

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM C/A**

**UNDER THE SECURITIES ACT OF 1933**

(Mark one.)

- Form C: Offering Statement
- Form C-U: Progress Update
- Form C/A: Amendment to Offering Statement
  - Check box if Amendment is material and investors must reconfirm within five business days.
- Form C-AR: Annual Report
- Form C-AR/A: Amendment to Annual Report
- Form C-TR: Termination of Reporting

***Name of issuer***

Prazo, Inc. d/b/a "Borrow"

***Legal status of issuer***

***Form***

Corporation

***Jurisdiction of Incorporation/Organization***

Delaware

***Date of organization***

May 21, 2015

***Physical address of issuer***

8430 Santa Monica Blvd., West Hollywood, CA 90069

***Website of issuer***

<https://www.joinborrow.com>

***Name of intermediary through which the offering will be conducted***

OpenDeal Portal LLC dba "Republic"

***CIK number of intermediary***

0001751525

***SEC file number of intermediary***

007-00167

***CRD number, if applicable, of intermediary***

283874

***Name of qualified third party "Escrow Agent" which the Offering will utilize***

Prime Trust, LLC

***Amount of compensation to be paid to the intermediary, whether as a dollar amount or a percentage of the offering amount, or a good faith estimate if the exact amount is not available at the time of the filing, for conducting the offering, including the amount of referral and any other fees associated with the offering***  
6% of the amount raised in the Offering.

***Any other direct or indirect interest in the issuer held by the intermediary, or any arrangement for the intermediary to acquire such an interest***  
The Intermediary will receive a Security-compensation equal to 2% of the total number of Securities sold in the Offering.

***Type of security offered***  
Crowd Safe Units of SAFE (Simple Agreement for Future Equity)

***Target number of Securities to be offered***  
25,000

***Price (or method for determining price)***  
\$1.00

***Target offering amount***  
\$25,000

***Oversubscriptions accepted:***  
 Yes  
 No

***Oversubscriptions will be allocated:***  
 Pro-rata basis  
 First-come, first-served basis  
 Other: At the Company's discretion

***Maximum offering amount (if different from target offering amount)***  
\$1,070,000

***Deadline to reach the target offering amount***  
December 11, 2020

**If the sum of the investment commitments does not equal or exceed the target offering amount at the deadline to reach the target offering amount, no Securities will be sold in the offering, investment commitments will be cancelled and committed funds will be returned.**

***Current number of employees***  
4

	<b>Most recent fiscal year-end (2019)</b>	<b>Prior fiscal year-end (2018)</b>
<b>Total Assets</b>	\$432,696	\$170,706
<b>Cash &amp; Cash Equivalents</b>	\$4,845	\$46,494
<b>Accounts Receivable</b>	\$685	\$0
<b>Short-term Debt</b>	\$172,808	\$55,020
<b>Long-term Debt</b>	\$803,585	\$383,817
<b>Revenues/Sales</b>	\$184,557	\$141,695
<b>Cost of Goods Sold</b>	\$17,406*	\$8,024*
<b>Taxes Paid</b>	\$0	\$0
<b>Net Income</b>	\$(325,566)	\$(162,181)

\* This amount reflects cost of revenues.

***The jurisdictions in which the issuer intends to offer the Securities:***

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District Of Columbia, Florida, Georgia, Guam, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virgin Islands, U.S., Virginia, Washington, West Virginia, Wisconsin, Wyoming, American Samoa, and Northern Mariana Islands

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, THE ESCROW AGENT AND THE INTERMEDIARY, EACH RESERVE THE RIGHT TO REJECT ANY INVESTMENT COMMITMENT MADE BY ANY PROSPECTIVE INVESTOR, WHETHER FOREIGN OR DOMESTIC.

## SIGNATURE

Pursuant to the requirements of Sections 4(a)(6) and 4A of the Securities Act of 1933 and Regulation Crowdfunding (§ 227.100 et seq.), the issuer certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form C/A and has duly caused this Form to be signed on its behalf by the duly authorized undersigned.

/s/ Rodrigo de Guzman

(Signature)

Rodrigo de Guzman

(Name)

CEO & Director

(Title)

Pursuant to the requirements of Sections 4(a)(6) and 4A of the Securities Act of 1933 and Regulation Crowdfunding (§ 227.100 et seq.), this Form C/A has been signed by the following persons in the capacities and on the dates indicated.

/s/ Rodrigo de Guzman

(Signature)

Rodrigo de Guzman

(Name)

CEO & Director

(Title)

September 24, 2020

(Date)

/s/ Jon Alain Guzik

(Signature)

Jon Alain Guzik

(Name)

CPO & Director

(Title)

September 24, 2020

(Date)

### ***Instructions.***

1. The form shall be signed by the issuer, its principal executive officer or officers, its principal financial officer, its controller or principal accounting officer and at least a majority of the board of directors or persons performing similar functions.
2. The name of each person signing the form shall be typed or printed beneath the signature.

Intentional misstatements or omissions of facts constitute federal criminal violations. See 18 U.S.C. 1001.



## **EXHIBITS**

EXHIBIT A: Offering Memorandum  
EXHIBIT B: Disclaimers  
EXHIBIT C: Financials  
EXHIBIT D: Offering Page  
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**EXHIBIT A**  
**OFFERING MEMORANDUM PART II OF OFFERING STATEMENT**  
**(EXHIBIT A TO FORM C/A)**

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**Explanatory Note:** The Form C filed by the Company on July 10, 2020 is hereby amended and superseded in its entirety by this Form C/A to provide Investors with information regarding an intermediate close of the Offering that the Company conducted on September 11, 2020, and to change the Offering Deadline to December 11, 2020.

**September 24, 2020**

**Prazo, Inc.  
d/b/a “Borrow”**



**BORROW**

**Up to \$1,070,000 of Crowd Safe Units of SAFE (Simple Agreement for Future Equity)**

Prazo, Inc. d/b/a “Borrow” (“**Borrow**”, the “**Company**,” “**we**,” “**us**,” or “**our**”), is offering up to \$1,070,000 worth of Crowd Safe units of SAFE (Simple Agreement for Future Equity) of the Company (the “**Securities**”). Purchasers of Securities are sometimes referred to herein as “**Investors**”. The minimum target offering is \$25,000 (the “**Target Amount**”). The Company intends to raise at least the Target Offering amount and up to \$1,070,000 from Investors in the offering of Securities described in this Form C/A (this “**Offering**”). This Offering is being conducted on a best efforts basis and the Company must reach its Target Amount of \$25,000 by December 11, 2020 (“**Offering Deadline**”). Unless the Company raises at least the Target Amount under the Regulation CF Offering by the Offering Deadline no Securities will be sold in this Offering, investment commitments will be cancelled, and committed funds will be returned.

The rights and obligations of the holders of Securities of the Company are set forth below in the section entitled “*The Offering and the Securities—The Securities*”. In order to purchase Securities, a prospective investor must complete the purchase process through the Intermediary’s portal. Purchases may be accepted or rejected by the Company, in its sole and absolute discretion. The Company has the right to cancel or rescind its offer to sell the Securities at any time and for any reason. The Intermediary has the ability to reject any investment commitment made by an Investor and may cancel or rescind the Company’s offer to sell the Securities at any time for any reason.

**A crowdfunding investment 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, 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 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 SEC has not made an independent determination that these Securities are exempt from registration.**

**This disclosure document contains forward-looking statements and information relating to, among other things, the Company, its business plan and strategy, and its industry. These forward-looking statements are based on the beliefs of, assumptions made by, and information currently available to the Company's management. When used in this disclosure document and the Company Offering materials, the words "estimate", "project", "believe", "anticipate", "intend", "expect", and similar expressions are intended to identify forward-looking statements. These statements reflect management's current views with respect to future events and are subject to risks and uncertainties that could cause the Company's action results to differ materially from those contained in the forward-looking statements. Investors are cautioned not to place undue reliance on these forward-looking statements to reflect events or circumstances after such state or to reflect the occurrence of unanticipated events.**

The Company has certified that all of the following statements are TRUE for the Company in connection with this Offering:

- (1) Is organized under, and subject to, the laws of a State or territory of the United States or the District of Columbia;
- (2) Is not subject to the requirement to file reports pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 (the "**Exchange Act**") (15 U.S.C. 78m or 78o(d));
- (3) Is not an investment company, as defined in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a-3), or excluded from the definition of investment company by section 3(b) or section 3(c) of that act (15 U.S.C. 80a-3(b) or 80a-3(c));
- (4) Is not ineligible to offer or sell securities in reliance on section 4(a)(6) of the Securities Act of 1933 (the "**1933 Act**") (15 U.S.C. 77d(a)(6)) as a result of a disqualification as specified in § 227.503(a);
- (5) Has filed with the SEC and provided to investors, to the extent required, any ongoing annual reports required by law during the two years immediately preceding the filing of this Form C/A; and
- (6) Has a specific business plan, which is not to engage in a merger or acquisition with an unidentified company or companies.

#### **Bad Actor Disclosure**

The Company is not subject to any Bad Actor Disqualifications under any relevant U.S. securities laws.

#### **Ongoing Reporting**

Following the first sale of the Securities, the Company will file a report electronically with the Securities & Exchange Commission annually and post the report on its website, no later than 120 days after the end of the company's fiscal year.

Once posted, the annual report may be found on the Company's website at <https://www.joinborrow.com>.

The Company must continue to comply with the ongoing reporting requirements until:

- (1) the Company is required to file reports under Section 13(a) or Section 15(d) of the Exchange Act;
- (2) the Company has filed at least three annual reports pursuant to Regulation CF and has total assets that do not exceed \$10,000,000;
- (3) the Company has filed at least one annual report pursuant to Regulation CF and has fewer than 300 holders of record;
- (4) the Company or another party repurchases all of the Securities issued in reliance on Section 4(a)(6) of the 1933 Act, including any payment in full of debt securities or any complete redemption of redeemable securities; or
- (5) the Company liquidates or dissolves its business in accordance with state law.

Neither the Company nor any of its predecessors (if any) previously failed to comply with the ongoing reporting requirement of Regulation CF.

#### **Updates**

Updates on the status of this Offering may be found at: <https://www.republic.co/borrow>

### **About this Form C/A**

You should rely only on the information contained in this Form C/A. We have not authorized anyone to provide you with information different from that contained in this Form C/A. We are offering to sell, and seeking offers to buy the Securities only in jurisdictions where offers and sales are permitted. You should assume that the information contained in this Form C/A is accurate only as of the date of this Form C/A, regardless of the time of delivery of this Form C/A or of any sale of Securities. Our business, financial condition, results of operations, and prospects may have changed since that date.

Statements contained herein as to the content of any agreements or other document are summaries and, therefore, are necessarily selective and incomplete and are qualified in their entirety by the actual agreements or other documents. The Company will provide the opportunity to ask questions of and receive answers from the Company's management concerning terms and conditions of the Offering, the Company or any other relevant matters and any additional reasonable information to any prospective Investor prior to the consummation of the sale of the Securities.

This Form C/A does not purport to contain all of the information that may be required to evaluate the Offering and any recipient hereof should conduct its own independent analysis. The statements of the Company contained herein are based on information believed to be reliable. No warranty can be made as to the accuracy of such information or that circumstances have not changed since the date of this Form C/A. The Company does not expect to update or otherwise revise this Form C/A or other materials supplied herewith. The delivery of this Form C/A at any time does not imply that the information contained herein is correct as of any time subsequent to the date of this Form C/A. This Form C/A is submitted in connection with the Offering described herein and may not be reproduced or used for any other purpose.

### **SUMMARY**

#### **The Business**

The following summary is qualified in its entirety by more detailed information that may appear elsewhere in this Form C/A and the Exhibits hereto. Each prospective Investor is urged to read this Form C/A and the Exhibits hereto in their entirety.

Prazo, Inc. d/b/a "Borrow" is a Delaware corporation, incorporated on May 21, 2015.

The Company is located at 8430 Santa Monica Blvd, West Hollywood, CA 90069.

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

The Company conducts business in the State of California.

A description of our products as well as our services, process, and business plan can be found on the Company's profile page on the OpenDeal Portal LLC dba Republic website under <https://republic.co/borrow> and is attached as Exhibit D to the Form C/A of which this Offering Memorandum forms a part.

#### **The Offering**

<b>Minimum aggregate offering amount</b>	\$25,000
<b>Total units of Crowd SAFEs (outstanding after Offering (if minimum amount reached))</b>	25,000*
<b>Maximum aggregate offering amount</b>	\$1,070,000
<b>Total units of Crowd SAFEs outstanding after Offering (if maximum amount reached)</b>	1,070,000*
<b>Purchase price per Security</b>	\$1.00
<b>Minimum investment amount per investor</b>	\$100+
<b>Offering deadline</b>	December 11, 2020

<b>Use of proceeds</b>	See the description of the use of proceeds on page 20.
<b>Voting Rights</b>	See the description of the voting rights on page 37.

\* The total number of Crowd SAFEs outstanding is subject to increase in an amount equal to the Intermediary's fee of 2% of the Securities issued in this Offering.

+ The Company reserves the right to amend the Minimum Individual Purchase Amount, in its sole discretion. In particular, the Company may elect to participate in one of the Intermediary's special investment programs, and may offer alternative Minimum Individual Purchase Amounts to participating Investors in such programs without notice.

The Offering is being made through OpenDeal Portal LLC dba Republic (the "Intermediary"). The Intermediary will be entitled to receive 2% of the Securities being issued in this Offering related to the purchase and sale of the Securities.

	<b>Price to Investors</b>	<b>Service Fees and Commissions (1)(2)</b>	<b>Net Proceeds</b>
<b>Minimum Individual Purchase Amount (3)</b>	\$100	\$6.00	\$94.00
<b>Aggregate Target Offering Amount</b>	\$25,000	\$1,500	\$23,500
<b>Aggregate Maximum Offering Amount</b>	\$1,070,000	\$64,200	\$1,005,800

(1) This excludes fees to Company's advisors, such as attorneys and accountants.

(2) The Intermediary will receive 2% of the Securities being issued in this Offering in connection with the Offering.

(3) The company reserves the right to amend the Minimum Individual Purchase Amount, in its sole discretion. In particular, the Company may elect to participate in one of the Intermediary's special investment programs, and may offer alternative Minimum Individual Purchase amounts to participating Investors in such programs without notice.

## **RISK FACTORS**

*The SEC requires the Company to identify risks that are specific to its business and financial condition. The Company is still subject to all the 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. You should consider general risks as well as specific risks when deciding whether to invest.*

### **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 is just beginning to implement its business plan. There can be no assurance that it will ever operate profitably. The likelihood of its success should be considered in light of the problems, expenses, difficulties, complications and delays usually encountered by companies in their early stages of development. The Company may not be successful in attaining the objectives necessary for it to overcome these risks and uncertainties.

*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 his or her investment.

***We face risks relating to public health conditions such as the COVID-19 pandemic, which could adversely affect our customers, our business and our results of operations.***

Our business and prospects could be materially adversely affected by the COVID-19 pandemic or recurrences of that or any other such disease in the future. Material adverse effects from COVID-19 and similar occurrences could result in numerous known and currently unknown ways including from quarantines and lockdowns which impair our marketing and sales efforts to users of our EV Subscription service. Our developmental progress has been negatively impacted by conditions related to the COVID-19 pandemic. In addition, we obtain vehicles that we offer through our EV Subscription service, and service our fleet of vehicles, from suppliers and service providers located in affected areas, and we may not be able to procure additional vehicles or service our existing vehicle fleet due to COVID-19 restrictions on such suppliers and service providers. The effects of the COVID-19 pandemic have also placed travel restrictions on us and our customers, which could also adversely impact our business. 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, resulting in an economic downturn that could reduce the demand for our 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.

***A majority of the Company is owned by a two owners.***

The Company is currently controlled by a two person board of directors appointed by the holders of the Company's capital stock who together hold 98% of the outstanding capital stock of the Company. Subject to any fiduciary duties owed to the other owners or investors under Delaware law, these majority owners may be able to exercise significant influence through their board appointments. The board of directors is responsible for approving significant Company transactions, and will have significant control over the Company's budget, management and policies. These owners may have interests that are different from yours. For example, these owners may support proposals and actions with which you may disagree. The concentration of ownership and board control could delay or prevent a change in control of the Company or otherwise discourage a potential acquirer from attempting to obtain control of the Company, which in turn could reduce the price potential investors are willing to pay for the Company. In addition, these owners could use their board influence to maintain the Company's existing management, delay or prevent changes in control of the Company, or support or reject other management and board proposals that are subject to stockholder approval.

***The Company has indicated that it has engaged in certain transactions with related persons.***

The Company has (i) received a loan from Rodrigo de Guzman, who is an officer, director, and a major holder of the outstanding equity interests in the Company, and (ii) sold and issued a SAFE (simple agreement for future equity) to an entity in which Rodrigo de Guzman holds an equity interest. Please see the section entitled "*Transactions with Related Persons and Conflicts of Interest*" for further details.

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

In particular, the Company is dependent on Rodrigo de Guzman who is Chief Executive Officer and Director of the Company, and Jon Alain Guzik who is the Chief Technology Officer and Director of the Company. The Company has or intends to enter into employment agreements with Rodrigo de Guzman and Jon Alain Guzik although there can be no assurance that it will do so or that they will continue to be employed by the Company for a particular period of time. The loss of Rodrigo de Guzman and Jon Alain Guzik or any manager or executive officer 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 man life insurance policies on any such people.***

The Company is dependent on certain key personnel in order to conduct its operations and execute its 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 its 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.

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

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

***We have not prepared any audited financial statements.***

Therefore, you have no audited financial information regarding the Company's capitalization or assets or liabilities on which to make your investment decision. If you feel the information provided is insufficient, you should not invest in the Company.

***We are subject to income taxes as well as non-income based taxes, such as payroll, sales, use, value-added, net worth, property and goods and services taxes.***

Significant judgment is required in determining our provision for income taxes and other tax liabilities. In the ordinary course of our business, there are many transactions and calculations where the ultimate tax determination is uncertain. Although we believe that our tax estimates are reasonable: (i) there is no assurance that the final determination of tax audits or tax disputes will not be different from what is reflected in our income tax provisions, expense amounts for non-income based taxes and accruals and (ii) any material differences could have an adverse effect on our financial position and results of operations in the period or periods for which determination is made.

***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.

***The products and services we sell are advanced, and we need to rapidly and successfully develop and introduce new products in a competitive, demanding and rapidly changing environment.***

To succeed in our intensely competitive industry, we must continually improve, refresh and expand our product and services offerings to include newer features, functionality or solutions, and keep pace with price-to-performance gains in the industry. Shortened product life cycles due to customer demands and competitive pressures impact the pace at which we must introduce and implement new technology. This requires a high level of innovation by both our software developers and the suppliers of the third-party software components included in our systems. In addition, bringing new solutions to the market entails a costly and lengthy process, and requires us to accurately anticipate customer needs and technology trends. We must continue to respond to market demands, develop leading technologies and maintain leadership in analytic data solutions performance and scalability, or our business operations may be adversely affected. We must also anticipate and respond to customer demands regarding the compatibility of our current and prior offerings. These demands could hinder the pace of introducing and implementing new technology. Our future results may be affected if our products cannot effectively interface and perform well with software products of other companies and with our customers' existing IT infrastructures, or if we are unsuccessful in our efforts to enter into agreements allowing integration of third-party technology with our database and software platforms. Our efforts to develop the interoperability of our products may require significant investments of capital and employee resources. In addition, many of our principal products are used with products offered by third parties and, in the future, some vendors of non-Company products may become less willing to provide us with access to their products, technical information and marketing and sales support. As a result of these and other factors, our ability to introduce new or improved solutions could be adversely impacted and our business would be negatively affected.

***The development and commercialization of our products is highly competitive.***



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

***We depend on third-party service providers and outsource providers for a variety of services and we outsource a number of our non-core functions and operations.***

In certain instances, we rely on single or limited service providers and outsourcing vendors around the world because the relationship is advantageous due to quality, price, or lack of alternative sources. If production or service was interrupted and we were not able to find alternate third-party providers, we could experience disruptions in operations including higher re-engineering costs. If outsourcing services are interrupted or not performed or the performance is poor, this could impact our ability to process, record and report transactions with our customers and other constituents. Such interruptions in the provision of services could result in our inability to meet customer demand, damage our reputation and customer relationships and adversely affect our business.

***We depend on third party providers, suppliers and licensors to supply some of the hardware, software and operational support necessary to provide some of our services.***

We obtain these materials from a limited number of vendors, some of which do not have a long operating history or which may not be able to continue to supply the equipment and services we desire. Some of our hardware, software and operational support vendors represent our sole source of supply or have, either through contract or as a result of intellectual property rights, a position of some exclusivity. If demand exceeds these vendors' capacity or if these vendors experience operating or financial difficulties, or are otherwise unable to provide the equipment or services we need in a timely manner, at our specifications and at reasonable prices, our ability to provide some services might be materially adversely affected, or the need to procure or develop alternative sources of the affected materials or services might delay our ability to serve our customers. These events could materially and adversely affect our ability to retain and attract customers, and have a material negative impact on our operations, business, financial results and financial condition.

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

Such intellectual property rights, however, 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.

***From time to time, third parties may claim that one or more of our products or services infringe their intellectual property rights.***

Any dispute or litigation regarding patents or other intellectual property could be costly and time-consuming due to the complexity of our technology and the uncertainty of intellectual property litigation and could divert our management and key personnel from our business operations. A claim of intellectual property infringement could force us to enter into a costly or restrictive license agreement, which might not be available under acceptable terms or at all, could require us to redesign our products, which would be costly and time-consuming, and/or could subject us to an injunction against development and sale of certain of our products or services. We may have to pay substantial damages, including damages for past infringement if it is ultimately determined that our product candidates infringe a third party's proprietary rights. Even if these claims are without merit, defending a lawsuit takes significant time, may be expensive and may divert management's attention from other business concerns. Any public announcements related to litigation or interference proceedings initiated or threatened against us could cause our business to be harmed. Our intellectual property portfolio may not be useful in asserting a counterclaim, or negotiating a license, in response to a claim of intellectual property infringement. In certain of our businesses we rely on third party intellectual property licenses and we cannot ensure that these licenses will be available to us in the future on favorable terms or at all.

***Maintaining, extending and expanding our reputation and brand image are essential to our business success.***

We seek to maintain, extend, and expand our brand image through marketing investments, including advertising and consumer promotions, and product innovation. Increasing attention on marketing could adversely affect our brand image. It could also lead to stricter regulations and greater scrutiny of marketing practices or more generally of our business. Existing or increased legal or regulatory restrictions on our advertising, consumer promotions and marketing, or our response to those restrictions, could limit our efforts to maintain, extend and expand our brands. Moreover, adverse publicity about regulatory or legal action against us could damage our reputation and brand image, undermine our customers' confidence and reduce long-term demand for our products, even if the regulatory or legal action is unfounded or not material to our operations.

In addition, our success in maintaining, extending, and expanding our brand image depends on our ability to adapt to a rapidly changing media environment. We increasingly rely on social media and online dissemination of advertising campaigns. The growing use of social and digital media increases the speed and extent that information or misinformation and opinions can be shared. Negative posts or comments about us, our brands or our products on social or digital media, whether or not valid, could seriously damage our brands and reputation. If we do not establish, maintain, extend and expand our brand image, then our product sales, financial condition and results of operations could be adversely affected.

***We must correctly predict, identify, and interpret changes in consumer preferences and demand, offer new products to meet those changes, and respond to competitive innovation.***

Consumer preferences may result in the need for our products to change continually. Our success depends on our ability to predict, identify, and interpret the tastes and habits of consumers and to offer products that appeal to consumer preferences. If we do not offer products that appeal to consumers, our sales and market share will decrease. We must distinguish between short-term fads, mid-term trends, and long-term changes in consumer preferences. If we do not accurately predict which shifts in consumer preferences will be long-term, or if we fail to introduce new and improved products to satisfy those preferences, our sales could decline. If we fail to expand our product offerings successfully across product categories, or if we do not rapidly develop products in faster growing and more profitable categories, demand for our products could decrease, which could materially and adversely affect our product sales, financial condition, and results of operations.

In addition, achieving growth depends on our successful development, introduction, and marketing of innovative new products and line extensions. Successful innovation depends on our ability to correctly anticipate customer and consumer acceptance, to obtain, protect and maintain necessary intellectual property rights, and to avoid infringing the intellectual property rights of others and failure to do so could compromise our competitive position and adversely impact our business.

***Changes in government regulation could adversely impact our business.***

The Company is subject to legislation and regulation at the federal and local levels and, in some instances, at the state level. We expect that court actions and regulatory proceedings will continue to refine our rights and obligations under applicable federal, state and local laws, which cannot be predicted. Modifications to existing requirements or imposition of new requirements or limitations could have an adverse impact on our business.

***We 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.

***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.

***Security breaches and other disruptions could compromise our information and expose us to liability, which would cause our business and reputation to suffer.***

Through third party service providers we indirectly collect and store sensitive data, including intellectual property, our proprietary business information and that of our customers, and personally identifiable information of our customers and employees. The secure processing, maintenance and transmission of this information is critical to our operations and business strategy. Despite our security measures, our information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Any such breach could compromise the information stored there and result in unauthorized access, public disclosure or, lost or stolen information. Any such access, disclosure or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, and potential regulatory penalties, disrupt our operations and the services we provide to customers, and damage our reputation, and cause a loss of confidence in our products and services, which could adversely affect our business/operating margins, revenues and competitive position.

***An intentional or unintentional disruption, failure, misappropriation or corruption of our network and information systems could severely affect our business.*** Such an event might be caused by computer hacking, computer viruses, worms and other destructive or disruptive software, “cyber-attacks” and other malicious activity, as well as natural disasters, power outages, terrorist attacks and similar events. Such events could have an adverse impact on us and our customers, including degradation of service, service disruption, excessive call volume to call centers and damage to our plant, equipment and data. In addition, our future results could be adversely affected due to the theft, destruction, loss, misappropriation or release of confidential customer data or intellectual property. Operational or business delays may result from the disruption of network or information systems and the subsequent remediation activities. Moreover, these events may create negative publicity resulting in reputation or brand damage with customers.

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

Like others in our industry, 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. Experienced computer programmers and hackers may be able to penetrate our network security and misappropriate or compromise our confidential information or that of our customers or other third-parties, create system disruptions, or cause shutdowns. Additionally, sophisticated software and applications that we produce or procure from third-parties may contain defects in design or manufacture, including “bugs” and other problems that could unexpectedly interfere with the operation of the information infrastructure. A disruption, infiltration or failure of our information infrastructure systems or any of our data centers as a result of software or hardware malfunctions, computer viruses, cyber-attacks, employee theft or misuse, power disruptions, natural disasters or accidents could cause breaches of data security, loss of critical data and performance delays, which in turn could adversely affect our business.

## **Risks Related to the Offering**

***The Company's management may have broad discretion in how the Company uses the net proceeds of an offering.*** Unless the Company has agreed to a specific use of the proceeds from an offering, the Company's management will have considerable discretion over the use of proceeds from their 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 Investors commitment amount based on the Company's determination of an Investor's sophistication.***

The Company may prevent Investors from committing more than a certain amount to this Offering based on the Company's belief 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 and not in line with relevant investment limits set forth by the Regulation Crowdfunding rules. This also means that other Investors may receive larger allocations of the Offering based solely on the Company's determination.

***The U.S. Securities and Exchange Commission 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.***

You should not rely on the fact that our Form C/A is accessible through the U.S. Securities and Exchange Commission's EDGAR filing system as an approval, endorsement or guarantee of compliance as it related to this Offering.

***Neither the Offering nor the Securities have been registered under federal or state securities laws, leading to an absence of certain regulation applicable to the Company.***

No governmental agency has reviewed or passed upon this Offering, the Company or any Securities of the Company. The Company also has relied on exemptions from securities registration requirements under applicable state securities laws. Investors in the Company, therefore, will not receive any of the benefits that such registration would otherwise provide. Prospective Investors must therefore assess the adequacy of disclosure and the fairness of the terms of this Offering on their own or in conjunction with their personal advisors.

Compliance with the criteria for securing exemptions under federal securities laws and the securities laws of the various states is extremely complex, especially in respect of those exemptions affording flexibility and the elimination of trading restrictions in respect of securities received in exempt transactions and subsequently disposed of without registration under the Securities Act or state securities laws.

***The Company has the right to extend the Offering deadline. The Company has the right to end the Offering early.***

The Company may extend the Offering deadline beyond what is currently stated herein. This means that your investment may continue to be held in escrow while the Company attempts to raise the Target Amount even after the Offering deadline stated herein is reached. While you have the right to cancel your investment in the event the Company extends the Offering, if you choose to reconfirm your investment, your investment will not be accruing interest during this time and will simply be held until such time as the new Offering deadline is reached without the Company receiving the Target Amount, at which time it will be returned to you without interest or deduction, or the Company receives the Target Amount, at which time it will be released to the Company to be used as set forth herein. Upon or shortly after release of such funds to the Company, the Securities will be issued and distributed to you. The Company may also end the Offering early; if the Offering reaches its target Offering amount after 21-calendar days but before the deadline, the Company can end the Offering with 5 business days' notice. This means your failure to participate in the Offering in a timely manner, may prevent you from being able to participate – it also means the Company may limit the amount of capital it can raise during the Offering by ending it early.

***The Company has the right to conduct multiple closings during the Offering.***

If the Company meets certain terms and conditions, an intermediate close of the Offering can occur, which will allow the Company to draw down on half of the proceeds of the offering committed and captured during the relevant period. The Company may choose to continue the Offering thereafter. Investors should be mindful that this means they can make multiple investment commitments in the offering, which may be subject to different cancellation rights. For example, if an intermediate close occurs and later a material change occurs as the Offering continues, Investors previously closed upon will not have the right to re-confirm their investment as it will be deemed completed.

## **Risks Related to the Securities**

***The units of SAFE will not be freely tradable until one year from the initial purchase date. Although the units of SAFE may be tradable under federal securities law, state securities regulations may apply, and each Investor should consult with his or her attorney.***

You should be aware of the long-term nature of this investment. There is not now and likely will not be a public market for the units of SAFE. Because the units of SAFE have not been registered under the Securities Act or under the securities laws of any state or non-United States jurisdiction, the units of SAFE have transfer restrictions and cannot be resold in the United States except pursuant to Rule 501 of Regulation CF. It is not currently contemplated that registration under the Securities Act or other securities laws will be affected. Limitations on the transfer of the units of SAFE may also adversely affect the price that you might be able to obtain for the units of SAFE 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 it is purchasing the Securities for its own account, for investment purposes and not with a view to resale or distribution thereof.

***Investors will not become equity holders until the Company decides to convert the Securities into CF Shadow 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 CF Shadow Series Securities. The Company is under no obligation to convert the Securities into CF Shadow Securities (the type of equity Securities Investors are entitled to receive upon such conversion). In certain instances, such as a sale of the Company or substantially all of its assets, an IPO 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.

***Investors will not have voting rights, even upon conversion of the Securities into CF Shadow Securities; upon the conversion of the Crowd SAFE to CF Shadow Securities (which cannot be guaranteed), holders of Shadow Securities will be required to enter into a proxy with the intermediary to ensure any statutory voting rights are voted in tandem with the majority holders of whichever series of securities the Shadow Securities follow.***

Investors will not have the right to vote upon matters of the Company even if and when their Securities are converted into CF Shadow Securities (which the occurrence of cannot be guaranteed). Upon such conversion, CF Shadow Securities will have no voting rights and even in circumstances where a statutory right to vote is provided by state law, the CF Shadow Security holders are required to enter into a proxy agreement with the Intermediary ensuring they will vote with the majority of the security holders in the new round of equity financing upon which the Securities were converted. For example, if the Securities are converted upon a round offering Series B Preferred Shares, the Series B-CF Shadow Security holders will be required to enter into a proxy that allows the Intermediary to vote the same way as a majority of the Series B Preferred Shareholders vote. Thus, Investors will never be able to freely vote upon any manager or other matters of the Company.

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

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 Regulation CF. Other security holders of the Company may have such rights. Regulation CF requires only the provision of an annual report on Form C and no additional information – 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.

***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 the 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 the 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.***

The Company may never receive a future equity financing or elect to convert the Securities upon such future financing. In addition, the Company may never undergo a liquidity event such as a sale of the Company or an IPO. If neither the conversion of the Securities nor a liquidity event occurs, the 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.

In addition to the risks listed above, businesses are often subject to risks not foreseen or fully appreciated by the management. It is not possible to foresee all risks that may affect us. Moreover, the Company cannot predict whether

the Company will successfully effectuate the Company's 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 when making such analysis, among other, the Risk Factors discussed above.

***Equity securities acquired upon conversion of SAFE securities may be significantly diluted as a consequence of subsequent financings.***

Company equity securities will be subject to dilution. 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 SAFE conversion 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 Company will depend upon several contingencies not foreseen at the time of this offering. Each such round of financing (whether from the Company or other investors) is typically intended to provide the Company with enough capital to reach the next major corporate milestone. If the funds are not sufficient, Company may have to raise additional capital at a price unfavorable to the existing investors, including the Investor. 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 predict accurately the future capital requirements necessary for success or that additional funds will be available from any source. Failure to obtain such financing on favorable terms could dilute or otherwise severely impair the value of the Investor's Company securities.

***Equity securities issued upon conversion of company SAFE securities may be substantially different from other equity securities offered or issued at the time of conversion.***

Company may issue to converting SAFE holders equity securities that are materially distinct from equity securities it will issue to new purchasers of equity securities. This paragraph does not purport to be a complete summary of all such distinctions. Equity securities issued to SAFE Investors upon their conversion of Company SAFE securities will be distinct from the equity securities issued to new purchasers in at least the following respects: to the extent such equity securities bear any liquidation preferences, dividend rights, or anti-dilution protections, any equity securities issued at the Conversion Price (as provided in the SAFE Agreements) shall bear such preferences, rights, and protections only in proportion to the Conversion Price and not in proportion to the price per share paid by new investors in the equity securities. Company may not provide converting SAFE Investors the same rights, preferences, protections, and other benefits or privileges provided to other purchasers of Company equity securities.

***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 net worth or prior earnings. We cannot assure you that the Securities could be resold by you at the Offering price or at any other price.

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

In a dissolution or bankruptcy of the Company, Investors of Securities which have not been converted will be entitled to distributions as described in the Crowd SAFE. This means that such Investors will be at the lowest level of priority and will only receive distributions once all creditors as well as holders of more senior securities, including any preferred stock holders, have been paid in full. If the Securities have been converted into CF Shadow Share Securities or SAFE Preferred Securities, the Investors will have the same rights and preferences (other than the ability to vote) as the holders of the Securities issued in the equity financing upon which the Securities were converted. Neither holders of Crowd SAFE nor holders of CF Shadow Share Securities nor SAFE Preferred Securities can be guaranteed a return in the event of a dissolution event or bankruptcy.

***While the Crowd SAFE provides for mechanisms whereby a Crowd SAFE holder would be entitled to a return of their purchase amount, if the Company does not have sufficient cash on hand, this obligation may not be fulfilled.***

In certain events provided in the Crowd SAFE, holders of the Crowd SAFE may be entitled to a return of their principal amount. Despite the contractual provisions in the Crowd SAFE, this right cannot be guaranteed if the Company does not have sufficient liquid assets on hand. Therefore, potential Investors should not assume that they are guaranteed a 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 its investment or that it will not lose its entire investment. For this reason, each Investor should read this Form C/A and all Exhibits carefully and should consult with its own attorney and business advisor prior to making any investment decision.

**Legal Matters**

Any prospective Investor should consult with its own counsel and advisors in evaluating an investment in the Offering.

**Additional Information**

The summaries of, and references to, various documents in this Form C/A 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 Form C/A or which will be made available to Investors and their professional advisors upon request.

Prior to making an investment decision regarding the Securities described herein, prospective Investors should carefully review and consider this entire Form C/A. The Company is prepared to furnish, upon request, a copy of the forms of any documents referenced in this Form C/A. The Company’s representatives will be available to discuss with prospective Investors and their representatives and advisors, if any, any matter set forth in this Form C/A or any other matter relating to the Securities described in this Form C/A, so that prospective Investors and their representatives and advisors, if any, may have available to them all information, financial and otherwise, necessary to formulate a well-informed investment decision. Additional information and materials concerning the Company will be made available to prospective Investors and their representatives and advisors, if any, at a mutually convenient location upon reasonable request.

**THE SECURITIES OFFERED INVOLVE A HIGH DEGREE OF RISK AND MAY RESULT IN THE LOSS OF YOUR ENTIRE INVESTMENT. ANY PROSPECTIVE INVESTOR CONSIDERING THE PURCHASE OF THESE SECURITIES SHOULD BE AWARE OF THESE AND OTHER FACTORS SET FORTH IN THIS FORM C/A AND SHOULD CONSULT WITH HIS OR HER LEGAL, TAX AND FINANCIAL ADVISORS PRIOR TO MAKING AN INVESTMENT IN THE SECURITIES. THE SECURITIES SHOULD ONLY BE PURCHASED BY PERSONS WHO CAN AFFORD TO LOSE ALL OF THEIR INVESTMENT.**

**BUSINESS**

**Description of the Business**

Borrow is an electric vehicle (“EV”) subscription company. We provide long-term transportation to people who don't want long-term commitment by offering 3, 6, and 9 month subscriptions to EVs. Each subscription includes an EV of the customer’s choosing from one of our 4 categories, plus insurance, maintenance, roadside assistance and additional perks. Once the subscription is complete, users can choose to either renew, upgrade, or return their vehicle. Borrow is the future of EV ownership.

**Business Plan**

The EV market is exploding and people are looking for an easy way to access this new technology. As demand for these vehicles increases, so will the need for Borrow. In the short term, that means capitalizing on early adopter markets like California where the EV revolution has already taken hold. In the long term, we want to be the first EV ownership option for new markets across the country where people are unfamiliar with EVs. By reaching our investment goal, we plan to expand geographically to 7 target markets across the US. We also plan to begin a digital and in real life scaling of reservations by adding new models and more options for our subscribers, such as post acquisition perks that make EV ownership even easier.

**Company’s Products and/or Services**

Product / Service	Description	Current Market
EV Subscription	Electric vehicle lease by subscription.	"Low commitment" millennials; EV enthusiasts; Transient individuals (ex: students, temporary assignment employees)

**Competition**

Our competitors include original equipment manufacturers (each an “OEM”) subscription services: subscription offerings directly from OEMs. These programs typically have a "swapping" feature (ability to switch between cars regularly) and/or down-payments ex: Porsche Passport, Care by Volvo, and Fair, which is a pay as you go, no-

commitment car leasing platform that allows users to select and make payments for a vehicle within an app. Many of these programs involve a customer having to go to a dealership and placing a down-payment.

### **Customer Base**

Our customer base includes:

- "Low commitment" Millennials: Millennials that value flexibility in ownership, don't want to be tied down by long-term payments, and who are accustomed to the subscription economy;
- Electric vehicle enthusiasts;
- Tire kickers: individuals interested in electric vehicles. Some are on a waitlist for a future model EV. Others are unsure if they would own one, so they use Borrow as a "long-term test drive"; and
- Transient Individuals: individuals located in a Borrow market for a finite period of time (ex: students, consultants).

### **Supply Chain**

All of Borrow EV's are vehicles that were leased when new, by customers of OEMs, and which are now coming off-lease. Our primary supply source for these vehicles is at auction, however, Borrow is also exploring paths to acquire vehicles directly from OEMs. Vehicle maintenance on Borrow's EVs is performed at deeply discounted prices by Company partner Goodyear via JustTires service centers and/or AndGo mobile services. From time to time, the Company relies on dealer service centers for maintenance.

### **Intellectual Property**

The Company neither holds any registered intellectual property, nor has applied for a registration of any registerable intellectual property.

### **Domain Names**

The Company owns the "joinborrow.com" domain name.

### **Governmental/Regulatory Approval and Compliance**

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

### **Litigation**

There are no existing legal suits pending, or to the Company's knowledge, threatened, against the Company. The company is the plaintiff in an open small claims matter in which the Company is seeking to retrieve and award for payment from a previous customer who failed to make payments under a subscription to our EV Subscription service.

### **Other**

The Company has two wholly-owned subsidiaries (i) Prazo SPV, LLC, a limited liability company formed on December 7, 2018, under the laws of the State of Delaware, and (ii) Prazo Boxer SPV, LLC, formed on September 30, 2019, under the laws of the State of Delaware, through which it acquires vehicles for deployment to customers through its EV Subscription service.

### **USE OF PROCEEDS**

We will adjust roles and tasks based on the net proceeds of the Offering. We plan to use these proceeds as described below.

The proceeds remaining after meeting offering expenses will be used as follows:



Use of Proceeds	% of Target Proceeds Raised	Amount if Target Raised	% of Maximum Proceeds Raised	Amount if Maximum Raised
Intermediary Fees	6%	\$1,500	6%	\$64,200
Marketing <sup>(1)</sup>	34%	\$8,500	34%	\$363,800
Operations <sup>(2)</sup>	60%	\$15,000	49%	\$524,300
Product <sup>(3)</sup>	0%	\$0	11%	\$117,700
<b>Total</b>	<b>100%</b>	<b>\$25,000</b>	<b>100%</b>	<b>\$1,070,000</b>

The use of proceeds chart is not inclusive of payments to financial and legal service providers and escrow related fees, all of which were incurred in preparation of the campaign and are due in advance of the closing of the campaign.

(1) We are planning to allocate a substantial budget to marketing for customer acquisition and brand enhancement. These efforts will include paid ads through Facebook, Instagram, LinkedIn, Twitter and Google Adwords, as well as growing our strategic partnerships. We will also try to hire new staff to conduct and analyze these marketing campaigns.

(2) As our fleet grows, we will need to hire additional operational staff to help buy, maintain, sell and transport vehicles. These staff members will also be responsible for tending to user needs, such as vehicle issues and answering our inbound customer service line.

(3) To help manage our assets at scale, we will need to build or license a product that tracks vehicle, user and subscription metadata and integrates with our telematics solution in every vehicle.

The Company does have discretion to alter the use of proceeds as set forth above. The Company may alter the use of proceeds under the following circumstances: Economic conditions may alter the general marketing or general working capital requirements to adhere to the Company's business plan and liquidity requirements.

## DIRECTORS, OFFICERS, AND MANAGERS

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

Name	Positions and Offices Held at the Company	Principal Occupation and Employment Responsibilities for the Last Three (3) Years	Education
Rodrigo de Guzman	Chief Executive Officer & Director	<b>Praza, Inc.</b> , Chief Executive Officer & Director, June 2015 - Present	<b>Santa Clara University School of Law</b> , J.D. (2006)  <b>University of California – Berkeley</b> , B.A., Political Science and French (1992)
Jon Alain Guzik	Chief Product Officer & Director	<b>Praza, Inc.</b> , Chief Product Officer & Director, June 2016 – Present  <b>Desitjo LLC</b> , Managing Director, January 2012 - Present  <ul style="list-style-type: none"> <li>Consultancy with a focus on consumer, enterprise and M&amp;A strategies in the</li> </ul>	<b>California Institute of the Arts</b> , M.F.A., Critical Studies (1998)  <b>San Francisco State University</b> , B.F.A., Cinema (1994)

		automotive, mobility, lifestyle, ecommerce and media spaces for Fortune 100 companies and startups including American Honda Motors, Splunk, Ford Motor Company and Panjo.	
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***Indemnification***

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

***Employees***

The Company currently has 4 employees.

**CAPITALIZATION AND OWNERSHIP**

**Capitalization**

The Company has issued the following outstanding securities:

<b>Type of security</b>	Common Stock
<b>Amount outstanding</b>	5,125,000
<b>Voting Rights</b>	Each holder of record of Common Stock is entitled to one vote for each share of such stock.
<b>Anti-Dilution Rights</b>	None.
<b>How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF</b>	The Company’s board of directors and stockholders may authorize and issue additional shares of Common Stock at a later date.
<b>Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).</b>	72.27%

<b>Type of security</b>	Warrant to Purchase Common Stock
<b>Shares issuable upon exercise</b>	593,750
<b>Voting Rights</b>	Holders of warrants are not entitled to vote.
<b>Anti-Dilution Rights</b>	The conversion rate of the Preferred Stock will be subject to proportional adjustments for stock splits, stock dividends, recapitalizations, etc.
<b>How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF</b>	The Company may issue additional warrants at a later date. The availability of any shares of the Company's capital stock issuable upon the exercise of such warrants and its potential future issuance may be dilutive and could adversely affect the value of the Securities issued pursuant to Regulation CF.
<b>Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).</b>	8.37%

<b>Type of security</b>	Convertible Note
<b>Face Amount</b>	\$190,000
<b>Interest Rate and Amortization Schedule</b>	3% per annum. The principal amount and accrued but unpaid interest thereon is due and payable upon demand of the holder of the convertible note at any time after the maturity date.
<b>Description of Collateral</b>	Unsecured.
<b>Maturity Date</b>	March 10, 2021
<b>Voting Rights</b>	Holders of convertible notes are not entitled to vote.
<b>Anti-Dilution Rights</b>	None.
<b>How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF</b>	The Company's may issue additional convertible notes at a later date. The availability of any shares of the Company's capital stock issued pursuant to the conversion of such convertible notes may be dilutive and could adversely affect the value of the Securities issued pursuant to Regulation CF.
<b>Other Material Terms</b>	Conversion(1)
<b>Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).</b>	13%(2)

(1) **Conversion Upon a Qualified Financing.** At the closing of a next equity financing in which Company issues shares of a series of Company's preferred stock with a liquidation preference senior to that of any common stock of the Company of at least \$1,000,000 ("Qualified Financing"), all principal and interest under the convertible note shall automatically convert, immediately prior to such Qualified Financing, into the number of shares of the Company's preferred stock that is equal to the greater of (A) the total principal and accrued interest of the convertible note divided by the price per share paid by investors in the Qualified Financing; or (B) 13% multiplied by the number of equity securities of the Company, on a fully-diluted basis, including (i) the shares issued upon

conversion of the convertible note, (ii) any outstanding warrants, options or any other security convertible into or exercisable or exchangeable for shares of common stock, preferred stock or any other security of the Company, (iii) any authorized but unissued shares in the Company’s equity incentive plan, including any increase in the Company’s stock plan being effected in connection with the Qualified Financing, and (iv) any preferred stock of the Company issued in such Qualified Financing.

**Conversion if No Qualified Financing.** If the convertible note is outstanding after the maturity date, all principal and interest due thereunder may at any time be converted, at the election of the holder of the convertible note, into the number of shares of the Company’s common stock equal to 13% multiplied by the number of equity securities of the Company, on a fully-diluted basis, including (i) the shares issued upon conversion of the convertible note, (ii) any outstanding warrants, options or any other security convertible into or exercisable or exchangeable for shares of common stock, preferred stock or any other security of the Company, (iii) any authorized but unissued shares in the Company’s equity incentive plan.

**Optional Conversion on Sale Transaction.** If the convertible note is outstanding upon (a) a sale, transfer, exclusive license or other disposition of all or substantially all of the Company’s assets; (b) a merger, consolidation or other transaction or series of related transactions by which the holders of the Company’s capital stock immediately prior to the transaction or series of transactions no longer hold, by virtue of such previously-held capital stock, a majority of the voting stock of the Company or the surviving or acquiring entity after the transaction or series of transactions; or (c) a liquidation, dissolution or winding up of the Company (each of (a), (b) and (c) a “Sale Transaction”), the holder of the convertible note may elect to (A) cancel the convertible note in exchange for an amount of consideration equal to two times the outstanding principal amount and accrued but unpaid interest thereon as of the effective date of the sale, or (B) exchange the convertible note for a number of shares of the Company’s common stock equal to 13% multiplied by the number of equity securities of the Company, on a fully-diluted basis, including (i) the shares issued upon conversion of the convertible note, (ii) any outstanding warrants, options or any other security convertible into or exercisable or exchangeable for shares of common stock, preferred stock or any other security of the Company, (iii) any authorized but unissued shares in the Company’s equity incentive plan.

(2) Percentage ownership assumes conversion of the principal amount and accrued interest thereon, upon a Qualified Financing, into shares of preferred stock of the Company that is convertible into common stock of the Company at a 1:1 conversion ratio, in an amount equal to 13% of the fully diluted capitalization of the Company.

<b>Type of security</b>	Convertible Note
<b>Face Amount</b>	\$25,000
<b>Interest Rate and Amortization Schedule</b>	4% per annum. The principal amount and accrued but unpaid interest thereon is due and payable upon demand of the holder of the convertible note at any time after the maturity date.
<b>Description of Collateral</b>	Unsecured.
<b>Maturity Date</b>	March 9, 2021
<b>Voting Rights</b>	Holders of convertible notes are not entitled to vote.
<b>Anti-Dilution Rights</b>	None.
<b>How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF</b>	The Company’s may issue additional convertible notes at a later date. The availability of any shares of the Company’s capital stock issued pursuant to the conversion of such convertible notes may be dilutive and could adversely affect the value of the Securities issued pursuant to Regulation CF.
<b>Other Material Terms</b>	Conversion(1)

<b>Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).</b>	0.45%(2)
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(1) Next Equity Financing Conversion. The outstanding principal balance and unpaid accrued interest on the convertible note will automatically convert into shares of the Company’s capital stock upon the next sale by the Company of its (i) common stock, (ii) any securities conferring the right to purchase common stock (each of (i), (ii) and (iii), the “Equity Securities”), or (iii) any securities directly or indirectly convertible into, or exchangeable for common stock, from which the Company receives gross proceeds of not less than \$1,000,000 (“Next Equity Financing”).

The number of shares of the Company’s capital stock that the Company issues upon such conversion will equal the quotient obtained by dividing (x) the outstanding principal balance and unpaid accrued interest under the convertible note by (y) the lesser of (A) the product of (i) 95% and (ii) the lowest price per share of the Equity Securities issued in the Next Equity Financing, and (B) the quotient resulting from dividing (i) \$6,000,000 (the “Valuation Cap”) by (ii) the number of issued and outstanding shares of the Company’s capital stock, assuming the conversion or exercise of all of the Company’s outstanding securities convertible or exercisable for shares of the Company’s capital stock (the “Fully Diluted Capitalization”).

Corporate Transaction Conversion. Upon (i) the closing of the sale, transfer or other disposition, in a single transaction or series of related transactions, of all or substantially all of the Company’s assets; (ii) the consummation of a merger or consolidation of the Company with or into another entity (except a merger or consolidation in which the holders of capital stock of the Company immediately prior to such merger or consolidation continue to hold a majority of the outstanding voting securities of the capital stock of the Company or the surviving or acquiring entity immediately following the consummation of such transaction); or (iii) the closing of the transfer (whether by merger, consolidation or otherwise), in a single transaction or series of related transactions resulting in a transfer of more than 50% of the outstanding voting securities of the Company (each of (i), (ii) and (iii), a “Corporate Transaction”), the holder of the convertible note may elect that either (x) the Company pay the holder of the convertible note an amount equal to the outstanding principal balance plus all accrued and unpaid interest thereon, or (y) the convertible note will convert into the number of shares of the Company’s capital stock equal to the quotient obtained by dividing (A) the outstanding principal balance and unpaid accrued interest due thereon, by (B) the quotient obtained from dividing the (i) Valuation Cap by (ii) the Fully Diluted Capitalization immediately prior to the closing of the Corporate Transaction.

Maturity Conversion. If the convertible note has not been repaid in full or converted into shares of the Company’s capital stock on or before the maturity date of the convertible note, then the outstanding principal balance and unpaid accrued interest thereon will automatically convert into that number of shares of the Company’s capital stock equal to the quotient obtained by dividing (x) the outstanding principal balance of the convertible note and unpaid accrued interest thereon on the date of such conversion, by (y) the quotient obtained from dividing the (i) Valuation Cap by (ii) the Fully Diluted Capitalization immediately prior to the maturity of the convertible note.

(2) Percentage ownership assumes conversion of the principal amount and accrued interest thereon, upon a Next Equity Financing at a \$10,000,000 valuation, into shares of preferred stock of the Company that is convertible into common stock of the Company at a 1:1 conversion ratio.

<b>Type of security</b>	Convertible Note
<b>Face Amount</b>	\$50,000
<b>Interest Rate and Amortization Schedule</b>	6% per annum. The principal amount and accrued but unpaid interest thereon will automatically convert into shares of the Company’s capital stock as of the maturity date.
<b>Description of Collateral</b>	Unsecured.
<b>Maturity Date</b>	January 16, 2021

<b>Voting Rights</b>	Holders of convertible notes are not entitled to vote.
<b>Anti-Dilution Rights</b>	None.
<b>How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF</b>	The Company's may issue additional convertible notes at a later date. The availability of any shares of the Company's capital stock issued pursuant to the conversion of such convertible notes may be dilutive and could adversely affect the value of the Securities issued pursuant to Regulation CF.
<b>Other Material Terms</b>	Conversion(1)
<b>Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).</b>	0.56%(2)

(1) **Next Equity Financing Conversion.** The outstanding principal balance and unpaid accrued interest on the convertible note will automatically convert into shares of the Company's capital stock upon the next sale by the Company of its (i) common stock, (ii) any securities conferring the right to purchase common stock (each of (i), (ii) and (iii), the "Equity Securities"), or (iii) any securities directly or indirectly convertible into, or exchangeable for common stock, from which the Company receives gross proceeds of not less than \$1,000,000 ("Next Equity Financing").

The number of shares of the Company's capital stock that the Company issues upon such conversion will equal the quotient obtained by dividing (x) the outstanding principal balance and unpaid accrued interest under the convertible note by (y) the lesser of (A) the product of (i) 95% and (ii) the lowest price per share of the Equity Securities issued in the Next Equity Financing, and (B) the quotient resulting from dividing (i) \$6,000,000 (the "Valuation Cap") by (ii) the number of issued and outstanding shares of the Company's capital stock, assuming the conversion or exercise of all of the Company's outstanding securities convertible or exercisable for shares of the Company's capital stock (the "Fully Diluted Capitalization").

**Corporate Transaction Conversion.** Upon (i) the closing of the sale, transfer or other disposition, in a single transaction or series of related transactions, of all or substantially all of the Company's assets; (ii) the consummation of a merger or consolidation of the Company with or into another entity (except a merger or consolidation in which the holders of capital stock of the Company immediately prior to such merger or consolidation continue to hold a majority of the outstanding voting securities of the capital stock of the Company or the surviving or acquiring entity immediately following the consummation of such transaction); or (iii) the closing of the transfer (whether by merger, consolidation or otherwise), in a single transaction or series of related transactions resulting in a transfer of more than 50% of the outstanding voting securities of the Company (each of (i), (ii) and (iii), a "Corporate Transaction"), the holder of the convertible note may elect that either (x) the Company pay the holder of the convertible note an amount equal to the outstanding principal balance plus all accrued and unpaid interest thereon, or (y) the convertible note will convert into the number of shares of the Company's capital stock equal to the quotient obtained by dividing (A) the outstanding principal balance and unpaid accrued interest due thereon, by (B) the quotient obtained from dividing the (i) Valuation Cap by (ii) the Fully Diluted Capitalization immediately prior to the closing of the Corporate Transaction.

**Maturity Conversion.** If the convertible note has not been repaid in full or converted into shares of the Company's capital stock on or before the maturity date of the convertible note, then the outstanding principal balance and unpaid accrued interest thereon will automatically convert into that number of shares of the Company's capital stock equal to the quotient obtained by dividing (x) the outstanding principal balance of the convertible note and unpaid accrued interest thereon on the date of such conversion, by (y) the quotient obtained from dividing (i) \$5,700,000 by (ii) the Fully Diluted Capitalization immediately prior to the maturity of the convertible note.

(2) Percentage ownership assumes conversion of the principal amount and accrued interest thereon, upon a Next Equity Financing at a \$10,000,000 valuation, into shares of preferred stock of the Company that is convertible into common stock of the Company at a 1:1 conversion ratio.

<b>Type of security</b>	Convertible Note
<b>Face Amount</b>	\$50,000
<b>Interest Rate and Amortization Schedule</b>	6% per annum. The principal amount and accrued but unpaid interest thereon will automatically convert into shares of the Company's capital stock as of the maturity date.
<b>Description of Collateral</b>	Unsecured.
<b>Maturity Date</b>	June 24, 2021
<b>Voting Rights</b>	Holder of convertible notes are not entitled to vote.
<b>Anti-Dilution Rights</b>	None.
<b>How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF</b>	The Company's may issue additional convertible notes at a later date. The availability of any shares of the Company's capital stock issued pursuant to the conversion of such convertible notes may be dilutive and could adversely affect the value of the Securities issued pursuant to Regulation CF.
<b>Other Material Terms</b>	Conversion(1)
<b>Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).</b>	0.56%(2)

(1) Next Equity Financing Conversion. The outstanding principal balance and unpaid accrued interest on the convertible note will automatically convert into shares of the Company's capital stock upon the next sale by the Company of its (i) common stock, (ii) any securities conferring the right to purchase common stock (each of (i), (ii) and (iii), the "Equity Securities"), or (iii) any securities directly or indirectly convertible into, or exchangeable for common stock, from which the Company receives gross proceeds of not less than \$1,000,000 ("Next Equity Financing").

The number of shares of the Company's capital stock that the Company issues upon such conversion will equal the quotient obtained by dividing (x) the outstanding principal balance and unpaid accrued interest under the convertible note by (y) the lesser of (A) the product of (i) 95% and (ii) the lowest price per share of the Equity Securities issued in the Next Equity Financing, and (B) the quotient resulting from dividing (i) \$10,000,000 (the "Valuation Cap") by (ii) the number of issued and outstanding shares of the Company's capital stock, assuming the conversion or exercise of all of the Company's outstanding securities convertible or exercisable for shares of the Company's capital stock (the "Fully Diluted Capitalization").

Corporate Transaction Conversion. Upon (i) the closing of the sale, transfer or other disposition, in a single transaction or series of related transactions, of all or substantially all of the Company's assets; (ii) the consummation of a merger or consolidation of the Company with or into another entity (except a merger or consolidation in which the holders of capital stock of the Company immediately prior to such merger or consolidation continue to hold a majority of the outstanding voting securities of the capital stock of the Company or the surviving or acquiring entity immediately following the consummation of such transaction); or (iii) the closing of the transfer (whether by merger, consolidation or otherwise), in a single transaction or series of related transactions resulting in a transfer of more than 50% of the outstanding voting securities of the Company (each of (i), (ii) and (iii), a "Corporate Transaction"), the holder of the convertible note may elect that either (x) the Company pay the holder of the convertible note an amount equal to the outstanding principal balance plus all accrued and unpaid interest thereon, or (y) the convertible note will convert into the number of shares of the Company's capital stock equal to the quotient obtained by dividing (A) the outstanding principal balance and unpaid accrued interest due thereon, by (B) the quotient obtained from dividing the (i) Valuation Cap by (ii) the Fully Diluted Capitalization immediately prior to the closing of the Corporate Transaction.

**Maturity Conversion.** If the convertible note has not been repaid in full or converted into shares of the Company’s capital stock on or before the maturity date of the convertible note, then the outstanding principal balance and unpaid accrued interest thereon will automatically convert into that number of shares of the Company’s capital stock equal to the quotient obtained by dividing (x) the outstanding principal balance of the convertible note and unpaid accrued interest thereon on the date of such conversion, by (y) the quotient obtained from dividing (i) \$9,500,000 by (ii) the Fully Diluted Capitalization immediately prior to the maturity of the convertible note.

(2) Percentage ownership assumes conversion of the principal amount and accrued interest thereon, upon a Next Equity Financing at a \$10,000,000 valuation, into shares of preferred stock of the Company that is convertible into common stock of the Company at a 1:1 conversion ratio.

<b>Type of security</b>	SAFE (Simple Agreement for Future Equity)
<b>Face Amount</b>	\$255,000
<b>Voting Rights</b>	Holders of SAFEs are not entitled to vote.
<b>Anti-Dilution Rights</b>	None.
<b>How this security may limit, dilute or qualify the Security issued pursuant to Regulation CF</b>	The Company’s may issue additional SAFEs at a later date. The availability of any shares of the Company’s capital stock issued pursuant to the conversion of such SAFEs may be dilutive and could adversely affect the value of the Securities issued pursuant to Regulation CF.
<b>Other Material Terms</b>	Conversion(1) Pro-rata rights(2)
<b>Percentage ownership of the Company by the holders of such security (assuming conversion prior to the Offering if convertible securities).</b>	4.78%

(1) **Conversion Upon an Equity Financing.** Upon a bona fide transaction or series of transactions with the principal purpose of raising capital, pursuant to which the Company issues and sells shares of the Company’s preferred stock at a fixed pre-money valuation (“Equity Financing”), the Company will automatically issue to the holder of the SAFE a number of shares of the Company’s preferred stock equal to (a) the face amount of the SAFE, divided by (b) the (i) price per share of the Company’s preferred stock sold in the Equity Financing, multiplied by (ii) 85% (the “Discount Rate”).

**Conversion Upon a Liquidity Event.** Upon a change of control or IPO of the Company (a “Liquidity Event”), the holder of the SAFE will receive at its option (i) a cash payment equal to the face amount of the SAFE, or (ii) a number of shares of the Company’s common stock equal to the face amount of the SAFE divided by the price per share equal to the fair market value of the Company’s common stock at the time of the Liquidity Event, as determined by reference to the purchase price payable in connection with such Liquidity Event, multiplied by the Discount Rate.

(2) **Pro-rata Rights.** The SAFE holder has a right to purchase a pro-rata share of private placements of the Company’s securities sold after the Equity Financing, in an amount calculated based on the ratio of (x) the number of shares of the capital stock of the Company owned by such SAFE holder immediately prior to the issuance of such private placement securities, to (y) the total number of shares of outstanding capital stock of the Company on a fully diluted basis, calculated as of immediately prior to the issuance of the private placement securities.

(3) Percentage ownership assumes conversion of the face amount of the SAFE, upon an Equity Financing with a (x) \$10,000,000 valuation, and (y) price per share of \$1.00, into shares of preferred stock of the Company that is convertible into common stock of the Company at a 1:1 conversion ratio.

**Debt**

The Company has the following debt outstanding in addition to the convertible notes described above:



<b>Type of debt</b>	Term Loan
<b>Amount Outstanding</b>	\$311,746
<b>Interest Rate and Amortization Schedule</b>	16% per annum. The principal amount and accrued but unpaid interest thereon is due and payable on the maturity date.
<b>Description of Collateral</b>	All assets of Prazo SPV, LLC, a wholly owned subsidiary of the Company.
<b>Maturity Date</b>	June 24, 2021

<b>Type of debt</b>	Term Loan
<b>Amount outstanding</b>	\$56,095
<b>Interest Rate and Amortization Schedule</b>	1% per annum. For the period beginning on the date of issuance of the note, and ending six (6) months thereafter, no payments will be due. Thereafter, monthly payments of principal and interest in an unspecified amount will be due. Any principal balance and interest due thereon outstanding on the maturity date of the note, will be due and payable on the maturity date, unless such amounts are forgiven under the terms of the loan.
<b>Description of Collateral</b>	Unsecured.
<b>Other Material Terms</b>	The principal amount of the loan may be forgivable under the terms of the U.S. Small Business Administration's "Paycheck Protection Program" created pursuant to Section 1102 of the Coronavirus Air, Relief, and Economic Security Act, commonly referred to as the "Cares Act".
<b>Maturity Date</b>	April 20, 2022

<b>Type of debt</b>	Term Loan
<b>Amount Outstanding</b>	\$8,809
<b>Interest Rate and Amortization Schedule</b>	5.96% per annum. Principal and interest is payable in monthly payments. Any principal amount outstanding as of the maturity date and accrued but unpaid interest thereon is due and payable on the maturity date.
<b>Description of Collateral</b>	Secured by specific assets of the Company.
<b>Maturity Date</b>	September 30, 2022

<b>Type of debt</b>	Term Loan
<b>Amount Outstanding</b>	\$9,523
<b>Interest Rate and Amortization Schedule</b>	0.90% per annum. Principal and interest is payable in monthly payments. Any principal amount outstanding as of the maturity date and accrued but unpaid interest thereon is due and payable on the maturity date.
<b>Description of Collateral</b>	Secured by specific assets of the Company.
<b>Maturity Date</b>	October 12, 2022

<b>Type of debt</b>	Term Loan
<b>Amount Outstanding</b>	\$5,618
<b>Interest Rate and Amortization Schedule</b>	13.05% per annum. Principal and interest is payable in monthly payments. Any principal amount outstanding as of the maturity date and accrued but unpaid interest thereon is due and payable on the maturity date.
<b>Description of Collateral</b>	Secured by specific assets of the Company.
<b>Maturity Date</b>	November 30, 2022

<b>Type of debt</b>	Term Loan
<b>Amount Outstanding</b>	\$5,861
<b>Interest Rate and Amortization Schedule</b>	6.89% per annum. Principal and interest is payable in monthly payments. Any principal amount outstanding as of the maturity date and accrued but unpaid interest thereon is due and payable on the maturity date.
<b>Description of Collateral</b>	Secured by specific assets of the Company.
<b>Maturity Date</b>	February 19, 2023

<b>Type of debt</b>	Term Loan
<b>Amount Outstanding</b>	Up to \$612,427
<b>Interest Rate and Amortization Schedule</b>	12% per annum. Principal and interest is payable in monthly payments. Any principal amount outstanding as of the maturity date and accrued but unpaid interest thereon is due and payable on the maturity date.
<b>Description of Collateral</b>	All assets of Prazo SPV, LLC, a wholly owned subsidiary of the Company.
<b>Maturity Date</b>	October 11, 2023

<b>Type of debt</b>	Term Loan
<b>Amount outstanding</b>	\$65,300
<b>Interest Rate and Amortization Schedule</b>	3.75% per annum. For the period beginning on the date of issuance of the note, and ending twelve (12) months thereafter, no payments will be due. Thereafter, monthly payments of principal and interest in an amount of \$319.00 will be due. Any principal balance and interest due thereon outstanding on the maturity date of the note, will be due and payable on the maturity date.
<b>Description of Collateral</b>	For the first \$25,000 of the principal amount of the loan, the lender is not taking any security interest. For all principal amounts above \$25,000, the lender has a security interest in all assets of the Company.
<b>Maturity Date</b>	May 21, 2050

<b>Type of debt</b>	Loan
<b>Amount Outstanding</b>	\$176,812
<b>Interest Rate and Amortization Schedule</b>	This loan has no stated interest rate. The loan has no stated minimum monthly payment amount, although the Company has been making monthly payments of \$2,500 against the outstanding principal amount.
<b>Description of Collateral</b>	Unsecured.
<b>Other Material Terms</b>	Please see the section entitled “ <i>Transactions with Related Persons and Conflicts of Interest</i> ” for further details.
<b>Maturity Date</b>	This loan has no stated maturity date.

#### **Ownership**

A majority of the Company is owned by Rodrigo de Guzman and Jon Alain Guzik.

Below the beneficial owners of 20% percent 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.

<b>Name</b>	<b>Number and type/class of security held</b>	<b>Percentage ownership</b>
Rodrigo de Guzman	2,500,000 shares of common stock	49%
Jon Alain Guzik	2,500,000 shares of common stock	49%

## FINANCIAL INFORMATION

Please see the financial information listed on the cover page of this Form C/A and attached hereto in addition to the following information. Financial statements are attached hereto as Exhibit C.

### Operations

Prazo, Inc. d/b/a “Borrow” was incorporated on May 21, 2015 under the laws of the State of Delaware, and is headquartered in West Hollywood, CA. The Company provides electric vehicles for rent for a fixed monthly rate for between three and nine months. The company began operations in 2015.

### Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of 90 days or less to be cash equivalents. Cash consists primarily of amounts held in accounts held with commercial banking institutions.

As of September 24, 2020 the Company had \$50,000 in aggregate cash and cash equivalents, leaving the Company with approximately 6 months of runway.

### 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 “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.

### Capital Expenditures and Other Obligations

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

### Valuation

The valuation of the Company is not pertinent to the sale of the Securities. Rather, the ownership percentage of the Company that the Securities potentially represent will be determined at a later date upon conversion of the Securities into the capital stock of the Company pursuant to the terms thereof.

### Material Changes and Other Information

#### Trends and Uncertainties

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

Please see Exhibit C for subsequent events and applicable disclosures:

#### Previous Offerings of Securities

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

Security Type	Money Raised	Amount of Securities Sold/Securities Issuable upon Exercise	Use of Proceeds	Offering Date	Exemption from Registration Used or Public Offering
Warrant to Purchase Common Stock	-	487,500	-	October 11, 2019	Section 4(a)(2)
Simple Agreement for Future Equity (SAFE)	\$50,000	1	General Working Capital	June 24, 2019	Section 4(a)(2)
Simple Agreement for Future Equity (SAFE)	\$25,000	1	General Working Capital	February 27, 2019	Section 4(a)(2)
Promissory Note (Revenue Sharing Interest)	\$425,000	1	General Working Capital	December 13, 2018	Section 4(a)(2)
Warrant to Purchase Common Stock	-	106,250	-	December 13, 2018	Section 4(a)(2)
Common Stock	\$100,000	125,000	General Working Capital	November 14, 2018	Section 4(a)(2)

## THE OFFERING AND THE SECURITIES

### The Offering

The Company is offering up to 1,070,000 of the Securities for up to \$1,070,000. The Company is attempting to raise a minimum amount of \$25,000 in this Offering (the “**Target Amount**”). The Company must receive commitments from investors in an amount totaling the Target Amount by December 11, 2020 (the “**Offering Deadline**”) in order to receive any funds. If the sum of the investment commitments does not equal or exceed the Target Amount by the Offering Deadline, no Securities will be sold in the Offering, investment commitments will be cancelled and committed funds will be returned to potential investors without interest or deductions. The Company has the right to extend the Offering Deadline at its discretion. The Company will accept investments in excess of the Target Amount up to \$1,070,000 (the “**Maximum Amount**”) and the additional Securities will be allocated on at the Company’s discretion.

The price of the Securities does not necessarily bear any relationship to the Company’s asset value, net worth, revenues or other established criteria of value, and should not be considered indicative of the actual value of the Securities.

The Offering is being made through OpenDeal Portal LLC dba Republic, the Intermediary. In order to purchase the Securities, you must make a commitment to purchase by completing the subscription process hosted by the Intermediary, including complying with the Intermediary’s know your customer (KYC) and anti-money laundering (AML) policies. **If an investor makes an investment commitment under a name that is not their legal name, they may be unable to redeem their Security, indefinitely and neither the Intermediary nor the Company are required to correct any errors or omissions made by the Investor.** Investor funds will be held in escrow with Prime Trust, LLC until the Target Offering Amount of investments is reached. Investors may cancel an investment commitment until 48 hours prior to the Offering Deadline or the Closing, whichever comes first using the cancellation mechanism provided by the Intermediary. **Any investor using a credit card to invest must represent and warrant to not claim fraud or claw back their committed funds to cancel their investment commitment, any cancelled**

**investment commitments must be requested through the Intermediary 48 hours prior to the Offering Deadline or Closing.** The Company will notify Investors when the Target Offering Amount has been reached. If the Company reaches the Target Offering Amount prior to the Offering Deadline, it may close the Offering at least five (5) days after reaching the Target Offering Amount and providing notice to the Investors. If any material change (other than reaching the Target Offering Amount) occurs related to the Offering prior to the Offering Deadline, the Company will provide notice to Investors and receive reconfirmations from Investors who have already made commitments. If an Investor does not reconfirm his or her investment commitment after a material change is made to the terms of the Offering, the Investor's investment commitment will be cancelled, and the committed funds will be returned without interest or deductions. If an Investor does not cancel an investment commitment before the Target Offering Amount is reached, the funds will be released to the Company upon closing of the Offering and the Investor will receive the Securities in exchange for his or her investment. Any Investor funds received after the initial closing will be released to the Company upon a subsequent closing and the Investor will receive Securities via Electronic Certificate/PDF in exchange for his or her investment as soon as practicable thereafter.

In the event two-times the Minimum Amount is reached prior to the Offering Deadline, or such earlier time the Company designates pursuant to Reg. CF Rule 304(b), the Company may conduct the first of multiple closings of the Offering early, provided all investors will receive notice of the new offering deadline at least five (5) business days prior to such new offering deadline (absent a material change that would require an extension of the offering and reconfirmation of the investment commitment). Investors who committed on or before such notice will have until 48 hours before the new offering deadline to cancel their investment commitment. In the event the Company does conduct one of multiple closes, the Company agrees to only withdraw half of the proceeds that are in escrow and will only conduct a close if there will be more than twenty-one (21) days remaining before the Offering Deadline.

On September 11, 2020 the Company conducted an intermediate closing of the Offering, locking in \$100,626.94 of investment commitments and drawing down approximately \$50,313.47 of the proceeds. The Company has reserved but has not issued the Securities due to those Purchasers as i) such Purchasers may contribute additional capital to the Offering and ii) pursuant to the terms of the Offering, if a Form C-W is filed, the Company will not issue the Securities and return all proceeds drawn down. The Company will complete the sale of all Securities as of the Offering Deadline.

The Company may only conduct another close before the Offering Deadline if: (i) the amount of investment commitments made exceeds two times the amount committed at the time of the last close and at the time of the next close; and (ii) more than twenty-one (21) days remain before the Offering Deadline.

The Company has agreed to return all funds to Investors in the event a Form C-W is ultimately filed in relation to this Offering, regardless of any subsequent closes.

Subscription Agreements are not binding on the Company until accepted by the Company, which reserves the right to reject, in whole or in part, in its sole and absolute discretion, any subscription. If the Company rejects all or a portion of any subscription, the applicable prospective Investor's funds will be returned without interest or deduction.

The price of the Securities was determined arbitrarily. The minimum amount that an Investor may invest in the Offering is \$100.

The Offering is being made through OpenDeal Portal LLC dba Republic, the Intermediary.

**PRIME TRUST, THE ESCROW AGENT SERVICING THE OFFERING, HAS NOT INVESTIGATED THE DESIRABILITY OR ADVISABILITY OF AN INVESTMENT IN THIS OFFERING OR THE SECURITIES OFFERED HEREIN. THE ESCROW AGENT MAKES NO REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGEMENT ON THE MERITS OF THE OFFERING OR THE SECURITIES OFFERED HEREIN. THE ESCROW AGENT'S CONNECTION TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSES OF ACTING AS A SERVICE PROVIDER.**

The following two fields below sets forth the compensation being paid in connection with the Offering.

***Commission/Fees***

6.0% of the amount raised

### ***Stock, Warrants and Other Compensation***

2.0% of the Securities being issued in this Offering.

### ***Transfer Agent and Registrar***

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

### **The Securities**

We request that you please review our organizational documents and the Crowd Safe Units of SAFE (Simple Agreement for Future Equity) instrument in conjunction with the following summary information.

### **Authorized Capitalization**

At the closing of this Offering (if the minimum amount is sold), the total number of shares of all classes of capital stock that the Company has the authority to issue is 10,000,000, consisting of 10,000,000 shares of common stock, par value \$0.00001 per share, of which 5,125,000 shares will be issued and outstanding.

### **Not Currently Equity Interests**

The Securities are not currently equity interests in the Company and can be thought of as the right to receive equity at some point in the future upon the occurrence of certain events.

### **Dividends**

The Securities do not entitle the Investors to any dividends.

### **Conversion**

Upon each future equity financing of greater than \$1,000,000.00 (an “**Equity Financing**”), the Securities are convertible at the option of the Company, into CF Shadow Series Securities, which are securities identical to those issued in such future Equity Financing except 1) they do not have the right to vote on any matters except as required by law, 2) they must vote in accordance with the majority of the investors in such future Equity Financing with respect to any such required vote and 3) they are not entitled to any inspection or information rights (other than those contemplated by Regulation CF). The Company has no obligation to convert the Securities in any future 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 CF Shadow Series Securities equal to the greater of the quotient obtained by dividing the amount the Investor paid for the Securities (the “**Purchase Amount**”) by:

(a) the quotient of \$12,000,000.00 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) 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 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) the lowest price per share of the Securities sold in such Equity Financing multiplied by 80%.

The price (either (a) or (b)) determined immediately above shall be deemed the “First Equity Financing Price” and may be used to establish the conversion price of the Securities at a later date, even if the Company does not choose to convert the Securities upon the first Equity Financing following the issuance of the Securities.

### ***Conversion After the First Equity Financing***



If the Company elects to convert the Securities upon an Equity Financing after the first Equity Financing following the issuance of the Securities, the Investor will receive the number of CF Shadow Series 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 an initial public offering of the Company (“**IPO**”) or Change of Control (see below) (either of these events, a “**Liquidity Event**”) of the Company prior to any Equity Financing, the Investor will receive, at the option of the Investor, either (A) a cash payment equal to the Purchase Amount (subject to the following paragraph) or (B) a number of shares of common stock of the Company equal to the Purchase Amount divided by the quotient of (a) \$12,000,000.00 divided by (b) 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 common stock reserved and available for future grant under any equity incentive or similar plan; (ii) any Safes; and (iii) convertible promissory notes.

In connection with a cash payment described in the preceding paragraph, the Purchase Amount 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 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 and throughout this section, means (i) a transaction or transactions in which any person or group becomes the beneficial owner of more than 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(s) or (iii) a sale, lease or other disposition of all or substantially all of the assets 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 Investor, either (i) a cash payment equal to the Purchase Amount (as described above) or (ii) a number of shares of the most recently issued preferred stock equal to the Purchase Amount divided by the First Equity Financing Price. Shares of preferred stock granted in connection therewith shall have the same liquidation rights and preferences as the shares of the Company’s capital stock issued in connection with the Company’s most recent Equity Financing.

#### **Dissolution**

If there is a Dissolution Event (see below) before the Securities terminate, the Company will distribute, subject to the preferences applicable to any series of preferred stock then outstanding, all of its assets legally available for distribution with equal priority among the Investors, all holders of other Safes (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) and all holders of common stock.

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

#### **Termination**

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

#### **Voting and Control**

The Securities have no voting rights at present or when converted.

The Company does not have any voting agreements in place.

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

## **Anti-Dilution Rights**

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

## **Restrictions on Transfer**

Any Securities sold pursuant to Regulation CF being offered may not be transferred by any Investor of such Securities during the one-year holding period beginning when the Securities were issued, unless such Securities are transferred: 1) to the Company, 2) to an accredited investor, as defined by Rule 501(d) of Regulation D promulgated under the Securities Act, 3) as part of an IPO or 4) to a member of the family of the Investor or the equivalent, to a trust controlled by the Investor, to a trust created for the benefit of a member of the family of the Investor or the equivalent, or in connection with the death or divorce of the Investor or other similar circumstances. "Member of the family" as used herein means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse or spousal equivalent, sibling, mother/father/daughter/son/sister/brother-in-law, and includes adoptive relationships. Remember that although you may legally be able to transfer the Securities, you may not be able to find another party willing to purchase them.

In addition to the foregoing restrictions, prior to making any transfer of the Securities or any Securities 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 stating that a registration statement is not necessary to effect such transfer.

In addition, the Investor may not transfer the Securities or any Securities 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 sold for up to 180 days following such IPO.

## **Other Material Terms**

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

## **TAX MATTERS**

**EACH PROSPECTIVE INVESTOR SHOULD CONSULT WITH HIS OR HER OWN TAX AND ERISA ADVISOR AS TO THE PARTICULAR CONSEQUENCES TO THE INVESTOR OF THE PURCHASE, OWNERSHIP AND SALE OF THE INVESTOR'S SECURITIES, AS WELL AS POSSIBLE CHANGES IN THE TAX LAWS.**

**TO INSURE COMPLIANCE WITH THE REQUIREMENTS IMPOSED BY THE INTERNAL REVENUE SERVICE, WE INFORM YOU THAT ANY TAX STATEMENT IN THIS FORM C/A CONCERNING UNITED STATES FEDERAL TAXES IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING ANY TAX-RELATED PENALTIES UNDER THE UNITED STATES INTERNAL REVENUE CODE. ANY TAX STATEMENT HEREIN CONCERNING UNITED STATES FEDERAL TAXES WAS WRITTEN IN CONNECTION WITH THE MARKETING OR PROMOTION OF THE TRANSACTIONS OR MATTERS TO WHICH THE STATEMENT RELATES. EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.**

**POTENTIAL INVESTORS WHO ARE NOT UNITED STATES RESIDENTS ARE URGED TO CONSULT THEIR TAX ADVISORS REGARDING THE UNITED STATES FEDERAL INCOME TAX IMPLICATIONS OF ANY INVESTMENT IN THE COMPANY, AS WELL AS THE TAXATION OF SUCH INVESTMENT BY THEIR COUNTRY OF RESIDENCE. FURTHERMORE, IT SHOULD BE ANTICIPATED THAT DISTRIBUTIONS FROM THE COMPANY TO SUCH FOREIGN INVESTORS MAY BE SUBJECT TO UNITED STATES WITHHOLDING TAX.**

**EACH POTENTIAL INVESTOR SHOULD CONSULT HIS OR HER OWN TAX ADVISOR CONCERNING THE POSSIBLE IMPACT OF STATE TAXES.**

**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 (20%) percent 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, whether historical or contemplated, where the Company 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) 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 20 percent 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:

<b>Related Person/Entity</b>	Rodrigo de Guzman
<b>Relationship to the Company</b>	CEO and Director of the Company.
<b>Total amount of money involved</b>	\$30,000
<b>Description of the transaction</b>	The Company sold and issued a SAFE (simple agreement for future equity) to an investor entity in which Rodrigo de Guzman holds an equity interest.

<b>Related Person/Entity</b>	Rodrigo de Guzman
<b>Relationship to the Company</b>	CEO and Director of the Company.
<b>Total amount of money involved</b>	\$181,812
<b>Description of the transaction</b>	The Company received a loan from Rodrigo de Guzman for general working capital purposes. The loan has no stated interest rate, maturity date, or repayment schedule.

**EXHIBIT B**

*Disclaimers*

THERE ARE SIGNIFICANT RISKS AND UNCERTAINTIES ASSOCIATED WITH AN INVESTMENT IN THE COMPANY AND THE SECURITIES. THE SECURITIES OFFERED HEREBY ARE NOT PUBLICLY TRADED AND ARE SUBJECT TO TRANSFER RESTRICTIONS. THERE IS NO PUBLIC MARKET FOR THE SECURITIES AND ONE MAY NEVER DEVELOP. AN INVESTMENT IN THE 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 FORM C/A ENTITLED "RISK FACTORS."

THESE SECURITIES INVOLVE A HIGH DEGREE OF RISK THAT MAY NOT BE APPROPRIATE FOR ALL PURCHASERS.

THIS FORM C/A DOES NOT CONSTITUTE AN OFFER IN ANY JURISDICTION IN WHICH AN OFFER IS NOT PERMITTED.

PRIOR TO CONSUMMATION OF THE PURCHASE AND SALE OF ANY SECURITY THE COMPANY WILL AFFORD PROSPECTIVE PURCHASERS AN OPPORTUNITY TO ASK QUESTIONS OF AND RECEIVE ANSWERS FROM THE COMPANY AND ITS MANAGEMENT CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING AND THE COMPANY. NO SOURCE OTHER THAN THE INTERMEDIARY HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS FORM C/A, AND IF GIVEN OR MADE BY ANY OTHER SUCH PERSON OR ENTITY, SUCH INFORMATION MUST NOT BE RELIED ON AS HAVING BEEN AUTHORIZED BY THE COMPANY.

PROSPECTIVE PURCHASERS ARE NOT TO CONSTRUE THE CONTENTS OF THIS FORM C/A AS LEGAL, ACCOUNTING OR TAX ADVICE OR AS INFORMATION NECESSARILY APPLICABLE TO EACH PROSPECTIVE INVESTOR'S PARTICULAR FINANCIAL SITUATION. EACH INVESTOR SHOULD CONSULT HIS OR HER OWN FINANCIAL ADVISER, COUNSEL AND ACCOUNTANT AS TO LEGAL, TAX AND RELATED MATTERS CONCERNING HIS OR HER INVESTMENT.

THE SECURITIES OFFERED HEREBY WILL HAVE TRANSFER RESTRICTIONS. NO SECURITIES MAY BE PLEDGED, TRANSFERRED, RESOLD OR OTHERWISE DISPOSED OF BY ANY PURCHASER EXCEPT PURSUANT TO RULE 501 OF REGULATION CF. PURCHASERS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

**NASAA UNIFORM LEGEND**

IN MAKING AN INVESTMENT DECISION PURCHASERS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

## **SPECIAL NOTICE TO FOREIGN INVESTORS**

IF THE PURCHASER LIVES OUTSIDE THE UNITED STATES, IT IS THE PURCHASER'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.

## **NOTICE REGARDING THE ESCROW AGENT**

PRIME TRUST, LLC (THE "*ESCROW AGENT*") SERVICING THE OFFERING, HAS NOT INVESTIGATED THE DESIRABILITY OR ADVISABILITY OF AN INVESTMENT IN THIS OFFERING OR THE SECURITIES OFFERED HEREIN. THE ESCROW AGENT MAKES NO REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGEMENT ON THE MERITS OF THE OFFERING OR THE SECURITIES OFFERED HEREIN. THE ESCROW AGENT'S CONNECTION TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSES OF ACTING AS A SERVICE PROVIDER.

## **Forward Looking Statement Disclosure**

This Form C/A and any documents incorporated by reference herein or therein contain forward-looking statements and are subject to risks and uncertainties. All statements other than statements of historical fact or relating to present facts or current conditions included in this Form C/A are forward-looking statements. Forward-looking statements give the Company's current reasonable expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "estimate," "expect," "project," "plan," "intend," "believe," "may," "should," "can have," "likely" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.

The forward-looking statements contained in this Form C/A and any documents incorporated by reference herein or therein are based on reasonable assumptions the Company has made in light of its industry experience, perceptions of historical trends, current conditions, expected future developments and other factors it believes are appropriate under the circumstances. As you read and consider this Form C/A, you should understand that these statements are not guarantees of performance or results. They involve risks, uncertainties (many of which are beyond the Company's control) and assumptions. Although the Company believes that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect its actual operating and financial performance and cause its performance to differ materially from the performance anticipated in the forward-looking statements. Should one or more of these risks or uncertainties materialize, or should any of these assumptions prove incorrect or change, the Company's actual operating and financial performance may vary in material respects from the performance projected in these forward-looking statements.

Any forward-looking statement made by the Company in this Form C/A or any documents incorporated by reference herein or therein speaks only as of the date of this Form C/A. Factors or events that could cause the Company's actual operating and financial performance to differ may emerge from time to time, and it is not possible for the Company to predict all of them. The Company undertakes no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

### ***Disclaimer of Television Presentation***

The Company's officers may participate in the filming of a television series 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 Form-C. Accordingly, the statements made in the Presentation, unless reiterated in the offering materials provided herein, should not be applied to the Company's business and operations as of the date of this offering. Moreover, the Presentation may involve several statements constituting puffery, that is, exaggerations not to be taken literally or otherwise as indication of factual data or historical or future performance.

**EXHIBIT C**  
*Financials*



**Prazo, Inc.**

(a Delaware corporation)

**Unaudited Financial Statements**

Period of January 1, 2018 through December 31, 2019

Reviewed by:

**TaxDrop**

TaxDrop LLC  
A New Jersey CPA Company

## Financial Statements

### Prazo, Inc.

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

June 16, 2020

To: Board of Directors of Prazo, Inc.  
Attn: Rodrigo de Guzman, CEO

Re: 2018 and 2019 Financial Statement Review  
Prazo, Inc.

We have reviewed the accompanying financial statements of Prazo, Inc. (the "Company"), which comprise the balance sheet as of December 31, 2018 and December 31, 2019 and the related statements of income, equity, and cash flows for the period of January 1, 2018 through December 31, 2019, 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 limited in scope compared to 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.

**Accountant's Conclusion**

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

**Going Concern**

As discussed in the Notes and Additional Disclosures, certain conditions indicate the Company may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. Our conclusion is not modified with respect to that matter.

Sincerely,

**TaxDrop**

TaxDrop LLC

A New Jersey CPA Company

**PRAZO, INC.**  
**BALANCE SHEET**  
**As of December 31, 2019 and 2018**  
**(Unaudited)**

ASSETS	2019	2018
Current Assets		
Cash and cash equivalents	\$4,845	\$46,494
Accounts receivable	685	0
Prepaid expenses	35,029	0
Deposits	1,500	1,500
Total Current Assets	42,059	47,994
Fixed Assets		
Property plant and equipment	493,207	159,965
Accumulated depreciation	(102,570)	(37,253)
Total Fixed Assets, net	390,637	122,712
Total Assets	<u>\$432,696</u>	<u>\$170,706</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Advances from shareholders	\$153,123	\$46,306
Accrued interest	19,685	8,714
Total Current Liabilities	172,808	55,020
Long-Term Liabilities		
Convertible notes	315,000	190,000
Auto loans	488,585	193,817
Total Long-Term Liabilities	803,585	383,817
Total Liabilities	976,393	438,837
STOCKHOLDERS' EQUITY		
Common Stock; \$0.00001 par value, 10,000,000 shares authorized 5,125,000 and 5,062,500 shares issued and outstanding As of December 31, 2019 and 2018, respectively	51	51
Additional paid-in capital	99,999	49,999
Additional paid-in capital - SAFEs	255,000	255,000
Retained earnings	(898,747)	(573,181)
Total Stockholders' Equity	(543,697)	(268,131)
Total Liabilities and Stockholders' Equity	<u>\$432,696</u>	<u>\$170,706</u>

**The accompanying notes are an integral part of these financial statements.**

**PRAZO, INC.**  
**STATEMENT OF OPERATIONS**  
**For Years Ending December 31, 2019 and 2018**  
**(Unaudited)**

	<b>2019</b>	<b>2018</b>
Revenues	\$ 184,557	\$ 141,695
Cost of revenues	17,406	8,024
Gross profit (loss)	167,151	133,671
Operating expenses		
Payroll	210,898	137,380
General and administrative	106,715	66,622
Professional fees	14,735	36,036
Rent	19,815	16,005
Sales and marketing	3,605	397
Depreciation	65,317	26,625
Total operating expenses	421,085	283,065
Net Operating Income (Loss)	(253,934)	(149,394)
Interest expense	(71,632)	(12,787)
Net Income (Loss)	(\$325,566)	(\$162,181)

The accompanying notes are an integral part of these financial statements.

**PRAZO, INC.**  
**STATEMENT OF STOCKHOLDERS' EQUITY**  
**For Years Ending December 31, 2019 and 2018**  
(Unaudited)

	Common Stock		Additional Paid-In Capital	Additional Paid-In Capital - SAFEs	Retained Earnings	Total Stockholders' Equity
	Shares	Par Value				
Balance as of January 1, 2018	5,000,000	\$50	\$0	\$255,000	(\$411,000)	(\$155,950)
Issuance of common stock	62,500	1	49,999	0	0	50,000
Net Income (Loss)	0	0	0	0	(162,181)	(162,181)
Balance as of December 31, 2018	5,062,500	51	49,999	255,000	(573,181)	(268,131)
Issuance of common stock	62,500	0	50,000	0	0	50,000
Net Income (Loss)	0	0	0	0	(325,566)	(325,566)
Balance as of December 31, 2019	5,125,000	\$51	\$99,999	\$255,000	(\$898,747)	(\$543,697)

The accompanying notes are an integral part of these financial statements.

**PRAZO, INC.**  
**STATEMENT OF CASH FLOWS**  
**For Years Ending December 31, 2019 and 2018**  
**(Unaudited)**

	2019	2018
<b>Operating Activities</b>		
Net Income (Loss)	(\$325,566)	(\$162,181)
Adjustments to reconcile net income (loss) to net cash provided by operations:		
Depreciation	65,317	26,625
Convertible note interest	10,971	5,700
Changes in operating assets and liabilities:		
(Increase) Decrease in accounts receivable	(685)	0
(Increase) Decrease in prepaid expenses	(35,029)	0
	<hr/>	<hr/>
Net cash used in operating activities	(284,992)	(129,856)
<b>Investing Activities</b>		
Advances to shareholders given	0	0
Purchase of plants property and equipment	(333,242)	(53,682)
	<hr/>	<hr/>
Net change in cash from investing activities	(333,242)	(53,682)
<b>Financing Activities</b>		
Advances from shareholders taken	106,817	6,273
Auto loans taken	294,768	130,098
Issuance of convertible notes	125,000	0
Issuance of common stock	50,000	50,000
	<hr/>	<hr/>
Net change in cash from financing activities	576,585	186,371
Net change in cash and cash equivalents	(41,649)	2,833
Cash and cash equivalents at beginning of period	46,494	43,661
	<hr/>	<hr/>
Cash and cash equivalents at end of period	\$4,845	\$46,494
	<hr/>	<hr/>

**The accompanying notes are an integral part of these financial statements.**



**PRAZO, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS OF DECEMBER 31, 2019**

**NOTE 1 – NATURE OF OPERATIONS**

PRAZO, INC. (which may be referred to as the “Company”, “we,” “us,” or “our”) was incorporated in Delaware on May 21, 2015. The Company provides electric vehicles for rent for a fixed monthly rate for between three and nine months. The Company’s headquarters are in West Hollywood, California. The company began operations in 2015.

Since Inception, the Company has relied on securing loans, the issuance of Simple Agreements for Future Equity (“SAFEs”), the issuance of common stock, and the issuance of convertible notes to fund its operations. As of December 31, 2019, the Company had negative working capital and will likely incur additional losses prior to generating positive working capital. These matters raise substantial concern about the Company’s ability to continue as a going concern (see Note 9). During the next twelve months, the Company intends to fund its operations with funding from a crowdfunding campaign (see Note 10) and funds from revenue producing activities, if and when such can be realized. If the Company cannot secure additional short-term capital, it may cease operations. These financial statements and related notes thereto do not include any adjustments that might result from these uncertainties.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America (“US GAAP”). The accompanying unaudited financial statements do not include all the information and notes required by GAAP 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.

**Concentration of Credit Risk**

The Company maintains its cash with a major financial institution located in the United States of America, which it believes to be 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, 2019 and 2018, the Company had \$4,845 and \$46,494 of cash on hand, respectively.

### 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. In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 350-40, Accounting for Costs of Computer Software Developed or Obtained for Internal Use, the Company has capitalized external direct costs of material and services developed or obtained for software development projects. Amortization for each software project begins when the computer software is ready for its intended use.

Depreciation is provided using the straight-line method, based on useful lives of the assets which range from five to seven years.

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 for December 31, 2019.

### 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, 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 year ending December 31, 2019 as it incurred a taxable loss. In addition, there is a 100% valuation allowance against the net operating losses generated by the Company at December 31, 2019. The Company is taxed as a "C" Corporation.

The Company evaluates its tax positions that have been taken or are expected to be taken on income tax returns to determine if an accrual is necessary for uncertain tax positions. As of December 31, 2019, the unrecognized tax benefits accrual was zero. The Company will recognize future accrued interest and penalties related to unrecognized tax benefits in income tax expense if incurred.

#### 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, we recognized revenue when persuasive evidence of an arrangement existed, delivery of products had occurred, the sales price was fixed or determinable and collectability was reasonably assured. The Company generates revenues by providing rentals of vehicles for between 3 and 9 months for a fixed monthly cost. The Company's payments are generally collected upfront.

#### Accounts Receivable

Trade receivables due from customers are uncollateralized customer obligations due under normal trade terms requiring payment within 30 days from the invoice date. Trade receivables are stated at the amount billed to the customer. Payments of trade receivables are allocated to the specific invoices identified on the customer's remittance advice or, if unspecified, are applied to the earliest unpaid invoices. As of December 31, 2019 and 2018 the company had \$685 and \$0 in accounts receivable, respectively.

The Company estimates an allowance for doubtful accounts based upon an evaluation of the current status of receivables, historical experience, and other factors as necessary. It is reasonably possible that the Company's estimate of the allowance for doubtful accounts will change. As of December 31, 2019 and 2018 there was no allowance for doubtful accounts.

#### Advertising

The Company expenses advertising costs as they are incurred.

#### Recent Accounting Pronouncements

In February 2019, FASB issued ASU No. 2019-02, Leases, that requires organizations that lease assets, referred to as "lessees", to recognize on the balance sheet the assets and liabilities for the rights and obligations created by those leases with lease terms of more than 12 months. ASU 2019-02 will also require disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases and will include qualitative and quantitative requirements. The new standard for nonpublic entities will be effective for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years, and early application is permitted. We are currently evaluating the effect that the updated standard will have on the financial statements and related disclosures.

In June 2018, FASB amended ASU No. 2018-07, Compensation – Stock Compensation, to expand the scope of Topic 718, Compensation – Stock Compensation, to include share-based payment transactions for acquiring goods and services from nonemployees. The new standard for nonpublic entities will be effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020, and early application is permitted. We are currently evaluating the effect that the updated standard will have on the financial statements and related disclosures.

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 on our financial statements.

### NOTE 3 – FIXED ASSETS

Fixed Assets consist of a fleet of electric vehicles and equipment. Depreciation is calculated using the straight-line method over a period of 5 years. As of December 31, 2019 and 2018 the Company had \$390,637 and \$122,712 in net fixed assets.

### NOTE 4 – DEBT

#### Convertible Notes

Prior to 2018 the Company issued \$190,000 of 3% unsecured convertible notes (the “2017 Notes”) due March 9, 2021. The 2017 Notes are automatically convertible in an equity financing of at least \$1,000,000 (“Qualified Financing”). The 2017 Notes convert into the greater number of shares of either 13% of the Company’s fully diluted securities, or the principal and interest divided by the lowest price per share of equities sold in the Qualified Financing.

In 2019 the Company issued \$125,000 of 4% (\$25,000) and 6% (\$100,000) unsecured convertible notes (the “2019 Notes”). The 2019 Notes are automatically convertible in a Qualified Financing. The conversion price is the lesser of 95% of the price per share of Stock received by the Company in a Qualified Financing or the price per share equal to the quotient of a pre-money valuation of \$6,000,000 (\$75,000) or \$10,000,000 (\$50,000) divided by the aggregate number of shares of the Company’s common stock outstanding immediately prior to the initial closing of a Qualified Financing assuming full conversion or exercise of outstanding stock options and Notes.

As of December 31, 2019, the Notes have not yet converted as a Qualified Financing had not yet occurred. The convertible notes are recorded as a liability until conversion occurs.

#### Auto Loans

The Company has taken loans for vehicles to have in their fleet. The loans are each secured by the Company’s assets, namely vehicles that the loans finance. The balance of the auto loans as of December 31, 2019 and 2018 are \$488,585 and \$193,817, respectively. One loan agreement calls for repayments of principal and interest through a revenue sharing agreement. The following table shows the principal repayments of the auto loans over the following five years.

Year	Principal Repayments	
2020	\$	79,165
2021		473,634
2022		125,685
2023		125,252
2024		17,166
Thereafter		0
Total	\$	<u>820,902</u>

#### NOTE 5 – INCOME TAX PROVISION

The Company has filed its income tax return for the period ended December 31, 2019, which will remain subject to examination by the Internal Revenue Service under the statute of limitations for a period of three years from the date it is filed.

#### NOTE 6 – STOCKHOLDERS' EQUITY

The Company has the following classes of equity outstanding:

##### Common Stock

Authorized 10,000,000 shares, par value \$0.00001, issued and outstanding 5,125,000 and 5,062,500 shares as of December 31, 2019 and 2018, respectively.

##### Additional Paid-In Capital – SAFEs

Prior to 2018 the Company issued SAFEs totaling \$255,000. The SAFEs are automatically convertible into common stock on the completion of an equity financing of any value. The conversion price is 85% of the price per share of Stock received by the Company in the equity financing.

##### Warrants

In 2018 the Company issued a warrant to purchase 106,250 shares of common stock for a price of \$0.80 per share (“2018 Warrant”). The 2018 Warrant expires on December 13, 2021.

In 2019 the Company issued a warrant to purchase 487,500 shares of common stock for a price of \$1.64 per share (“2019 Warrant”). The 2019 Warrant expires on October 11, 2021.

#### NOTE 7 – STOCK BASED COMPENSATION

The Company has a 2015 stock compensation plan which permits the grant or option of shares to its employees for up to 800,000 shares of common stock. The Company believes that such awards will help the Company attract, retain and motivate its management and other persons, including officers, directors, key employees and certain consultants, will encourage and reward such persons' contributions to the performance of the Company and will align their interests with the interests of the Company's stockholders. As of December 31, 2019, no shares have been issued under the stock compensation plan.

#### NOTE 8 – COMMITMENTS AND CONTINGENCIES

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

#### NOTE 9 – GOING CONCERN

These financial statements are prepared on a going concern basis. The Company began operation in 2015 and incurred a loss since inception. The Company's ability to continue is dependent upon management's plan to raise additional funds and achieve profitable operations. The financial statements do not include any adjustments that might be necessary if the Company is not able to continue as a going concern.

#### NOTE 10 – SUBSEQUENT EVENTS

##### Crowdfunded 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.

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 6% commission fee and 2% of the securities issued in this offering.

#### 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.

#### Auto Loans

In 2020 the Company took out additional auto loans. The initial principal taken out as of the management evaluation date is \$359,179. The payments for these loans are included in the principal repayment table (See Note 4).

#### Management’s Evaluation

Management has evaluated subsequent events through June 16, 2020, 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.

**EXHIBIT D**

*Offering Page found on Intermediary's Portal.*

**Company Name** Borrow

**Logo**



**Headline** The future of electric vehicle ownership

**Hero Image**



**Tags** WIVA, Urban X, Eco

**Pitch text**

### Summary

- Short-term electric vehicle leases
- 100+ users to date | 2K+ waitlist with 17 new subscribers/mo
- Growing fleet — 4 different car models across 4 categories
- \$1M+ in funds to date | 125% week-over-week growth
- EV sales expected to grow rapidly over the next decade to 3M+ by 2028
- 39.06% margin projection by 24 months of operation





Deal sourced in partnership with **Wharton Impact Venture Associates** (WIVA).

## Problem

# Electric vehicles are underexposed and inaccessible



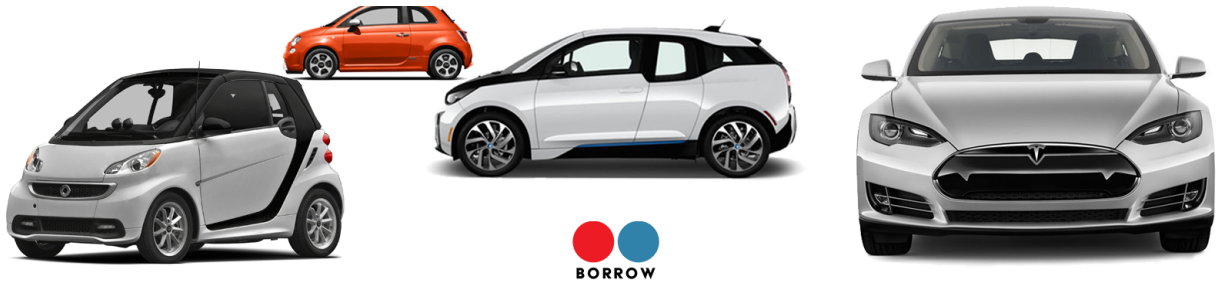
Electric vehicles (EVs) are an exciting, environmentally friendly alternative to traditional gas cars, but they are underexposed, expensive, and confusing to customers. Recent studies have found less than half of respondents were able to name a single plug-in EV make/model, while over 50% listed charging/range anxiety as the primary reason they would not commit to an EV (additionally, only 18% of respondents were aware of charging stations on their regular routes). Another roughly 30% cited price as a major barrier to purchasing an EV as well.

Modern consumers are tired of long-term commitments. From TV to music, people are opting for flexible subscriptions. When it comes to cars, people are over 3 year leases and are searching for a seamless, low friction way to use a vehicle.

## Solution

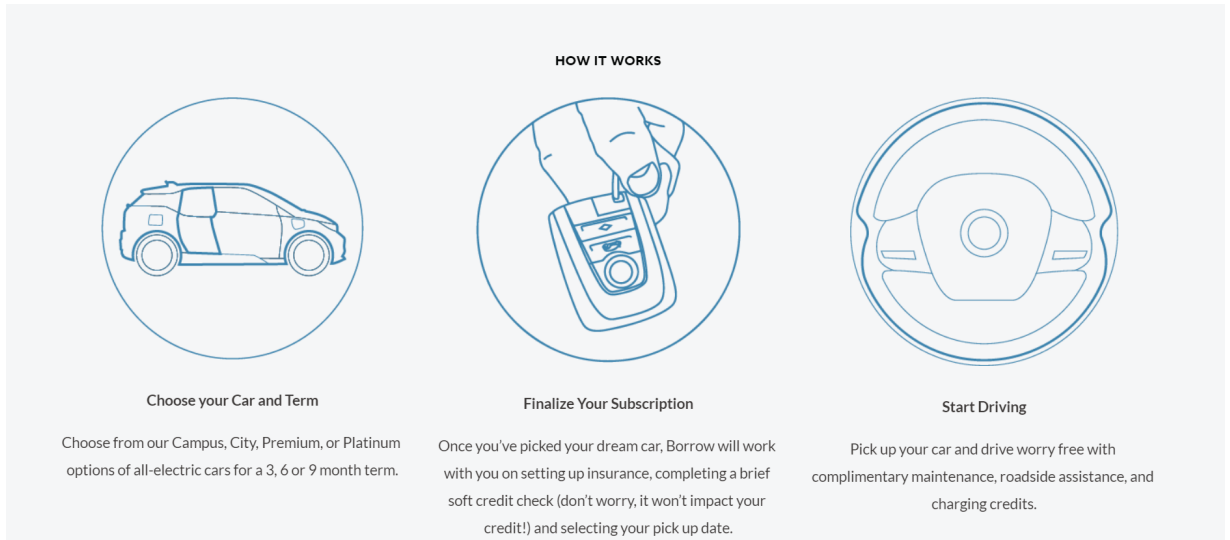
# Borrow: EV leasing made easy

Borrow is a short-term EV leasing company that combines customer service, industry expertise, and utility to create an accessible EV experience. Borrow educates users with transparent and simple messages, extensive marketing, and personalized experience. We are experts on insurance, maintenance, and roadside, so our users always feel comfortable driving their vehicles. Finally, we offer our customers a way to access transportation without the long-term commitment and inflexibility of a traditional lease, and without the high costs of daily ride sharing.



## Product

### A simple three step process

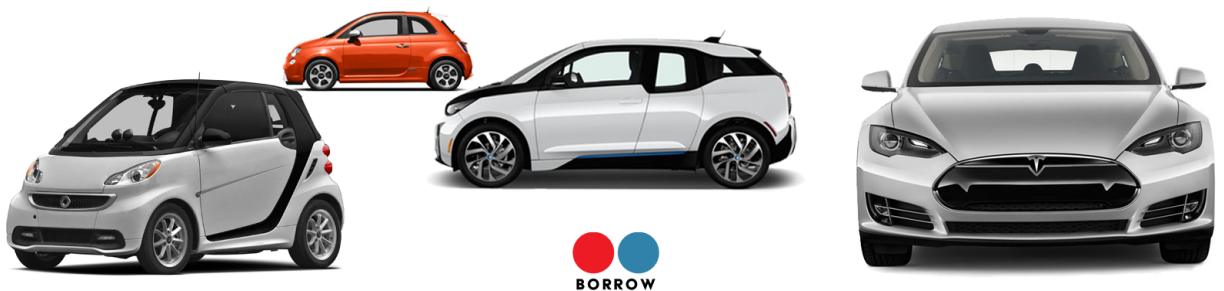


Our fleet is currently located in Los Angeles, and we provide an easy pick-up location in West Hollywood that's open 6 days a week. All of our vehicles are pre-owned and fully-electric. Customers simply reserve a vehicle online for 3, 6 or 9 months, stop by our office for pick-up, and then the car is theirs!

Once their term is complete, users can choose to either renew, upgrade, or end their subscription. We charge no downpayment and all subscriptions include EV education, insurance, maintenance, roadside, home charging cords, and free charging credits at public stations.

Safety is our top priority. Borrow now offers 100% touchless delivery of fully sanitized vehicles.

Our fleet includes: the Tesla Model S, BMW i3, Fiat 500e, and Smart ForTwo Electric Drive



## Traction

### 125% growth

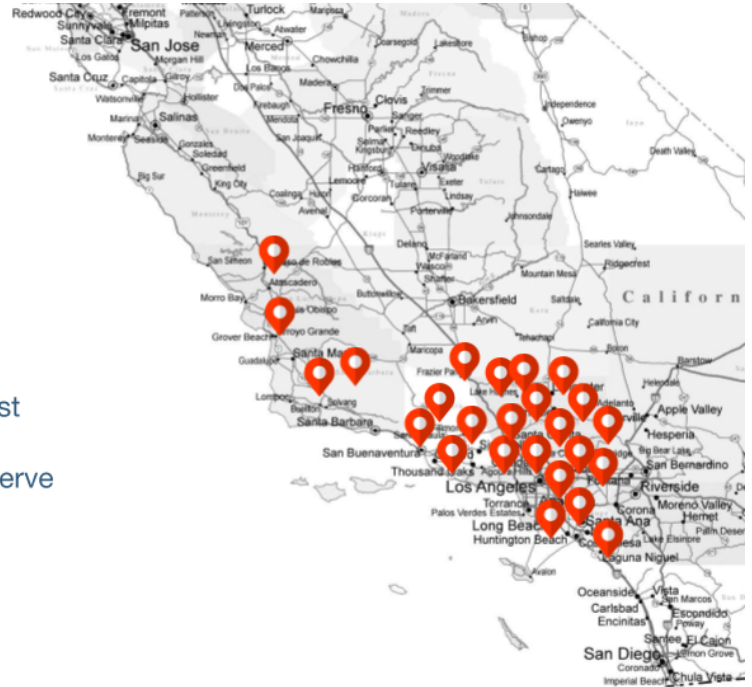
Borrow surpassed our initial goals to create a model that brings EV adoption to scale. We currently have 5 different car models across 4 categories allowing for a breadth of different subscriptions. We've also scaled to **100+ users with a 125% growth rate** As of 2020

we have a 2K+ person waitlist with 200 paid reservations and counting. Borrow has also secured partnerships with EVgo, ChargePoint, and Goodyear to guarantee an even greater user experience. It's no wonder we were featured in **Built In LA's 50 startups to watch in 2020!**

## PEOPLE LOVE BORROW

11 → 50 → 500

- ▶ Borrow growth 4x from 10/18 to 1/19
- ▶ 1,300 people on the waitlist will be **3,000** by June 1
- ▶ 150 have paid a fee to reserve will be **500** by June 1
- ▶ **125%** WoW growth



### Customers

## Easy leases for interested drivers

Our customers range from those who are curious about EVs but don't want to front the cost of a new car to those who simply don't want to own a car in general. We cater to each driver's preferences and offer diverse lease packages according to our customer's interests. Whether you're an EV enthusiast, transient individual (i.e students and employees on assignment), or low-commitment millennial, Borrow has leasing options that fit your lifestyle and needs.

### What our customers are saying:



" I did my research and was looking to lease an EV the old school way, but found **BORROW**. I'm super impressed by how they made getting a car — and the car ownership experience — painless! "

*Spencer W.*



" **BORROW** is the right way to own a car, they made it simple and convenient. I hadn't owned a car in years and needed an alternative rideshare. **BORROW** also provided amazing customer service when I had a maintenance issue. "

*Cody M.*



" As an international student it was impossible to find a rental or long-term at a good price. **BORROW** made it convenient and easy for me to drive an electric car I love, while attending school in Los Angeles. "

*Yulia G.*



" I think **BORROW** is an outstanding way to own a car these days. Getting my car was simple and fast, with almost no time or effort for me! No more long waits at the bus stop! "

*Patrick R.*

## Business Model

### Four subscription tiers

We offer four different subscription tiers, along with a one-time reservation fee of \$25. Tiers are separated by vehicle (from a Smart Car in "Campus", to a Tesla in "Platinum"), and users can select any term length from 3, 6, or 9 months regardless of tier.

CAMPUS	CITY	PREMIUM	PLATINUM
Smart ForTwo \$199/mo. for 9 months \$249/mo. for 6 months \$299/mo. for 3 months	Fiat 500E \$399/mo. for 9 months \$449/mo. for 6 months \$499/mo. for 3 months	BMW i3 \$524/mo. for 9 months \$574/mo. for 6 months \$624/mo. for 3 months	Tesla Model S \$1099/mo. for 9 months \$1299/mo. for 6 months \$1499/mo. for 3 months

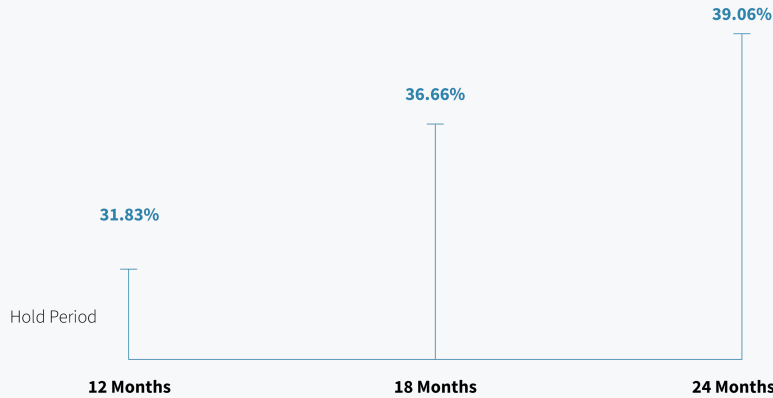
\*All reservations are subject to soft-credit check.

During the subscription, payments include a flat monthly rate and insurance. There is also a \$50 cleaning fee after returning the car. With this model we estimate a 39.06% margin by 24 months.





# Margin Projections



\*Assumes 1.9% monthly depreciation

## Market

### The future of automobiles

EVs are expected to be everywhere in the future. Experts predict that an EV will sell every 21 seconds by 2025, and that EV sales will be above 3M by 2028.

Borrow is already positioned in the center of the national EV market, California. Half of all EV sales in the US occur in the state and Borrow has short-term plans to have presence from San Diego to San Fransisco.

Outside of California, the EV market is primed to explode. By 2030, there will be as many EVs on the road as households in the US. Both OEM supply and consumer demand have been increasing for years, and with the EV revolution now a primary focus of our government and auto manufacturers, this growth has only just begun.



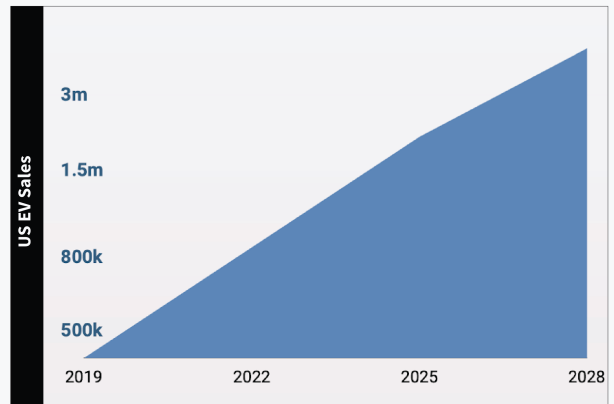
# US EV Sales

### Electric Vehicles will be everywhere

EV Sales are expected to grow rapidly over the next decade as the OEMs are spending over **\$300 Billion Dollars** on R&D and Marketing.

By 2025, in the US, **an EV will be sold every 21 seconds.**

By 2028, US EV Sales will pass the **3 million mark -17% of SAAR.**

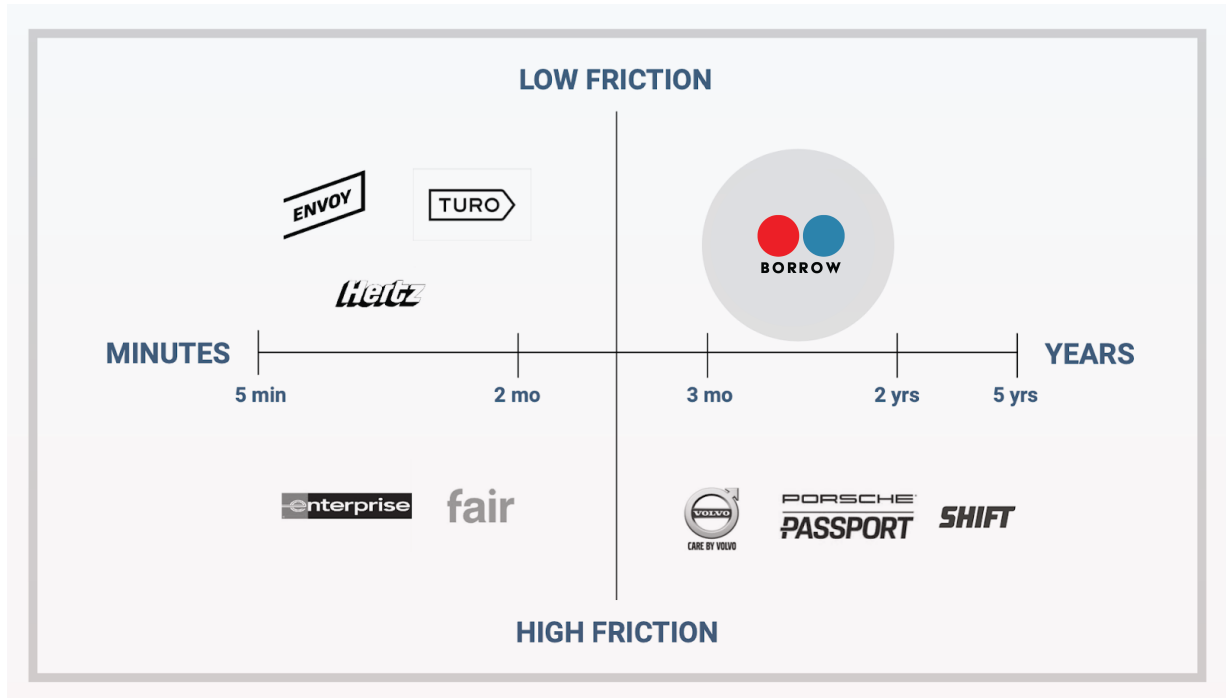


## Competition

## LOW FRICTION and SHORT-TERM COMMITMENT model

Borrow provides a unique low friction and sustainable model that allows customers to lease vehicles at a competitive price for a shorter term. We are the only company in this bracket offering a comprehensive EV subscription offering.

Borrow is the only subscription service focusing exclusively on EVs and with no downpayment, making it both the best environmental and economical option available.



### Vision

## Expanding our fleet

The EV market is exploding and people are looking for an easy way to access this new technology. As demand for these vehicles increases, so will the need for Borrow. In the short term, that means capitalizing on early adopter markets like California where the EV revolution has already taken hold. In the long term, we want to be the first EV ownership option for new markets across the country where people are unfamiliar with EVs.

By reaching our investment goal, we plan to expand geographically to 7 target markets across the US. We also plan to begin a digital and IRL scaling of reservations by adding new models and more options for our subscribers, such as post-acquisition perks that make EV ownership even easier.



## Financing

### Use of Proceeds:

#### Expand Operations, Marketing, and Technology

- Geographic expansion (up to 7 markets)
  - > operational staff; 1 per 100 cars.
- Digital, IRL scaling of Reservations
  - > 1,150 cars, 2000 customers.

#### Technology Investment

- Secured: Comprehensive fleet/logistics management software that enables operations at scale.
- Future: Data, customer success, telemetry, and tracking.



### Investors

## \$1M+ investment to date

Borrow has raised \$670,000 in equity, with investment from Mucker Capital in Los Angeles and Urban-X and Urban-Us in New York (Urban X/Us both funded by BMW MINI).

In addition to equity, Borrow has secured \$1,025,000 in debt to purchase vehicles for our fleet. The primary debt providers have been a hedge fund in New York and real estate company in Houston.



## Financing To Date

#### Debt: \$1.025m

- Source: Hedge Fund, HNWI, Real Estate Company
  - > Secured for future investment.
- Cars: 80+

#### Equity: \$670,000

- Employees: 4 FTE



### Founders

## Experience in the the tech and automotive industries



**Rodrigo de Guzman** - Internet technologies veteran, first at NetGravity (now Google), Accipiter, AdForce (both acquired by CMGI), InfoSpace and QuinStreet. Rodrigo is the founder of online marketplace Mariposa Media as well an attorney with specialized training in technology transactions and intellectual property. He has represented Electronic Arts, HP, McAfee, Sears Holdings, QuinStreet, and Google.



**Jon Alain Guzik** - Los Angeles-based serial entrepreneur, angel investor, consultant and technology executive with a long history in the automotive, mobility and media industries. Guzik is also a seasoned journalist and media personality who covers the automotive industry, the future of mobility as well as the luxury and timepiece industries.



## Team



Jon Alain Guzik

Founder/CTO



Rodrigo de Guzman

Founder/CEO



Nikko Royce

VP, Operations



Jacob Carmichael

Business Development Associate

## Perks

**\$50**

30 Minute Quarterly Investor Update Call

**\$250**

30 Minute Quarterly Investor Update Call Borrow VIP: Skip the Borrow Waitlist of 2000+ people

**\$500**

30 Minute Quarterly Investor Update Call Borrow VIP: Skip the Borrow Waitlist of 2000+ people 1 on 1 with Borrow Team: Meet & Greet through Zoom

**\$1,000**

30 Minute Quarterly Investor Update Call Borrow VIP: Skip the Borrow Waitlist of 2000+ people 1 on 1 with Borrow Team: Meet & Greet through Zoom 1 Month FREE of Borrow City

**\$5,000**

30 Minute Quarterly Investor Update Call Borrow VIP: Skip the Borrow Waitlist of 2000+ people 1 on 1 with Borrow Team: Meet & Greet through Zoom 2 Months FREE of Borrow City

**\$10,000**

30 Minute Quarterly Investor Update Call Borrow VIP: Skip the Borrow Waitlist of 2000+ people 1 on 1 with Borrow Team: Meet & Greet through Zoom 2 Months FREE of Borrow Premium

**\$25,000**

30 Minute Quarterly Investor Update Call Borrow VIP: Skip the Borrow Waitlist of 2000+ people 1 on 1 with Borrow Team: Meet & Greet through Zoom 1 Month FREE of Borrow Platinum or 3 Months FREE of Borrow Premium

**\$50,000**

30 Minute Quarterly Investor Update Call Borrow VIP: Skip the Borrow Waitlist of 2000+ people 1 on 1 with Borrow Team: Meet & Greet through Zoom Porsche Taycan Track Day (with One or Both of the Founders)

## FAQ

**EXHIBIT E**  
*Form of Security*

THIS INSTRUMENT HAS BEEN ISSUED PURSUANT TO SECTION 4(A)(6) OF THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), AND NEITHER IT NOR ANY SECURITIES ISSUABLE PURSUANT HERETO HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED BY RULE 501 OF REGULATION CROWDFUNDING UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR EXEMPTION THEREFROM.

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

**Prazo, Inc.**

**Crowd SAFE  
(Crowdfunding Simple Agreement for Future Equity)**

**Series 2020**

THIS CERTIFIES THAT in exchange for the payment by [Investor Name] (the “**Investor**”, and together with all other Series 2020 Crowd SAFE holders, “**Investors**”) of \$[Purchase Amount] (the “**Purchase Amount**”) on or about [Date of Crowd SAFE], Prazo, Inc., d/b/a “**Borrow.**” 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.

The “**Discount**” is 20%.

The “**Valuation Cap**” is \$12,000,000.

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 applicable Conversion Price (such applicable Conversion Price, 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 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 will, at its option, either (i) receive a cash payment equal to the Purchase Amount (subject to the following paragraph) or (ii) automatically receive from the Company a number of shares of Common Stock equal to the Purchase Amount divided by the Liquidity Price, if the Investor fails to select the cash option. In connection with this Section 1(b)(i), the Purchase Amount 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 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.

(ii) If there is a Liquidity Event after one or more Equity Financings have occurred but before the termination of this instrument, the Investor will, at its option, either (i) receive a cash payment equal to the Purchase Amount (as described in the foregoing paragraph) or (ii) automatically 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, if the Investor fails to select the cash option. 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 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 series of Capital Stock that is 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;
- (ii) Each of the CF Shadow Series shareholders shall enter into a proxy agreement, in the form of Exhibit A attached hereto, appointing the Intermediary as its irrevocable proxy with respect to any matter to which CF Shadow Series shareholders are entitled to vote by law. Entering into such proxy agreement is a condition of receiving CF Shadow Shares and such agreement provides that the Intermediary will vote with the majority of the holders of the relevant class of the Company's Capital Stock on any matters to which the proxy agreement applies; and
- (iii) 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 the common stock, par value \$0.00001 per share, of the Company.

“**Conversion Price**” means either: (i) the SAFE Price or (ii) the Discount Price, whichever calculation results in a greater number of shares of Capital Stock.

“**Discount Price**” means the product of (i) the price per share of Capital Stock sold in an Equity Financing and (ii) 100% less the Discount.

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

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

“**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 Portal LLC, a registered securities crowdfunding portal CRD#283874, or a qualified successor.

“**IPO**” means the closing of the Company’s first firm commitment underwritten initial public offering of Common Stock pursuant to an effective registration statement filed under the Securities Act.

“**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 Common Stock reserved and available for future grant under any equity incentive or similar plan; (ii) any SAFEs; and (iii) convertible promissory notes.

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

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

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

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

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

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

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

### **3. *Company Representations***

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

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

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

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

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

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

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

(h) The Company is (i) not required to file reports pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 (the “**Exchange Act**”), (ii) not an investment company as defined in section 3 of the Investment Company Act of 1940, and is not excluded from the definition of investment company by section 3(b) or section 3(c) of such Act, (iii) not disqualified from selling securities under Rule 503(a) of Regulation CF, (iv) not barred from selling securities under §4(a)(6) due to a failure to make timely annual report filings, (vi) not planning to engage in a merger or acquisition with an unidentified company or companies, and (vii) organized under, and subject to, the laws of a state or territory of the United States or the District of Columbia.

#### **4. *Investor Representations***

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

(b) The Investor has been advised that this instrument and the underlying securities have not been registered under the Securities Act or any state securities laws and are offered and sold hereby pursuant to Section 4(a)(6) of the Securities Act. The Investor understands that neither this instrument nor the underlying securities may be resold or otherwise transferred unless they are registered under the Securities Act and applicable state securities laws or pursuant to Rule 501 of Regulation CF, in which case certain state transfer restrictions may apply.

(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 acknowledges, and is purchasing this instrument in compliance with, the investment limitations set forth in Rule 100(a)(2) of Regulation CF, promulgated under Section 4(a)(6)(B) of the Securities Act.

(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 Republic.co and the Investor has made its own independent decision that an investment in this instrument and the underlying securities is suitable and appropriate for the Investor. The Investor understands that no federal or state agency has passed upon the merits or risks of an investment in this instrument and the underlying securities or made any finding or determination concerning the fairness or advisability of this investment.

(f) The Investor understands and acknowledges that as a Crowd SAFE investor, the Investor shall have no voting, information or inspection rights, aside from any disclosure requirements the Company is required to make under relevant securities regulations.

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

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

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

(j) If the Investor is a corporate entity: (i) such corporate entity is duly incorporated, validly existing and in good standing under the laws of the state of its incorporation, and has the power and authority to enter into this Agreement; (ii) the execution, delivery and performance by the Investor of the Agreement 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 the Agreement 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 Form C and the offering documentation filed with the SEC.

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

## ***5. Transfer Restrictions.***

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

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

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

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

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

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

(ii) The Investor shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition and, if reasonably requested by the Company, the Investor shall have furnished the Company with an opinion of counsel reasonably satisfactory to the Company that such disposition will not require registration of such shares under the Securities Act.

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

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

THIS INSTRUMENT HAS BEEN ISSUED PURSUANT TO SECTION 4(A)(6) OF THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND NEITHER IT NOR ANY SECURITIES ISSUABLE PURSUANT HERETO HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED BY RULE 501 OF REGULATION CROWDFUNDING UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR EXEMPTION THEREFROM.

## **6. *Miscellaneous***

(a) 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.

(b) 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).

(c) 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.

(d) 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.

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

(f) 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.

(g) All securities issued under this instrument may be issued in whole or fractional parts.

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

(i) 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 New York, New York. 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.

(j) 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).

*(Signature page follows)*

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

**Prazo, Inc.**

By:

Name: Rodrigo de Guzman

Title: CEO

Address: 8430 Santa Monica Blvd., Los Angeles, CA 90069

Email: rodrigo@joinborrow.com

**INVESTOR:**

By:

Name:

## Exhibit A – CF Shadow Share Proxy

### Irrevocable Proxy

Reference is hereby made to a certain Crowdfunding Simple Agreement for Future Equity (the “**Crowd SAFE**”) dated [Date of Crowd SAFE] between Prazo, Inc., d/b/a “Borrow” a Delaware corporation (the “**Company**”) and [Investor Name] (“**Stockholder**”). In connection with a conversion of Stockholder’s investment in the Crowd SAFE into Capital Stock of a CF Shadow Series (as defined in the Crowd SAFE) pursuant to the Crowd SAFE, the Stockholder and OpenDeal Portal LLC (the “**Intermediary**”) as another holder of Capital Stock of a CF Shadow Series hereby agree as follows:

#### 1) Grant of Irrevocable Proxy.

- a) With respect to all of the shares of Capital Stock of CF Shadow Series owned by the Stockholder as of the date of this Irrevocable Proxy or any subsequent date (the “**Shares**”), Stockholder hereby grants to Intermediary an irrevocable proxy under Section 212 of the Delaware General Corporation Law to vote the Shares in any manner that the Intermediary may determine in its sole and absolute discretion. For the avoidance of doubt, the Intermediary, as the holder of the irrevocable proxy (rather than the Stockholder) will vote the Shares with respect to all shareholder meetings and other actions (including actions by written consent in lieu of a meeting) on which holders of Shares may be entitled to vote. The Intermediary hereby agrees to vote all Shares consistently with the majority of the shares on which the CF Shadow Series is based. This proxy revokes any other proxy granted by the Stockholder at any time with respect to the Shares.
- b) The Intermediary shall have no duty, liability or obligation whatsoever to the Stockholder arising out of the Intermediary’s exercise of the this irrevocable proxy. The Stockholder expressly acknowledges and agrees that (i) the Stockholder will not impede the exercise of the Intermediary’s rights under this irrevocable proxy and (ii) the Stockholder waives and relinquishes any claim, right or action the Stockholder might have, as a stockholder of the Company or otherwise, against the Intermediary or any of its affiliates or agents (including any directors, officers, managers, members, and employees) in connection with any exercise of the irrevocable proxy granted hereunder.
- c) This irrevocable proxy shall expire as to those Shares on the earlier of (i) the date that such Shares are converted into Common Stock of the Company or (ii) the date that such Shares are converted to cash or a cash equivalent, but shall continue as to any Shares not so converted.

2) **Legend.** The Stockholder agrees to permit an appropriate legend on certificates evidencing the Shares or any transfer books or related documentation of ownership reflecting the grant of the irrevocable proxy contained in the foregoing Section 1.

3) **Representations and Warranties.** The Stockholder represents and warrants to the Intermediary as follows:

- a) The Stockholder has the all necessary rights, power and authority to execute, deliver and perform his obligations under this Irrevocable Proxy. This Irrevocable Proxy has been duly executed and delivered by the Stockholder and constitutes such Stockholder’s legal and valid obligation enforceable against the Stockholder in accordance with its terms.

- b) The Stockholder is the record owner of the Shares listed under the name on this Appendix A and the Stockholder has plenary voting and dispositive power with respect to such Shares; the Stockholder owns no other shares of the capital stock of the Company; there are no proxies, voting trusts or other agreements or understandings to which such Stockholder is a party or bound by and which expressly require that any of the Shares be voted in any specific manner other than pursuant to this irrevocable proxy; and the Stockholder has not entered into any agreement or arrangement inconsistent with this Irrevocable Proxy.
- 4) **Equitable Remedies.** The Stockholder acknowledges that irreparable damage would result if this Irrevocable Proxy is not specifically enforced and that, therefore, the rights and obligations of the Intermediary may be enforced by a decree of specific performance issued by arbitration pursuant to the Crowd SAFE, and appropriate injunctive relief may be applied for and granted in connection therewith. Such remedies shall, however, not be exclusive and shall be in addition to any other remedies that the Intermediary may otherwise have available.
- 5) **Defined Terms.** All terms defined in this Irrevocable Proxy shall have the meaning defined herein. All other terms will be interpreted in accordance with the Crowd SAFE.
- 6) **Amendment.** Any provision of this instrument may be amended, waived or modified only upon the written consent of the (i) the Stockholder and (ii) the Intermediary.
- 7) **Assignment.**
- a) In the event the Stockholder wishes to transfer, sell, hypothecate or otherwise assign any Shares, the Stockholder hereby agrees to require, as a condition of such action, that the counterparty or counterparties thereto must enter into a proxy agreement with the Intermediary substantially identical to this Irrevocable Proxy.
- b) The Intermediary may transfer its rights as Holder under this instrument after giving prior written notice to the Stockholder.
- 8) **Severability.** 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.

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

**INVESTOR:**

By:  
Name:  
  
Date

**INTERMEDIARY:**

By:  
Name: Authorized Signatory, OpenDeal Portal  
LLC d/b/a Republic  
Date

**EXHIBIT F**  
*Video Transcript*

I'm Rodrigo de Guzman, I'm the founder and CEO of Borrow. Borrow is an electric car company that makes it easy to get an EV. Rental car companies really force you to be limited to a time that's usually about seven days on average. They don't provide electric cars, there's an additional cost for gas, there really aren't leases that are around for shorter than two years, when it comes to electric cars not only are there no leases for them but also an electric car requires some understanding if it's going to work for your lifestyle. Electric cars are not only green in nature they certainly save on gas and there's a huge rising tide of electric cars both from a production perspective and also consumer demand. When it comes to electric cars they really don't understand how to use them or live with them. Our company gives them a great solution to live with an EV, understand the charging infrastructure, understand if it'll work for their commute and understand if it'll work for their lifestyle. The Borrow solution benefits the industry in a few ways. First we are buying cars that would otherwise go to auction and second we're providing a solution in the time gap where people expect cars from five minutes all the way up to five years and we fill that gap from three to nine months. We're currently active in Los Angeles with 50 customers and we're looking to expand and are collecting reservations in Phoenix, Atlanta, Columbus, Portland, Seattle, San Diego, and Riverside. The Borrow solution is creating a systemic change because it's putting power back in the hands of consumers. Consumers are saying this is what I want, I want my car to be mobile and I want it to be electric and we give them those options.