEN MADE WITH THE OKLAHOMA SECURITIES COMMISSION, SUCH FILING IS PERMISSIVE ONLY AND DOES NOT CONSTITUTE AN APPROVAL, RECOMMENDATION OR ENDORSEMENT, AND IN NO SENSE IS TO BE REPRESENTED AS AN INDICATION OF THE INVESTMENT MERIT OF SUCH SECURITIES. ANY SUCH REPRESENTATION IS UNLAWFUL.

38. NOTICE TO OREGON RESIDENTS ONLY: THE SECURITIES OFFERED HAVE BEEN REGISTERED WITH THE CORPORATION COMMISSION OF THE STATE OF OREGON UNDER PROVISIONS OF ORS 59.049. THE INVESTOR IS ADVISED THAT THE COMMISSIONER HAS MADE ONLY A CURSORY REVIEW OF THE REGISTRATION STATEMENT AND HAS NOT REVIEWED THIS DOCUMENT SINCE THE DOCUMENT IS NOT REQUIRED TO BE FILED WITH THE COMMISSIONER. THE INVESTOR MUST RELY ON THE INVESTOR'S OWN EXAMINATION OF THE COMPANY CREATING THE SECURITIES, AND THE TERMS OF THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT DECISION ON THESE SECURITIES.

39. NOTICE TO PENNSYLVANIA RESIDENTS ONLY: EACH PERSON WHO ACCEPTS AN OFFER TO PURCHASE SECURITIES EXEMPTED FROM REGISTRATION BY SECTION 203(d), DIRECTLY FROM THE ISSUER OR AFFILIATE OF THIS ISSUER, SHALL HAVE THE RIGHT TO WITHDRAW HIS ACCEPTANCE WITHOUT INCURRING ANY LIABILITY TO THE SELLER, UNDERWRITER (IF ANY) OR ANY OTHER PERSON WITHIN TWO (2) BUSINESS DAYS FROM THE DATE OF RECEIPT BY THE ISSUER OF HIS WRITTEN BINDING CONTRACT OF PURCHASE OR, IN THE CASE OF A TRANSACTION IN WHICH THERE IS NO BINDING CONTRACT OF PURCHASE, WITHIN TWO (2) BUSINESS DAYS AFTER HE MAKES THE INITIAL PAYMENT FOR THE SECURITIES BEING OFFERED. IF YOU HAVE ACCEPTED AN OFFER TO PURCHASE THESE SECURITIES MADE PURSUANT TO A PROSPECTUS WHICH CONTAINS A NOTICE EXPLAINING YOUR RIGHT TO WITHDRAW YOUR ACCEPTANCE PURSUANT TO SECTION 207(m) OF THE PENNSYLVANIA SECURITIES ACT OF 1972 (70 PS § 1-207(m), YOU MAY ELECT, WITHIN TWO (2) BUSINESS DAYS AFTER THE FIRST TIME YOU HAVE RECEIVED THIS NOTICE AND A PROSPECTUS TO WITHDRAW FROM YOUR PURCHASE AGREEMENT AND RECEIVE A FULL REFUND OF ALL MONEYS PAID BY YOU. YOUR WITHDRAWAL WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, YOU NEED ONLY SEND A LETTER OR TELEGRAM TO THE ISSUER (OR UNDERWRITER IF ONE IS LISTED ON THE FRONT PAGE OF THE PROSPECTUS) INDICATING YOUR INTENTION TO WITHDRAW. SUCH LETTER OR TELEGRAM SHOULD BE SENT AND POSTMARKED PRIOR TO THE END OF THE AFOREMENTIONED SECOND BUSINESS DAY. IF YOU ARE SENDING A LETTER, IT IS PRUDENT TO SEND IT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ENSGTI THAT IT IS RECEIVED AND ALSO EVIDENCE THE TIME WHEN IT WAS MAILED. SHOULD YOU MAKE THIS REQUEST ORALLY, YOU SHOULD ASK WRITTEN CONFIRMATION THAT YOUR REQUEST HAS BEEN RECEIVED. NO SALE OF THE SECURITIES WILL BE MADE TO RESIDENTS OF THE STATE OF PENNSYLVANIA WHO ARE NON-ACCREDITED INVESTORS IF THE AMOUNT OF SUCH INVESTMENT IN THE SECURITIES WOULD EXCEED TWENTY (20%) OF SUCH INVESTOR'S NET WORTH (EXCLUDING PRINCIPAL RESIDENCE, FURNISHINGS THEREIN AND PERSONAL AUTOMOBILES). EACH PENNSYLVANIA RESIDENT MUST AGREE NOT TO SELL THESE SECURITIES FOR A PERIOD OF TWELVE (12) MONTHS AFTER THE DATE OF PURCHASE, EXCEPT IN ACCORDANCE WITH WAIVERS ESTABLISHED BY RULE OR ORDER OF THE COMMISSION. THE SECURITIES HAVE BEEN ISSUED PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENT OF THE PENNSYLVANIA SECURITIES ACT OF 1972. NO SUBSEQUENT RESALE OR OTHER DISPOSITION OF THE SECURITIES MAY BE MADE WITHIN 12 MONTHS FOLLOWING THEIR INITIAL SALE IN THE ABSENCE OF AN EFFECTIVE REGISTRATION, EXCEPT IN ACCORDANCE WITH WAIVERS ESTABLISHED BY RULE OR ORDER OF THE COMMISSION, AND THEREAFTER ONLY PURSUANT TO AN EFFECTIVE REGISTRATION OR EXEMPTION.

40. NOTICE TO RHODE ISLAND RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE DEPARTMENT OF BUSINESS REGULATION OF THE STATE OF RHODE ISLAND NOR HAS THE DIRECTOR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

41. NOTICE TO SOUTH CAROLINA RESIDENTS ONLY: THESE SECURITIES ARE BEING OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE SOUTH CAROLINA UNIFORM SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE SOUTH CAROLINA SECURITIES COMMISSIONER. THE COMMISSIONER DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

42. NOTICE TO SOUTH DAKOTA RESIDENTS ONLY: THESE SECURITIES ARE BEING OFFERED FOR SALE IN THE STATE OF SOUTH DAKOTA PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SOUTH DAKOTA BLUE SKY LAW, CHAPTER 47-31, WITH THE DIRECTOR OF THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE AND REGULATION OF THE STATE OF SOUTH DAKOTA. THE EXEMPTION DOES NOT CONSTITUTE A FINDING THAT THIS MEMORANDUM IS TRUE, COMPLETE, AND NOT MISLEADING, NOR HAS THE DIRECTOR OF THE DIVISION OF SECURITIES PASSED IN ANY WAY UPON THE MERITS OF, RECOMMENDED, OR GIVEN APPROVAL TO THESE SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

43. NOTICE TO TENNESSEE RESIDENT ONLY: 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.

44. NOTICE TO TEXAS RESIDENTS ONLY: THE SECURITIES OFFERED HEREUNDER HAVE NOT BEEN REGISTERED UNDER APPLICABLE TEXAS SECURITIES LAWS AND, THEREFORE, ANY PURCHASER THEREOF MUST BEAR THE ECONOMIC RISK OF THE INVESTMENT FOR AN INDEFINITE PERIOD OF TIME BECAUSE THE SECURITIES CANNOT BE RESOLD UNLESS THEY ARE SUBSEQUENTLY REGISTERED UNDER SUCH SECURITIES LAWS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. FURTHER, PURSUANT TO §109.13 UNDER THE TEXAS SECURITIES ACT, THE COMPANY IS REQUIRED TO APPRISE PROSPECTIVE INVESTORS OF THE FOLLOWING: A LEGEND SHALL BE PLACED, UPON ISSUANCE, ON CERTIFICATES REPRESENTING SECURITIES PURCHASED HEREUNDER, AND ANY PURCHASER HEREUNDER SHALL BE REQUIRED TO SIGN A WRITTEN AGREEMENT THAT HE WILL NOT SELL THE SUBJECT SECURITIES WITHOUT REGISTRATION UNDER APPLICABLE SECURITIES LAWS, OR EXEMPTIONS THEREFROM.

45. NOTICE TO UTAH RESIDENTS ONLY: THESE SECURITIES ARE BEING OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE UTAH SECURITIES ACT. THE SECURITIES CANNOT BE TRANSFERRED OR SOLD EXCEPT IN TRANSACTIONS WHICH ARE EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

46. NOTICE TO VERMONT RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES DIVISION OF THE STATE OF VERMONT NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

47. NOTICE TO VIRGINIA RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION UNDER SECTION 13.1-514 OF THE VIRGINIA SECURITIES ACT AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

48. NOTICE TO WASHINGTON RESIDENTS ONLY: THE ADMINISTRATOR OF SECURITIES HAS NOT REVIEWED THE OFFERING OR PRIVATE PLACEMENT MEMORANDUM AND THE SECURITIES HAVE NOT BEEN REGISTERED IN RELIANCE UPON THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, AND THEREFORE, CANNOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, OR UNLESS AN EXEMPTION FROM REGISTRATION IS MADE AVAILABLE.

49. NOTICE TO WEST VIRGINIA RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 15.06(b)(9) OF THE WEST VIRGINIA SECURITIES LAW AND MAY NOT BE REOFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

50. NOTICE TO WISCONSIN RESIDENTS ONLY: IN ADDITION TO THE INVESTOR SUITABILITY STANDARDS THAT ARE OTHERWISE APPLICABLE, ANY INVESTOR WHO IS A WISCONSIN RESIDENT MUST HAVE A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) IN EXCESS OF THREE AND ONE-THIRD (3 1/3) TIMES THE AGGREGATE AMOUNT INVESTED BY SUCH INVESTOR IN THE SHARES OFFERED HEREIN.

51. FOR WYOMING RESIDENTS ONLY: ALL WYOMING RESIDENTS WHO SUBSCRIBE TO PURCHASE SHARES OFFERED BY THE COMPANY MUST SATISFY THE FOLLOWING MINIMUM FINANCIAL SUITABILITY REQUIREMENTS IN ORDER TO PURCHASE SHARES:

(1) A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) OF TWO HUNDRED FIFTY THOUSAND DOLLARS ($250,000); AND

(2) THE PURCHASE PRICE OF SHARES SUBSCRIBED FOR MAY NOT EXCEED TWENTY PERCENT (20%) OF THE NET WORTH OF THE SUBSCRIBER; AND

(3) "TAXABLE INCOME" AS DEFINED IN SECTION 63 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, DURING THE LAST TAX YEAR AND ESTIMATED "TAXABLE INCOME" DURING THE CURRENT TAX YEAR SUBJECT TO A FEDERAL INCOME TAX RATE OF NOT LESS THAN THIRTY-THREE PERCENT (33%).

EXHIBIT A
(Simple Agreement for Future Equity)

THE SECURITIES REPRESENTED BY THIS INSTRUMENT, AND ANY SECURITIES ISSUED UPON CONVERSION OF THIS INSTRUMENT, HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY STATE SECURITIES LAWS AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED EXCEPT (1) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR (2) PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, IN WHICH CASE THE HOLDER MUST, PRIOR TO SUCH TRANSFER, FURNISH TO THE COMPANY AN OPINION OF COUNSEL, WHICH COUNSEL AND OPINION ARE REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED IN THE MANNER CONTEMPLATED PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS

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.

FARADAY LABS INC.

Crowd SAFE
(Crowdfunding Simple Agreement for Future Equity)

Series 2022-A

THIS CERTIFIES THAT in exchange for the payment by [Investor Name] (the "**Investor**", and together with all other Series 2022-A Crowd SAFE holders, "**Investors**") of $[_____] (the "**Purchase Amount**") on or about [Date of Crowd SAFE], Faraday Labs Inc., a Delaware 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.

"**Valuation Cap**" is $30,000,000.

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 CF 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 CF Shadow Series of such Capital Stock shall equal the quotient obtained by dividing (x) the Purchase Amount by (y) the First Equity Financing Price.

(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 CF 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 CF Shadow Series of such Capital Stock shall be 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 CF 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.

"**CF 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 (e.g., if the Company sells Series A Preferred Stock in an Equity Financing, the Shadow Series would be Series A-CF Preferred Stock), except that:

(i) CF 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) CF 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), becomes the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended), 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 $0.0001 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 $6,000,000 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.

"**Intermediary**" means OpenDeal Broker LLC, a registered broker dealer CRD#297797, 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.

"**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 CF 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.

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 other securities laws and are offered and sold hereby pursuant to Rule 506(c) of Regulation D under the Securities Act. The Investor understands that neither this instrument nor the underlying securities may be resold or otherwise transferred unless they are subsequently registered under the Securities Act (if applicable to the transaction) and any other securities laws or unless an exemption from the registration or other requirements of the Securities Act and any other securities laws are available to consummate the transaction.

(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 defined under Rule 501 of Regulation D under the Securities Act, and the Investor has such experience in business and financial matters that Investor is capable of evaluating the merits and risks of an investment in securities of the Company. Investor acknowledges and agrees that pursuant to Rule 506(c) of Regulation D under the Securities Act, the Company may offer to sell Crowd SAFEs by means of general solicitation or general advertising and that the Company will seek to verify that the Investor is an "accredited investor" and that the Investor will provide truthful, accurate and complete information and documentation as reasonably requested by the Company to verify the Investor's status as an "accredited investor".

(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 the Intermediary 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 rights of a stockholder of the Company, including with respect to voting, information or inspection rights.

(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 Private Placement Memorandum and its offering page on the platform found at https://republic.com/lambs-reg-d.

(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 AND HOLD THIS INSTRUMENT AND THE UNDERLYING SECURITIES INDEFINITELY UNLESS A SUBSEQUENT DISPOSITION IS REGISTERED UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS OR IS EXEMPT FROM SUCH REGISTRATION.**

(m) The Investor understands that federal regulations and executive orders administered by the United States Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The Investor further represents and warrants that none of the Investor, any of its affiliates, or, if applicable, any Underlying Beneficial Owner or Related Person (as such term is defined by OFAC), is a country, territory, person or entity named on an OFAC list, and none of the Investor, any of its affiliates, or, if applicable, any Underlying Beneficial Owner or Related Person, is a natural person or Entity with whom dealings are prohibited under any OFAC regulations. The Investor acknowledges and agrees that, notwithstanding anything to the contrary contained in any document if, following the Investor's investment hereunder, the Company reasonably believes that the investment is or has become a prohibited investment under OFAC or if otherwise required by law, the Company may be obligated to "freeze the account" of the Investor, either by (i) prohibiting additional investments, (ii) restricting any distributions or dividends, (iii) declining any requests to transfer the Investor's interest in any securities of the Company, and/or (iv) segregating any assets of the Investor in compliance with governmental regulations. In addition, in any such event, the Investor (A) may forfeit its interest, (B) may be subject to other remedies required or authorized by law, (C) to the fullest extent permitted by law, the Investor shall have no claim against the Company or any of its officers, directors, counsel, affiliates, employees, representatives for any form of damages as a result of any of the actions described in this paragraph, and (D) shall promptly pay or reimburse the Company for any and all expenses and costs incurred by the Company in connection with any such actions. The Company may also be required to report such action and to disclose the Investor's identity or provide other information with respect to the Investor to OFAC or other governmental entities.

(n) Except as otherwise disclosed to the Company in writing: (i) neither the Investor nor, if applicable, any Underlying Beneficial Owner or Related Person, is resident in, or organized or chartered under the laws of, (A) a jurisdiction that has been designated by the Secretary of the Treasury under Section 311 or 312 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Interrupt and Obstruct Terrorism Act of 2001 (the "**PATRIOT Act**") as warranting special measures due to money laundering concerns, or (B) any foreign country that has been designated as non-cooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering, of which the United States is a member and with which designation the United States representative to the group or organization continues to concur (a "**Non-Cooperative Jurisdiction**"); (ii) the funds for purchase of this instrument of the Investor and, if applicable, any Underlying Beneficial Owner, do not originate from and shall not be routed through, an account maintained at (A) a Foreign Shell Bank (B) a foreign bank (other than a its regulated affiliate) that is barred, pursuant to its banking license, from conducting banking activities with the citizens of, or with the local currency of, the country that issued the license, or (C) a bank organized or chartered under the laws of a Non-Cooperative Jurisdiction; and (iii) neither the Investor nor, if applicable, any Underlying Beneficial Owner or Related Person, is a senior foreign political figure, or any immediate family member or close associate of a senior foreign political figure, in each case within the meaning of the PATRIOT Act.

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:

THE SECURITIES REPRESENTED BY THIS INSTRUMENT, AND ANY SECURITIES ISSUED UPON CONVERSION OF THIS INSTRUMENT, HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED EXCEPT (1) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR (2) PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, IN WHICH CASE THE HOLDER MUST, PRIOR TO SUCH TRANSFER, FURNISH TO THE COMPANY AN OPINION OF COUNSEL, WHICH COUNSEL AND OPINION ARE REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED IN THE MANNER CONTEMPLATED PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS.

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 party; *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; *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; and *provided, further,* subject to full and complete compliance with any other applicable provision under this Crowd SAFE, no assignment by the holder of this instrument shall be effective unless and until the proposed assignee delivers to the Company an executed copy of the Nominee Rider and Waiver, attached hereto as Exhibit A contemporaneously and any such other and further documents, instruments or agreements as required by the Nominee.

(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 within twenty-five (25) miles of the Company's principal place of business. 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.

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

FARADAY LABS INC.

By:
Name: Arthur Menard de Calenge
Title: Chief Executive Officer
Address: 1447 2nd Street, 200, Santa Monica, CA, United States
Email: arthur@getlambs.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-A issued by Faraday Labs 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 with at the direction of the Chief Executive Officer of Faraday Labs Inc. 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, the Intermediary, 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:

NOMINEE:

Republic Investment Services LLC

By:

Name: Youngro Lee, President

Date:

COMPANY

Faraday Labs Inc.

By:

Name: Arthur Menard de Calenge, CEO

Date:

EXHIBIT B
(Financial Statements)

FARADAY LABS INC.

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

WITH INDEPENDENT ACCOUNTANT'S REVIEW REPORT

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Belle Business Services

Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Faraday Labs Inc.
Santa Monica, California

We have reviewed the accompanying financial statements of Faraday Labs Inc., which comprise the balance sheet as of December 31, 2021, and the related statement of income, statement of equity and statement of cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion. We are required to be independent of Faraday Labs Inc. and to meet our ethical responsibilities, in accordance with relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modification that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 7, certain conditions raise an uncertainty about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our conclusion is not modified with respect to this matter.

Belle Business Services, LLC

Belle Business Services, LLC
May 5, 2022

FARADAY LABS INC.
BALANCE SHEET
DECEMBER 31, 2021
(unaudited)

ASSETS

CURRENT ASSETS		
Cash and cash equivalents	**$**	**297,157**
Accounts receivable, net		**253**
Inventory		**426,320**
Prepaid expenses and other current assets		**12,015**
TOTAL CURRENT ASSETS		**735,745**
PROPERTY AND EQUIPMENT		
Property and equipment, net		**11,421**
TOTAL ASSETS	**$**	**747,166**

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES		
Accounts payable	**$**	**168,375**
Other current liabilities		**23,915**
Factoring liability		**462,172**
TOTAL CURRENT LIABILITIES		**654,462**
TOTAL LIABILITIES		**654,462**
SHAREHOLDERS' EQUITY		
Preferred stock, see note 6		**538**
Common stock, see note 6		**716**
Additional paid-in capital		**1,726,048**
Additional paid-in capital - convertible notes		**1,313,442**
Accumulated deficit		**(2,948,040)**
TOTAL SHAREHOLDERS' EQUITY		**92,704**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**747,166**

See independent accountant's review report and accompanying notes to financial statements.

FARADAY LABS INC.
STATEMENT OF INCOME
DECEMBER 31, 2021
(unaudited)

REVENUES	**$ 2,908,972**
COST OF GOODS SOLD	**1,417,168**
GROSS PROFIT	**1,491,804**
OPERATING EXPENSES	
Depreciation expense	**3,329**
General and administrative	**1,173,888**
Research and development	**456,980**
Sales and marketing	**1,088,058**
TOTAL OPERATING EXPENSES	**2,722,255**
NET OPERATING LOSS	**(1,230,451)**
OTHER INCOME/(EXPENSES)	
Interest income	**299**
Interest expense	**(22,258)**
Payroll tax refund	**28,813**
Other expenses	**(666)**
TOTAL OTHER INCOME/(EXPENSES)	**6,188**
NET LOSS	**$ (1,224,263)**

See independent accountant's review report and accompanying notes to financial statements.

FARADAY LABS INC.
STATEMENT OF EQUITY
DECEMBER 31, 2021
(unaudited)

	Preferred Stock		Common Stock					
	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Additional Paid-in Capital Convertible Notes	Retained Earnings (Accumulated Deficit)	Total
BEGINNING BALANCE, JANUARY 1, 2021 (RESTATED)	5,382,271	$ 538	7,159,172	$ 716	$ 1,672,012	$ 200,532	$ (1,723,777)	$ 150,021
Issuance of convertible notes and accrued interest	-	-	-	-	-	1,112,910	-	$ 1,112,910
Stock options vested	-	-	-	-	54,036	-	-	$ 54,036
Net loss	-	-	-	-	-	-	(1,224,263)	$ (1,224,263)
ENDING BALANCE, DECEMBER 31, 2021	**5,382,271**	**$ 538**	**7,159,172**	**$ 716**	**$ 1,726,048**	**$ 1,313,442**	**$ (2,948,040)**	**$ 92,704**

See independent accountant's review report and accompanying notes to financial statements.

FARADAY LABS INC.
STATEMENT OF CASH FLOWS
DECEMBER 31, 2021
(unaudited)

CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss	**$ (1,224,263)**
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation expense	**3,329**
Stock based compensation	**54,036**
(Increase) decrease in assets:	
Accounts receivable	**(164)**
Inventory	**(71,310)**
Prepaid expenses and other current assets	**(4,337)**
Increase (decrease) in liabilities:	
Accounts payable	**(75,535)**
Accrued interest on convertible notes	**22,258**
Other current liabilities	**336**
CASH USED FOR OPERATING ACTIVITIES	**(1,295,650)**
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash used for fixed assets	**(10,640)**
CASH USED FOR INVESTING ACTIVITIES	**(10,640)**
CASH FLOWS FROM FINANCING ACTIVITIES	
Issuance of factored accounts	**319,550**
Issuance of convertible notes	**1,090,652**
CASH PROVIDED BY FINANCING ACTIVITIES	**1,410,202**
NET INCREASE IN CASH	**103,912**
CASH AT BEGINNING OF YEAR	**193,245**
CASH AT END OF YEAR	**$ 297,157**
CASH PAID DURING THE YEAR FOR:	
INTEREST	**$ -**
INCOME TAXES	**$ -**

See independent accountant's review report and accompanying notes to financial statements.

1. Summary of Significant Accounting Policies

The Company
Faraday Labs Inc. dba Lambs (the "Company") was incorporated in the State of Delaware on July 17, 2018. Previously, the Company was incorporated as Spartan Wear Inc. in the State of Delaware July 17, 2018. The Company specializes in the first radiation proof technology apparel that provides multiple health benefits to the consumers. The Company's headquarters are located in Santa Monica, California.

Going Concern – Substantial Doubt Alleviated
These financial statements are prepared on a going concern basis. The Company began operation in 2018 and has incurred net losses since inception. The losses were anticipated and approved by the Company's board to accelerate Company's growth and R&D. The Company's ability to continue was dependent upon management's plan to raise additional funds and achieve profitable operations. Management has evaluated these conditions and raised an additional funds in 2021. As of January 2022, the Company achieved profitable operations. Management has determined that these factors alleviate the going concern uncertainty.

Limitation of 2021 Revenues Due to Inventory and Supply Chain - Challenge Resolved
The Company's ability to generate revenues in 2021 was impacted by the global supply chain crisis. The Company was out of stock for approximately 50% of the year. This negatively impacted revenues and profitability for the year. Management estimates that Company would have posted revenues of over $6,000,000 in 2021, with a positive net margin if it had managed to stay in-stock. The Company has now duplicated its supply chain in different parts of the world and management believes that this issue will not impact future growth.

Fiscal Year
The Company operates on a December 31st year-end.

Basis of Presentation
The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP). In the opinion of management, all adjustments considered necessary for the fair presentation of the financial statements for the year presented have been included.

Use of Estimates
The preparation of the financial statement in conformity with accounting principles generally accepted in the United States of America requires the use of management's estimates. These estimates are subjective in nature and involve judgments that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at fiscal year-end. Actual results could differ from those estimates.

Cash and Cash Equivalents
The Company considers all highly liquid financial instruments purchased with maturities of three months or less to be cash equivalents. As of December 31, 2021, the Company held no cash equivalents.

Risks and Uncertainties
The Company has a limited operating history. The Company's business and operations are sensitive to general business and economic conditions in the United States. A host of factors beyond the Company's control could cause fluctuations in these conditions.

1. Summary of Significant Accounting Policies (continued)

Risks and Uncertainties (continued)
The Coronavirus Disease of 2019 (COVID-19) has recently affected global markets, supply chains, employees of companies, and our communities. Specific to the Company, COVID-19 may impact various parts of its 2022 operations and financial results including shelter in place orders, material supply chain interruption, economic hardships affecting funding for the Company's operations, and affects the Company's workforce. Management believes the Company is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as of December 31, 2021.

Accounts Receivable
The Company's trade receivables are recorded when billed and represent claims against third parties that will be settled in cash. The carrying value of the Company's receivables, net of the allowance for doubtful accounts, represents their estimated net realizable value.

The Company evaluates the collectability of accounts receivable on a customer-by-customer basis. The Company records a reserve for bad debts against amounts due to reduce the net recognized receivable to an amount the Company believes will be reasonably collected. The reserve is a discretionary amount determined from the analysis of the aging of the accounts receivables, historical experience and knowledge of specific customers. As of December 31, 2021, the Company believed all amounts in accounts receivable are collectable.

Inventory
Inventories are stated at the lower of standard cost (which approximates cost determined on a first-in, first-out basis) or market. At December 31, 2021, the balance of inventory related to finished goods was $190,120 and the balance of inventory related to raw materials was $236,200.

Property and Equipment
Property and equipment is stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Office equipment and manufacturing equipment is depreciated over three years. Repair and maintenance costs are charged to operations as incurred and major improvements are capitalized. The Company reviews the carrying amount of fixed assets whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

Income Taxes
The Company complies with FASB ASC 740 for accounting for uncertainty in income taxes recognized in a company's financial statements, which prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. FASB ASC 740 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. Based on the Company's evaluation, it has been concluded that there are no significant uncertain tax positions requiring recognition in the Company's financial statements. The Company believes that its income tax positions would be sustained on audit and does not anticipate any adjustments that would result in a material change to its financial position.

The Company is subject to tax filing requirements as a corporation in the federal jurisdiction of the United States. The Company sustained net operating losses since inception. Net operating losses

1. Summary of Significant Accounting Policies (continued)

Income Taxes (continued)
will be carried forward to reduce taxable income in future years. Due to management's uncertainty as to the timing and valuation of any benefits associated with the net operating loss carryforwards, the Company has elected to recognize an allowance to account for them in the financial statements but has fully reserved it. Under current law, net operating losses may be carried forward indefinitely.

The Company is subject to franchise and income tax filing requirements in the States of Delaware and California.

Fair Value of Financial Instruments
Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants as of the measurement date. Applicable accounting guidance provides an established hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors that market participants would use in valuing the asset or liability. There are three levels of inputs that may be used to measure fair value:

Level 1	- Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
Level 2	- Include other inputs that are directly or indirectly observable in the marketplace.
Level 3	- Unobservable inputs which are supported by little or no market activity.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Fair-value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of Inception. Fair values were assumed to approximate carrying values because of their short term in nature or they are payable on demand.

Concentrations of Credit Risk
From time-to-time cash balances, held at a major financial institution may exceed federally insured limits of $250,000. Management believes that the financial institution is financially sound, and the risk of loss is low.

Revenue Recognition
Effective January 1, 2019, the Company adopted Accounting Standards Codification 606, Revenue from Contracts with Customers ("ASC 606"). Revenue is recognized when performance obligations under the terms of the contracts with our customers are satisfied. Prior to the adoption of ASC 606, the Company recognized revenue when persuasive evidence of an arrangement existed, delivery of products had occurred, the sales price was fixed or determinable and

1. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)
collectability was reasonably assured. The Company generates revenues by selling radiation-proof apparel. The Company's payments are generally collected upfront. For the year ending December 31, 2021, the Company recognized $2,908,972 in revenue.

Advertising Expenses
The Company expenses advertising costs as they are incurred.

Organizational Costs
In accordance with FASB ASC 720, organizational costs, including accounting fees, legal fee, and costs of incorporation, are expensed as incurred.

Stock Compensation Expense
ASC 718, Compensation – Stock Compensation, prescribes accounting and reporting standards for all share-based payment transactions. Transactions include incurring liabilities, or issuing or offering to issue shares, options, and other equity instruments such as employee stock ownership plans and stock appreciation rights. Share-based payments to employees and non-employees, including grants of employee stock options, are recognized as compensation expense in the financial statements based on their fair values at the grant date. That expense is recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period).

The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of ASC 505-50, Equity – Based Payments to Non-Employees. Measurement of share-based payment transactions with non-employees is based on the fair grant date FV of equity instruments. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date. Share-based compensation expense for the year ended December 31, 2021, was $54,035.

New Accounting Pronouncements
From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board, or FASB, or other standard setting bodies and adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

In November 2015, the FASB issued ASU (Accounting Standards Update) 2015-17, *Balance Sheet Classification of Deferred Taxes*, or ASU 2015-17. The guidance requires that all deferred tax assets and liabilities, along with any related valuation allowance, be classified as noncurrent on the balance sheet. For all entities other than public business entities, the guidance becomes effective for financial statements issued for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted for all entities as of the beginning of an interim or annual reporting period. The adoption of ASU 2015-17 had no material impact on the Company's financial statements and related disclosures.

In August 2020, the FASB issued ASU 2020 – 06, *Debt, Debt with conversion and other options (Subtopic 470-20) and derivatives and hedging – contracts in an entity's own equity (Subtopic 815-40: Accounting for convertible instruments and contracts in an entity's own equity*. ASU 2020-06 reduces the number of accounting models for convertible debt instruments and convertible

1. Summary of Significant Accounting Policies (continued)

New Accounting Pronouncements (continued)
preferred stock. Limiting the accounting models results in fewer embedded conversion features being separately recognized from the host contract as compared with current GAAP. ASU 2020 – 06 is effective for fiscal years beginning after December 15, 2023. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020.

In August 2018, amendments to existing accounting guidance were issued through Accounting Standards Update 2018-15 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 adoption of ASU 2018-15 had no material impact on the Company's financial statements and related disclosures.

2. Commitments and Contingencies

The Company is not currently involved with and does not know of any pending or threatening litigation against the Company or its members.

3. Property and Equipment

Property and equipment consisted of the following at December 31, 2021:

Property and equipment at cost:

Office Equipment	$	6,772
Manufacturing equipment		9,013
		15,785
Less: Accumulated depreciation		(4,364)
Total	$	11,421

4. Reverse Factoring Liability

Pursuant to a reverse factoring agreement, the majority of the Company's payables are assigned on a pre-approved basis to an outside Company. At December 31, 2021 the factoring charge amounted to 1.4% of the payable assigned. The Company's obligations to the factor are collateralized by all of the Company's accounts receivable, inventories, and equipment. The advances for factored payables are made pursuant to a revolving credit and security agreement. Pursuant to the terms of the agreement, the Company is required to maintain specified levels of working capital and tangible net worth, among other covenants The Company draws down working capital advances and opens letters of credit (up to an aggregate maximum of $1 million) against the facility in amounts determined on a formula that is based on inventory, and cost of imported goods under outstanding letters of credit. A fee of 1.2% per month is charged on such advances. The allows the Company to extend each payable for up to an additional six months.

4. Reverse Factoring Liability (continued)

As of December 31, 2021, the Company was in compliance with the covenants under its revolving credit facility.

5. Prior Period Adjustments

Several adjustments were made during 2021 to the Company's 2020 (and prior financial statements), as listed below:

- During 2021, the Company received notice from the SBA that their PPP loan was forgiven in full, by the SBA. The PPP loan ($64,140) was reclassified on the December 31, 2020 financial statements from Current Liabilities, on the Balance Sheet to Other Income on the Income Statement.
- Interest of $532 was accrued on the outstanding convertible notes.
- Common stock was not stated at the par value of the stock for the number of issued shares. It was stated at the par value for authorized shares.
- The Company recorded stock compensation expense for the options that vested during (and prior to) December 31, 2020. This amounted to stock compensation expense of $18,760 being recorded as additional paid in capital (on the Balance Sheet) and the corresponding amount as Stock Compensation Expense on the Income Statement. Additionally, $16,927 of stock compensation expense was recorded prior to December 31, 2020, which effected both retained earnings and additional paid in capital. Below is the effect of the adjustments on the Statement of Equity.

	Preferred Stock		Common Stock				
	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Total
Per 2020 Review	5,382,271	$ 538	7,159,172	$1,700	$ 1,835,342	$ (1,751,699)	$ 85,881
Restated	5,382,271	$ 538	7,159,172	$ 716	$ 1,872,544	$ (1,723,777)	$ 150,021
Difference	*-*	*-*	*-*	*(984)*	*37,202*	*27,922*	*64,140*

6. Equity

Preferred Stock
Under the amended articles of incorporation, the total number of preferred shares of stock that the Corporation shall have authority to issue is 5,919,606 shares at $0.0001 par value per share. As of December 31, 2021, 5,382,271 shares of Preferred Stock have been issued and are outstanding.

Common Stock
Under the amended articles of incorporation, the total number of common shares of stock that the Corporation shall have authority to issue is 17,000,000 shares, at $0.0001 par value per share. As of December 31, 2021, 7,159,172 shares have been issued and are outstanding.

6. Equity (continued)

Additional Paid-In Capital – Convertible Notes
The Company has issued several promissory notes totaling principal of $1,290,651. The notes carry 2% APRs and maturity dates in 2023.

The convertible promissory notes are unsecured and are convertible into shares of the Company's preferred stock upon a subsequent qualified financing event of at least $1,000,000, sale of the Company or at the maturity date. As they are not repayable to the noteholder, the Company has elected to include them in additional paid-in capital. In the event of a qualified financing event the notes and accrued interest are convertible into a price per share equal to the lesser of (i) 80% of the price per share paid by the other purchasers of the preferred stock sold in the qualified financing and (ii) an amount obtained by dividing 13,500,0000 by the fully diluted capitalization of the Company. In the event that a qualified financing does not occur, the notes and accrued interest are convertible into the number of shares obtained by dividing 13,500,000 by the fully diluted capitalization of the Company. In the event of a conversion upon change of control, the notes and accrued interest are either due and payable immediately prior to the closing or convert the same way it would upon maturity.

Equity Incentive
The Company's amended 2019 Equity Plan (the Plan), which is shareholder approved, permits the grant of share options and shares to its employees, advisors and subcontractors for up to 2,725,896 shares of common stock. The Company believes that such awards better align the interests of its employees, advisors and subcontractors with those of its shareholders. Option awards are generally granted with an exercise price equal to the market price of the Company's stock at the date of grant; those option awards generally vest based on four years of continuous service and have 10-year contractual terms. Certain option and share awards provide for accelerated vesting if there is a change in control, as defined in the Plan. As of December 31, 2021, 1,972,862 shares have been issued under the Plan, with a total of 1,177,451 of vested shares. The remaining 795,411 unvested shares will vest over the next four years. The Company recorded $54,036 as stock compensation expense for the shares that vested during the year ending December 31, 2021.

7. Going Concern – Substantial Doubt Alleviated

These financial statements are prepared on a going concern basis. The Company began operation in 2018 and has incurred net losses since inception. The losses were anticipated and approved by the Company's board to accelerate Company's growth and R&D. The Company's ability to continue was dependent upon management's plan to raise additional funds and achieve profitable operations. Management has evaluated these conditions and raised an additional funds in 2021. As of January 2022, the Company achieved profitable operations. Management has determined that these factors alleviate the going concern uncertainty.

8. Subsequent Events

Crowdfunding Offering
The Company is offering (the "Crowdfunded Offering") up to $1,070,000 in Simple Agreements for Future Equity (SAFEs). The Company is attempting to raise a minimum amount of $25,000 in this offering and up to $1,070,000 maximum. The Company must receive commitments from investors totaling the minimum amount by the offering deadline listed in the Form C, as amended in order to receive any funds.

7. Subsequent Events (continued)

Crowdfunding Offering (continued)
The Crowdfunded Offering is being made through OpenDeal Portal LLC (the "Intermediary" aka "Republic" or "Republic.co"). The Intermediary will be entitled to receive a 5% commission fee and 1.5% of the securities issued in this offering.

Managements Evaluation
The Company has evaluated subsequent events through May 5, 2022, the date through which the financial statement was available to be issued. It has been determined that no events require additional disclosure.

FARADAY LABS, INC.

FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANT'S REVIEW REPORT

DECEMBER 31, 2020 and 2019

FARADAY LABS, INC.

FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANT'S REVIEW REPORT

DECEMBER 31, 2020 and 2019

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MB&F

Mayne, Blumstein & Fingold CPAs LLP

Robert W. Mayne, CPA
Dennis P. Fingold, CPA

Wade H. Blumstein, CPA
Lisa M. Capparelli, CPA

To Management
Faraday Labs, Inc
Santa Monica, CA

We have reviewed the accompanying financial statements of Faraday Labs, Inc (a C corporation), which comprise the balance sheets as of December 31, 2020, and December 31, 2019, and the related statements of income and retained earnings and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Faraday Labs, Inc and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Substantial Doubt About the Entity's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 7, the Company has suffered recurring losses from operations, has a net capital deficiency, and has stated that substantial doubt exists about the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 7. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our conclusion is not modified with respect to this matter.

Mayne, Blumstein & Fingold CPAs LLP

Mayne, Blumstein & Fingold CPAs LLP
Merrick, New York

February 17, 2022

Faraday Labs, Inc.
Balance Sheet
Statement of Income / (Loss)

	2020	2019
Current Assets:		
Cash and cash equivalents	$ 193,245	$ 177,373
Accounts Receivable	89	-
Inventory	355,010	12,525
Other current Assets	7,678	-
Total current assets	556,022	189,898
Long-Term Assets		
Fixed Assets, Net	3,920	-
Intangible Assets, Net	190	5,949
Total long-term assets	4,110	5,949
Total Assets	560,132	195,847
Current Liabilities:		
Accounts Payable	185,203	-
Accrued Expenses	4,745	10,488
Credit Cards Payable	58,706	3,688
Gift Cards Payable	2,585	-
Payroll Liabilities	420	-
Loans Payable	138,854	159,565
PPP Loan	64,140	-
Sales Tax Payable	19,598	3,424
Total current liabilities	474,251	177,165
Long Term Liabilities		
Convertible Notes	-	650,000
Total Liabilities	474,251	827,165
Stockholder's Equity:		
Common Stock	1,700	-
Preferred Stock	538	-
Safe Notes	-	127,723
Additional Paid-in-capital	1,835,342	-
Retained Earnings	(1,751,699)	(759,041)
Total Stockholders' Equity	85,881	(631,318)
Total Liabilities & Equity	$ 560,132	$ 195,847

See independent accountant's review report and accompanying notes to financial statements.

Faraday Labs, Inc.
Statement of Income / (Loss)
For the Year Ended December 31, 2020

	2020	2019
Net Revenues	$ 2,869,831	$ 433,942
Cost of Revenues	1,504,782	384,124
Gross Profit	1,365,049	49,818
Operating Expenses:		
Sales and Marketing	1,381,597	308,826
General and Administrative	953,173	444,140
Total Operating Expenses	2,334,770	752,966
Operating Loss	(969,721)	(703,148)
Other Income / (Expense):		
Interest Income	63	-
Interest Expense	(20,247)	(9,612)
Amortization Expense	(429)	(481)
Depreciation Expense	(1,224)	-
Fines and Penalties	(1,101)	-
Total Other (Expense)	(22,938)	(10,093)
Net Loss	$ (992,659)	$ (713,241)

See independent accountant's review report and accompanying notes to financial statements.

Faraday Labs, Inc
Statement of Cash Flows

	2020	2019
Cash Flows from Operating Activities:		
Net Loss	$ (992,659)	$ (713,241)
Depreciation	1,224	-
Amortization	429	481
Adjustments to reconcile net (loss) to net cash provided		
Increase in Accounts Receivable	(89)	-
Increase in Inventory	(342,485)	(9,525)
Increase in Prepaid Expenses	(7,678)	-
Increase in Accounts Payable	185,203	-
Increase in Other Liabilites	68,457	(18,464)
Net Cash Used by Operating Activities	(1,087,598)	(740,749)
Purchase of Fixed Assets	(5,144)	-
Write Off (Payment) of Loan Fees	5,330	(5,330)
Purchase of Trademark/Patent	-	(1,100)
Net Cash Used by Investing Activities	186	(6,430)
Financing Activities		
PPP Loan Proceeds	64,140	-
(Conversion) Issuance of SAFEs	(127,723)	127,723
(Pay Down) Issuance of Loans	(20,713)	68,105
(Conversion) Issuance of Convertible Notes	(650,000)	650,000
Issuance of Common Stock	1,700	-
Issuance of Preferred Stock	538	-
Additional Paid in Capital	1,835,342	-
Net Cash Provided by Financing Activities	1,103,284	845,828
Net Increase / (Decrease) In Cash and Cash Equivalents	15,872	98,649
Cash and Cash Equivalents, Beginning of Year	177,373	78,724
Cash and Cash Equivalents, End of Year	**$ 193,245**	**$ 177,373**
Supplemental disclosures:		
Interest paid:	$20,247	$9,612
Taxes paid:	$2,802	$1,150

See independent accountant's review report and accompanying notes to financial statements.

Faraday Labs, Inc
Statements of Stockholders' Equity
For the Years Ended December 31, 2020 and 2019

	Total Stockholders' Equity
Balance as of January 1, 2019	$ (45,800)
Issuance of Safe Notes	127,723
Net Income (Loss)	(713,241)
Balance as of December 31, 2019	$ (631,318)
Common Stock	1,700
Preferred Stock	538
Conversion of SAFE Notes	(127,723)
Additional Paid-In Capital	1,835,342
Net Income (Loss)	(992,659)
Balance as of December 31, 2020	$ 85,881

See independent accountant's review report and accompanying notes to financial statements.

NOTE 1 – NATURE OF OPERATIONS

Faraday Labs, Inc. (which may be referred to as "the Company", "we," "us," or "our") was registered in Delaware on July 17, 2018. The Company is a direct-to-consumer that produces health enhancing apparel. The Company's headquarters are in Santa Monica, California. The company began operations in 2018.

Since Inception, the Company has relied on contributions from owners, the issuance of convertible notes, and securing loans to fund its operations. During the next twelve months, the Company intends to fund its operations with funding from a crowdfunding campaign, and funds from revenue producing activities. These financial statements and related notes thereto do no include any adjustments that might result from these uncertainties.

NOTE-2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited financial statements do not include all the information and notes required by GAAAP for complete financial statements. In the opinion of management, all adjustments considered necessary for the fair presentation of the unaudited financial statements for the years presented have been included.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and footnotes thereto. Actual results could materially differ from these estimates. It is reasonably possible that changes in estimates will occur in the near term.

Significant estimates inherent in the preparation of the accompanying financial statements include valuation of provision for refunds and chargebacks, equity transactions and contingencies.

Risks and Uncertainties

The Company has a limited operating history. The Company's business and operations are sensitive to general business and economic conditions in the United States. A host of factors beyond the Company's control could cause fluctuations in these conditions. Adverse conditions may include recession, downturn or otherwise, local competition or changes in consumer taste. These adverse conditions could affect the Company's financial condition and the results of its operations.

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

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 December 31, 2020, and 2019, the Company had $193,245 and $177,373 of cash on hand, respectively.

Receivables and Credit Policy

The company deals with one major business segment. As a result, the Company believes that its accounts receivable credit risk exposure is limited, and it has not experienced significant write-downs in its accounts receivable balances. As of December 31, 2020, and 2019, the Company had $89 and $0 in accounts receivable, respectively.

Inventory

Inventories are stated at the lower of cost or market value. Cost is determined by the first-in, first out (FIFO) method.

Fixed Assets

Property and equipment are recorded at cost. Expenditures for renewals and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. Expenditures for maintenance and repairs are charged to expense. When equipment is retired or sold, the cost and related accumulated depreciation are eliminated from the accounts and the resultant gain or loss is reflected in income.

Depreciation is provided using the straight-line method based on useful lives of the assets. There was $1,224 and $0 depreciation expense for the years ended December 31st, 2020 and 2019, respectively.

The Company reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition, and other economic factors. Based on this assessment there was no impairment as of December 31, 2020 and 2019, respectively.

NOTE-2 INTANGIBLE ASSETS

IRS Section 197—Amortization of Goodwill and Certain Other Intangibles: this section relates to certain intangible assets acquired after August 10, 1993 and assets held in connection with the conduct of a trade or business or an activity described in Section 212. Section 197(a) provides that a taxpayer is entitled to an amortization deduction over a 15- year period beginning with the month in which the intangible was acquired. As of December 31, 2020 the company currently has one Patent on the books with an aggregate gross carrying amount of $1,100 and an aggregate amortization expense for the year ending December 31, 2020 of $429. The significant decrease in these assets is derived from the write off of loan fees.

Intangible assets on December 31, 2020 and 2019 consisted of the following:

	2020	2019
Patent and Loan Fees	$1,100	$6,430
Accumulated Amortization	910	481
Total	$190	$5,949

Fair Value Measurements

Generally accepted accounting principles define fair value as the price that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price) and such principles also establish a fair value hierarchy that prioritizes the inputs used to measure fair value using the following definitions (from highest to lowest priority):

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

- Level 2 – Observable inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data by correlation or other means.

- Level 3 – Prices or valuation techniques requiring inputs that are both significant to the fair value measurement and unobservable.

Income Taxes

Income taxes are provided for the tax effects of transactions reporting in the financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between the basis of receivables, inventory, property and equipment, intangible assets, and accrued expenses for financial and income tax reporting. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

There is no income tax provision for the Company for the period from inception through December 31, 2020, as the Company had no taxable income.

Revenue Recognition

The company's sales are derived from the sale of goods with revenue being recognized when persuasive evidence of an arrangement existed, the sale had occurred, the sales price was fixed or determinable and collectability was reasonably assured. In evaluating the if the Company adopted Accounting Standards Codification 606, Revenue from Contracts with Customers ("ASC 606") the company felt it was already recognizing revenue when performance obligations under the terms of the contracts with our customers are satisfied. The Company generates revenues by selling.

Organizational Costs

In accordance with FASB ASC 720, organizational costs, including accounting fees, legal fee, and costs of incorporation, are expensed as incurred.

Advertising

The Company expenses advertising costs as they are incurred. Such costs approximated $1,381,597 and $308,826 for the years ended December 31, 2020, and December 31, 2019, respectively.

Recent Accounting Pronouncements

In August 2018, amendments to existing accounting guidance were issued through Accounting Standards Update 2018-15 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. We are currently evaluating the effect that the updated standard will have on the financial statements and related disclosures.

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 our financial statements.

NOTE 3 – FIXED ASSETS

Property and equipment are recorded at cost. Expenditures for renewals and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. Expenditures for maintenance and repairs are charged to expense. When equipment is retired or sold, the cost and related accumulated depreciation are eliminated from the accounts and the resultant gain or loss is reflected in income.

Fixed assets on December 31, 2020 and 2019 consisted of the following:

	2020	2019
Computers	$2,870	$ -
Furniture and Equipment	2,274	-
Accumulated Depreciation	(1,224)	(-)
Total	$ 3,920	$ -

NOTE 4 – INCOME TAXES

The Company has filed its income tax return for the period ended December 31, 2020, which will remain subject to examination by the Internal Revenue Service under the statute of limitations for a period of three years from October 15th, 2021, the date it was filed. The Company is taxed as a C corporation.

NOTE 5 – EQUITY

In 2019, the Company issued Simple Agreements for Future Equity ("SAFEs") totaling $127,723. The SAFEs were converted in February 2020. The SAFEs are automatically convertible into a series of preferred stock on the completion of a bona fide transaction with the principal purpose of raising capital where the Company issues and sells preferred stock at a fixed valuation, including but not limited to, a pre-money or post-money valuation ("Equity Financing").

In 2020, in addition to the conversion of the $127,723 in Safe Notes there was another round of investments totaling an aggregate additional Paid-In Capital of $1,707,619 bringing Paid-In Capital to $1,835,342.

NOTE 6 – COMMITMENTS AND CONTINGENCIES

The Company received a loan from the Small Business Administration in the amount of $64,140 under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relieve and Economic Security (CARES) Act. The loan is subject to a note dated May 4, 2020, has an interest rate of 1%. As of November 25th, 2020 this loan has been forgiven.

The Company is not currently involved with and does not know of any pending or threatening litigation against the Company as of December 31, 2020 and December 31st, 2019, respectively.

NOTE 7 – GOING CONCERN-SUBSTANTIAL DOUBT ALLEVIATED

These financial statements are prepared on a going concern basis. The Company began operation in 2018 and has incurred net losses since inception. The losses were anticipated and approved by the Company's board to accelerate Company's growth and R&D. The company's ability to continue was dependent upon management's plan to raise additional funds and achieve profitable operations. Management has evaluated these conditions and raised and additional $1,190,651 in 2021. As of January 2022, the Company achieved profitable operations. Management has determined that these factors alleviate the going concern uncertainty.

NOTE 8 - COVID-19

In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the Company, its performance, and its financial results. However, the company has not experienced any material adverse impact and grew seven-fold in 2020. Management has evaluated that these factors show that the company operations are not directly impacted by the pandemic.

NOTE 9 – SUBSEQUENT EVENTS

Effective as of January 10, 2022, the Company entered into an agreement with OpenDeal Portal LLC d/b/a Republic, a Delaware limited liability company. Faraday Labs, Inc together with Republic, pursuant to which Faraday Labs, Inc will prepare and launch a Regulation Crowdfunding securities-offering facilitated by Republic on a website owned by OpenDeal Inc, and hosted by Republic Core LLC (collectively, the "Portal"). Faraday Labs, Inc seeks to complete an offering of the Company's securities under Section 4(a)(6), Regulation Crowdfunding (Reg CF), of the Securities Act of 1933 (the "Crowdfunded Offering") up to $1,070,000 of simple agreement for future equity. The Company is attempting to raise a minimum amount of $25,000 in this offering and up to $1,070,000 maximum. The Company must receive commitments from investors totaling the minimum by the offering deadline. The offering is still ongoing as of February 12th, 2022, the date the financial statements were available to be issued.

In 2021 the Company issued several Convertible Promissory Notes totaling an aggregate of $1,190,651. In the event the Company issues and sells shares of its equity securities to investors while theses notes remain outstanding in an equity financing with total proceeds to the Company of not less than $1,000,000 (excluding the conversion of the Notes or other convertible securities issued for capital raising purposes (e.g., Simple Agreements for Future Equity) (a "Qualified Financing") then the outstanding principal amount of the notes and any unpaid accrued interest shall automatically convert in whole without any further action by the Holder into Equity Securities sold in the Qualified Financing at a conversion price equal to the lesser of the cash price paid per share for Equity Securities by the Investors in the Qualified Financing.

Management's Evaluation

Management has evaluated subsequent events through February 17th, 2022, the date the financial statements were available to be issued. Based on this evaluation, no additional material events were identified which require adjustment or disclosure in the financial statements.