

RISK FACTORS

Investment in the Shares involves a material degree of risk. Prospective investors should be able to withstand a complete loss of their investment and the illiquidity of the Shares for an indefinite period. In addition to matters set forth elsewhere in this Memorandum, prospective investors should carefully consider the risk factors described in this section and consult their own legal, tax, and financial advisers before investing. These risk factors are not exhaustive; additional risks and uncertainties, including those not presently known to the Company, could also adversely affect the Company and the value of the Shares.

Risks Related to the Company and its Business

The Company has limited operating history and lack of revenues from operations. The Company was organized in 2011 to develop and sell products and related software to charge electric vehicles. Since its inception the Company has focused on the development of this product and software and has realized minimal revenues, and lacks both significant operating history and the financial resources to fully implement its business plan. As such, the Company faces risks and uncertainties relating to its ability to successfully implement and expand its business plan, to expand its operations, and begin to generate (and grow) revenues from operations. The Company's ability to successfully generate significant revenues from operations is dependent on a number of factors, including its ability to develop, market, and expand the distribution of its products, applications, and related services. It is likely that the Company will encounter setbacks with its business plan. Ultimately, if the Company is unable to generate significant revenues or raise additional capital to cover its operating costs and fund future growth, the Company's results of operations and financial condition will be materially and adversely affected, and the Company could be forced to curtail or otherwise wind up its operations.

After completion of the Offering, the Company will likely require additional capital to fully implement its business plan and support business growth; additional capital might not be available on favorable terms, or at all. The Company expects that its ongoing operations and further implementation of its business plan will likely require substantial additional financial, operational, and managerial resources. The Company has insufficient cash on hand, accounts receivable, or revenues from operations to fully fund the development of its business plan and operations, and other capital requirements. Even if the Company is able to raise the Maximum Offering, the Company will need to raise additional funds to further develop its product offerings and expand operations. When the Company needs to obtain additional funding in the future, it may have to seek debt financing or obtain additional equity capital. Additional capital may not be available, or may only be available on terms that adversely affect existing stockholders, or that restrict Company operations. For example, if the Company raises additional funds through issuances of equity or convertible securities, existing stockholders could suffer significant dilution, and any new equity securities could have rights, preferences, and privileges superior to those of existing stockholders. There can be no assurance that financing will be available to the Company on reasonable terms, if at all. The inability to raise additional funds, either through equity or debt financing, could materially impair the Company's ability to generate revenues.

The Company's business plan is based on numerous assumptions and projections that may not prove accurate. The Company's business plan and potential growth is based upon

numerous assumptions. No assurance can be given regarding the attainability of the financial projections. The Company's ability to adhere to, and implement, its business plan will depend upon the Company's ability to successfully raise funds and a variety of other factors, many of which are beyond the Company's control. Likewise, management is not bound to follow the business plan and may elect to adopt other strategies based upon unanticipated opportunities, or changes in circumstances or market conditions. All financial projections contained in the business plan or elsewhere in this Memorandum are based entirely upon management's assumptions and projections and should not be considered as a forecast of actual revenues or our liquidity. Actual operating results may be materially different.

Although the Company believes the assumptions upon which the Company's business and financial projections are based have reasonable bases, the Company cannot offer any assurance that its results of operations and growth will be as contemplated. If any of the assumptions upon which these opinions and projections are based prove to be inaccurate, including growth of the economy in general and trends in the electric vehicle industry, these opinions and projections could be adversely affected. Prospective investors should be aware that these opinions and other projections and predictions of future performance, whether included in the business plan, or previously or subsequently communicated to prospective investors, are based on certain assumptions which are highly speculative. Such projections or opinions are not (and should not be regarded as) a representation or warranty by the Company or any other person that the overall objectives of the Company will ever be achieved or that the Company will ever achieve significant revenues or profitability. These opinions, financial projections, and any other predictions of future performance should not be relied upon by potential investors in making an investment decision in regard to this Offering.

The Company financial and growth projections, and projections with respect to the growth of the Company, may not prove to be accurate. As a part of this Memorandum, the Company is providing investors with certain projected financial information. In the Company's financial projections management made a number of assumptions to arrive at these projections. If any of the assumptions on which management's projections are based prove to be inaccurate, including the demand for our applications and services and the growth of the economy in general, these projections could be adversely affected. Investors should be aware that these and other projections and predictions of future performance are based on certain assumptions which are highly speculative and may be inaccurate or not prove to be warranted. The inclusion of such projections in this Memorandum is not (and should not be regarded as) a representation or warranty by the Company or any other person that the overall objectives of the Company will ever be achieved, that the projected revenue, costs, and profit for the Company will be a reality, or that the Company will be able to generate revenues or reach profitability. Management of the Company expects there will be differences between projected and actual results, because events frequently do not occur as expected, and those differences may be material. Therefore, these projections and any other predictions of future performance should not be relied upon by the investor in making an investment decision.

Risks Related to the Company's Business

Our future growth and success are dependent upon consumers' willingness to adopt electric vehicles. Our growth and future demand for our products is highly dependent upon the adoption by consumers of alternative fuel vehicles in general and electric vehicles in particular. The market for new energy vehicles is still rapidly evolving, characterized by rapidly changing

technologies,

competitive pricing and competitive factors, evolving government regulation and industry standards, and changing consumer demands and behaviors. If the market for **electric** vehicles in general does not develop as expected, or develops more slowly than expected, our business, prospects, financial condition, and operating results could be harmed.

We may not be able to establish supply relationships for necessary materials, components, or equipment or may be required to pay more than anticipated for components or equipment, which could delay the introduction of our product and negatively impact our business. We rely on third-party suppliers for components and equipment necessary to develop and manufacture our power stations, power pads, adapters, and chargers. We are collaborating with existing suppliers but have not yet entered into long-term supply agreements for production quantities of these materials. To the extent that we are unable to enter into commercial agreements with these suppliers on beneficial terms, or these suppliers experience difficulties ramping up their supply of materials to meet our requirements, the commercialization of our wireless charging product will be delayed. To the extent our suppliers experience any delays in providing or developing the necessary materials, we could experience delays in delivering on our timelines.

We expect to incur significant costs related to procuring materials required to manufacture and assemble the various components of our wireless charging product offering. We expect to need various materials for our wireless charging product that will require us to negotiate purchase agreements and delivery lead times on advantageous terms. We may not be able to control fluctuations in the prices for these materials or negotiate agreements with suppliers on terms that are beneficial to us. Our business depends on the continued supply of certain proprietary materials for our products. We are exposed to multiple risks relating to the availability and pricing of such materials and components. Substantial increases in the prices for our raw materials or components would increase our operating costs and negatively impact our prospects.

Any disruption in the supply of components, equipment, or materials could temporarily disrupt research and development activities or production of our various wireless charging products until an alternative supplier is able to supply the required material. Changes in business conditions, unforeseen circumstances, governmental changes, and other factors could result in an inability to obtain the components and materials needed for our products on a timely basis. Any of the foregoing could materially and adversely affect our results of operations, financial condition, and prospects.

We face significant challenges in our ongoing efforts to further develop and fully commercialize our electric-vehicle wireless charging product and to produce it at high volumes with acceptable performance, yields, and costs. The pace of development in the electric-vehicle market is ultimately not predictable. Delays or failures in accomplishing particular further development objectives may delay or prevent successful commercialization of our product offering. Developing the equipment and components necessary to meet the requirements for use, and potential wide adoption, by automotive OEMs is a difficult undertaking. We continue to refine and improve our product offering, and face significant challenges in continuing to improve and enhance the technology and components necessary to commercialize our wireless charging equipment and related technology in commercial volumes. Even if we achieve volume production of the components necessary for our wireless charging product, if the cost, performance characteristics, or other specifications of our equipment and technology fall short of our targets, our sales, product pricing, and margins would likely be adversely affected. In addition, any delays in the manufacturing scale-up of our wireless charging product would negatively impact our business as it will hamper our

revenues

and negatively impact our commercial relationships. Delays in the full commercialization of our product would materially damage our business, prospects, financial condition, operating results, and brand.

If any component of the equipment necessary for our wireless charging solution fails to perform as expected, our ability to further develop, market, sell, and promote our product could be harmed. Once commercial distribution of our wireless charging product commences, various equipment and components of the product may contain defects in design and manufacture that may cause them not to perform as expected or that may require repairs, recalls, and design changes. The product is inherently complex and incorporates technology and components that have not been used for other applications and that may contain defects and errors, particularly when first introduced. We have a limited frame of reference from which to evaluate the long-term performance of our wireless charging product. There can be no assurance that we will be able to detect and fix any defects in any component of our wireless charging product prior to sale (or other distribution) to potential consumers. If our product fails to perform as expected, we could lose design wins and customers may delay deliveries, terminate further orders, or initiate product recalls, each of which could adversely affect our sales and brand and could adversely affect our business, prospects, and results of operations.

Interruptions or performance problems associated with the Company's application, technology, and infrastructure may adversely affect the Company's business and operating results. The Company's growth depends in part on the ability of existing and potential customers to utilize Company products at any time and within an acceptable amount of time. The Company may in the future experience disruptions, outages, and other performance problems due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, denial-of-service attacks, or other security-related incidents. It may become increasingly difficult to maintain and improve Company performance as Company products become more complex and as user traffic increases. If Company products and applications are unavailable, or if users are unable to utilize Company products within a reasonable amount of time or at all, the Company's business would be negatively affected. To the extent that the Company is unable to upgrade its applications and systems as needed, and continually develop Company technology and architecture to accommodate actual and anticipated changes in technology, the Company's business and operating results may be adversely affected.

A failure to effectively expand the Company's marketing and sales capabilities could harm our ability to initiate and increase our customer base and achieve broader market acceptance of its products. The Company's ability to obtain customers (and users of its product) and thereafter to increase its customer base and achieve broader market acceptance of Company applications and products will depend to a significant extent on the Company's ability to expand its marketing and sales operations. The Company plans to expand its management team and engage additional personnel, and also plans to dedicate significant resources to sales and marketing programs. All of these efforts will continue to require that the Company invest significant financial and other resources. If the Company is unable to hire, develop, and retain talented sales personnel, if its sales personnel are unable to achieve desired productivity levels in a reasonable period of time, or if the Company's sales and marketing programs are otherwise not effective, the Company's ability to increase its customer base and achieve broader market acceptance of its applications and products could be harmed.

The Company relies, in part, on third-party computer hardware, software, and applications to deliver its applications to end users, any of which could cause errors, interruptions, or failures of service which are beyond the Company's control. The Company relies on computer hardware and software owned by third parties in order to implement and deliver certain applications and related services. Although the Company attempts to utilize products, and rely on services and components of, reputable third parties, any errors or defects in third-party hardware or software could result in errors or a failure of the Company's service which could harm its business. Interruptions in service may reduce revenue, cause the Company to issue credits or refunds, and/or cause customers to stop using the Company's SaaS platform and services, and as a result adversely affect renewal rates and the Company's ability to attract new customers. The Company's business will also be harmed if customers and potential customers believe the Company's services are unreliable.

The market in which the Company participates is competitive; more established companies have certain competitive advantages over the Company, and if the Company does not compete effectively, its operating results could be harmed. More companies are entering into the electric-vehicle space, including service providers and companies focused on charging solutions. The Company's current and prospective competitors range in size from diversified global companies with significant resources to small, specialized firms whose narrower product lines may let them be more effective in deploying technical, marketing, and financial resources. The area in which the Company competes evolves rapidly with changing and disruptive technologies, shifting user needs, and frequent introductions of new products and services. The Company's ability to become and then remain competitive depends on its success in making innovative applications that appeal to businesses and consumers.

Additionally, many potential competitors enjoy substantial competitive advantages over the Company, such as greater name recognition, longer operating histories, and larger marketing budgets, as well as substantially greater financial, technical, and other resources. In addition, many potential competitors have established marketing relationships and access to larger customer bases, and have major distribution agreements with consultants, system integrators, and resellers. As a result, competitors to the Company may be able to respond more quickly and effectively than the Company can to new or changing opportunities, technologies, standards, or customer requirements. The greater capabilities of potential competitors in these areas may enable them to better withstand periodic downturns in the industry and respond more quickly to consumer demands to develop new products and services. Furthermore, because of these advantages, even when the Company's applications and services are deemed to be more effective than those offered by its competitors, certain potential customers may express a hesitancy to purchase applications and services from an early-stage company and instead may prefer applications and services from competitors in lieu of purchasing the Company's applications and services. For all of these reasons, the Company may not be able to compete successfully against its competitors. The Company's revenues, profitability, and financial condition could be materially adversely affected as a result of the competitive nature of the industry in which the Company competes.

If the Company is unable to continually enhance its product offering, sell its products and solutions into new markets, or further penetrate existing markets, its revenue may not grow as expected. The Company's ability to increase sales will depend in large part on its ability to enhance and improve its products and solutions, from time to time to introduce new products and solutions in a timely manner, to sell into new markets, and to further penetrate existing markets. The success of any enhancement or new product or solution depends on several factors, including the

timely completion, introduction, and market acceptance of enhanced or new solutions; the ability to attract, retain, and effectively train product-development and sales and marketing personnel (among others); the ability to develop relationships with distribution partners and automobile OEMs, developers, and managers; and the effectiveness of marketing programs. Any new product or solution developed may not be introduced in a timely or cost-effective manner, and may not achieve the broad market acceptance necessary to generate significant revenue. Any new markets into which the Company attempts to sell products and solutions, including new vertical markets and new regions, may not be receptive. The Company's ability to further penetrate existing markets depends on the quality of its products and solutions and the ability to design solutions to meet consumer demand. Moreover, the Company may be frequently required to enhance and update its products and solutions as a result of changing standards and technological developments, which likely will make it difficult to recover the cost of development and forces the Company to continually qualify new solutions with consumers. If the Company is unable to successfully develop new products and solutions, enhance existing solutions to meet consumer requirements, sell products and solutions into new markets, or sell products and solutions to additional consumers in existing markets, its revenue may not grow as expected or it may decline.

The Company may not generate significant revenues as a result of its ongoing and proposed research and development efforts. The Company has made, and expects to continue to make, significant investments in research and development and related product opportunities. The Company intends to use a portion of the proceeds of the Offering for such purposes. High levels of expenditures for research and development could harm the Company's results of operations, especially if not offset by corresponding future revenue increases. The Company believes that it must dedicate a significant amount of resources to research and development efforts to establish and enhance a competitive position. However, it is difficult to estimate when, if ever, the Company will generate significant revenues as a result of these investments.

The Company's intellectual property rights are valuable, and any inability to protect them could reduce the value of the Company's brand image and harm its business and operating results. The Company has acquired, and expects to create, own, and maintain a wide array of intellectual-property assets, including patents, copyrights, trademarks, trade secrets, and rights to certain domain names, which the Company believes are, or will be, among its most valuable assets. The Company has sought, and expects to seek, to protect its intellectual-property assets through copyright, trade secret, trademark, and other laws of the United States, and through contractual provisions; it does not presently rely on patents as a primary means of protection. The efforts the Company has taken, or may take, to protect its intellectual property and proprietary rights may not be sufficient or effective at stopping unauthorized use of those rights. There may be instances where the Company is not able to fully protect or utilize its intellectual-property assets in a manner to maximize competitive advantages. If the Company is unable to protect its proprietary rights from unauthorized use, the value of the Company brand may be reduced. Any impairment of the Company's brand could negatively impact its business. In addition, protecting Company intellectual property and other proprietary rights will likely be expensive and time-consuming. Any unauthorized use of Company intellectual property could make it more expensive to do business and consequently harm Company operating results.

The Company may be sued by third parties for alleged infringement of their proprietary rights, which could be costly, time-consuming, and limit the Company's ability to use certain technologies in the future. Although the Company believes it either owns or has the

right to use all intellectual property and information utilized in the application that is a part of its product offering and services, as the developer of applications the Company may become subject to claims that its software and applications infringe upon the intellectual property or other proprietary rights of third parties. Any claims, with or without merit, could be time-consuming and expensive to defend, and could divert management's attention away from the execution of the Company's business plan. Moreover, any settlement or adverse judgment resulting from these claims could require the Company to pay substantial amounts or obtain a license to continue to use the disputed technology, or otherwise restrict or prohibit the Company's use of the technology. There can be no assurance that the Company would be able to obtain a license on commercially reasonable terms, if at all, from the third party asserting the claim, or that the Company would be able to develop alternative technology on a timely basis, if at all, or that the Company would be able to obtain a license to use a suitable alternative technology to permit it to continue offering, and Company customers to continue using, affected products. An adverse determination also could prevent the Company from offering its applications and services to others. Infringement claims asserted against the Company may have a material adverse effect on the Company's business, results of operations, and financial condition.

There is no assurance that the Company will successfully implement its business plan and operations and, if successful, manage future growth. The Company anticipates that, upon successful completion of the Offering, it will be able to continue development and improvement of its existing wireless charging product and related software and grow its pipeline of prospective customers. In addition, as the Company increases its focus on sales efforts and continues to implement its business plan, the Company may experience periods of rapid growth, including needs for increased staffing levels. Such growth may place a substantial strain on Company management, operational, financial, and other resources. The Company will need to attract, retain, train, motivate, and manage high-caliber employees. Failure to do so could have a material adverse effect on the Company's business, financial condition, and results of operations.

Failure to maintain the security of information and technology networks, including information relating to users or distributors of the Company's product, could adversely affect the Company's reputation, business, results of operations, and financial condition. The legal, regulatory, and contractual environment surrounding information security, privacy, and fraud is constantly evolving and companies that collect and retain such information are under increasing attack by cybercriminals around the world. The Company is dependent on information-technology networks and systems, including the Internet, to process, transmit, and store electronic information and, in the normal course of business, the Company collects and retains certain information, including financial information, from and pertaining to our customers (and their customers). Security measures put in place by the Company cannot guarantee security, and the Company's information-technology infrastructure may be vulnerable to criminal cyber-attacks or data-security incidents due to employee or third-party negligence, error, malfeasance, or other vulnerabilities. Cybersecurity attacks are increasingly sophisticated, change frequently, and often go undetected until after an attack has been launched. The Company may fail to identify these new and complex methods of attack, or fail to invest sufficient resources in security measures.

The Company is dependent on its key personnel, and the loss of any could adversely affect its business. The Company depends on the continued performance of its management and advisory team, particularly its founder Jeremy McCool, who has contributed significantly to the Company's products and the planning and development of its business. If the Company were to lose

the services of its key personnel and were unable to locate suitable replacements for such persons in a timely manner, it could have a material adverse effect on the Company and its plan of operations.

The Company is dependent upon technological improvements. The electric-vehicle market and industry is undergoing rapid technological changes with frequent introductions of new technology-driven products and services. The Company's future success will depend in part upon its ability to create, maintain, and update competitive technologies that will enhance its wireless charging product. There can be no assurance that the Company's technological improvements will effectively compete with that of its competitors or that the Company will be able to effectively implement new technology-driven products and services or be successful in marketing these products and services to its customers.

Risks Related to the Shares, the Offering, and Lack of Liquidity

Series A-2 Preferred stock is an equity security and involves significant risk. An investment in the Shares is speculative. Unlike debt securities, the Shares have no maturity date and no guaranteed interest or return; dividends, if any, are payable only as and when declared by the Board and as provided in the Company's Amended and Restated Certificate of Incorporation (as amended from time to time, the "Charter").

The Shares are illiquid and may be difficult to resell. There is currently no public market for the Shares, and none is expected to develop. Transfers are restricted by federal and state securities laws and by the terms of the Company's governing documents and subscription materials. Investors should be able to bear the economic risk of an investment in the Shares for an indefinite period and a complete loss of their investment.

As equity, the Shares rank junior to the Company's indebtedness and other obligations. In any bankruptcy, liquidation, dissolution, winding up, or similar proceeding, creditors will be paid before any distribution on the Shares. The Shares' rights (including any liquidation preference and participation rights) are as set forth in the Charter and related agreements, and there can be no assurance that assets will be sufficient to return capital to investors after payment of liabilities.

Use of proceeds is not fixed; management has broad discretion. The Company has not irrevocably allocated the net proceeds of this Offering to specific uses. Accordingly, investors must rely on the judgment of the Company's management regarding the application of proceeds, which may differ from current plans and could adversely affect the Company's prospects.

An investment in the Shares is highly speculative and could result in a complete loss. No assurance can be given that investors will realize any return, or that they will not lose their entire investment. Investors should review this Memorandum and its exhibits carefully and consult their advisors before investing.

The Company may incur additional debt or issue additional securities in the future. The Company is not restricted from incurring additional indebtedness or other liabilities, paying dividends on, or issuing or repurchasing, equity (subject to applicable corporate approvals). Any such actions could adversely affect the Company's ability to meet its obligations and could dilute existing stockholders, including holders of the Shares.

Corporate transactions may not result in liquidity or protection for investors. The rights of holders are limited to those set forth in the Company’s governing documents and applicable law. Certain reorganizations, restructurings, mergers, asset sales, or other transactions may not constitute events that provide liquidity to stockholders or require redemption or repurchase of the Shares. Depending on protective provisions and voting thresholds, actions may be approved without the consent of every holder.

Holders will have limited ability to influence management. Decisions regarding the management of the Company reside with the Board of Directors and the holders entitled to vote under the Company’s governing documents. While the Shares may vote as provided in the charter (including with the Voting Common Stock on an as-converted basis and, in certain cases, as a separate class), minority investors should expect to have limited control over corporate actions.

If the Maximum Offering is not raised, additional financing may be required sooner than anticipated. There is no assurance that the Maximum Offering will be sold. If it is not, the Company may need to incur debt or raise additional equity—potentially on unfavorable terms—to finance operations, which could result in dilution or other adverse effects.

This Offering is not subject to review by securities regulators. This is a non-public offering and is not registered under federal or state securities laws. Investors will not have the benefit of review by the Securities and Exchange Commission or any state securities authority.

The Shares are “restricted securities” under the Securities Act. The Shares are being offered in reliance on exemptions from registration (including Regulation D). As “restricted securities,” they may only be resold pursuant to an effective registration statement or a valid exemption from registration. Certificates, if issued, or book-entry records will bear appropriate restrictive legends/notices.

Failure to comply with private-offering requirements could create rescission risk. If the Offering does not satisfy the requirements of applicable exemptions under federal or state “blue sky” laws, investors could have rescission rights. Multiple successful rescission claims could impose severe financial demands on the Company and adversely affect remaining stockholders.

IN ADDITION TO THE RISKS LISTED ABOVE, BUSINESSES ARE OFTEN SUBJECT TO RISKS NOT FORESEEN OR FULLY APPRECIATED BY MANAGEMENT. IT IS NOT POSSIBLE TO FORESEE ALL RISKS THAT MAY AFFECT THE COMPANY. MOREOVER, WE CANNOT PREDICT WHETHER WE WILL SUCCESSFULLY EFFECTUATE OUR CURRENT BUSINESS PLAN. EACH PROSPECTIVE INVESTOR IS ENCOURAGED TO CAREFULLY ANALYZE THE RISKS AND MERITS OF AN INVESTMENT IN THE SECURITIES AND SHOULD TAKE INTO CONSIDERATION, AMONG OTHER FACTORS, THE RISK FACTORS DISCUSSED ABOVE.