

## OFFERING MEMORANDUM

### PART II OF OFFERING STATEMENT (EXHIBIT A TO FORM C)

**Natural Dynamic Systems**

**619 West Avenue Q**

**Suite D**

**Palmdale, CA 93551**

**Natend.wix.com/ndsystems**



**1000 shares of Common Stock**

**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 does not pass upon the merits of any securities offered or the terms of the offering, nor does it pass upon the accuracy or completeness of any offering document or literature.**

**These securities are offered under an exemption from registration; however, the U.S. Securities and Exchange Commission has not made an independent determination that these securities are exempt from registration.**

## THE OFFERING

Maximum 10,700 shares of common stock (\$107,000)

*\*Maximum subject to adjustment for bonus shares. See 10% Bonus below*

Minimum 1,000 shares of common stock (\$10,000)

### Company

Natural Dynamic Systems

### Corporate Address

619 West Avenue Q Suite D Palmdale, CA 93551

### Description of Business

NDS is currently in the prototyping stage of its patented machine production. While a working model is outlined on paper, and in the digital space, a live working prototype is still being developed. Engineering crews are currently on standby waiting for the funds raised in this offering to begin work. 6 months will be needed to create the working product, and once a working model has been produced, we plan to partner with different industries (also on standby) who will utilize our exclusive technology for entertainment, training, and education purposes.

### Type of Security Offered

Common Stock

### Purchase Price of Security Offered

\$10.00

### Minimum Investment Amount (per investor)

\$400.00

### Perks

**\$10,000+ Investing this amount and more will grant you free access to attractions built in NDS exclusive parks for life. Along with this, discounted prices and deals for friends and family will be available to you.**

*\*All perks occur after the offering is completed, and the attractions are up and running.*

### The 10% Bonus for StartEngine Shareholders

Natural Dynamic Systems will offer 10% additional bonus shares for all investments that are committed by StartEngine Crowdfunding Inc. shareholders (with  $\geq$  \$1,000

invested in the StartEngine Reg A+ campaign) within 24 hours of this offering going live.

StartEngine shareholders who have invested \$1,000+ in the StartEngine Reg A+ campaign will receive a 10% bonus on this offering within a 24-hour window of their campaign launch date. This means you will receive a bonus for any shares you purchase. For example, if you buy 10 shares of Common Stock at \$10 / share, you will receive 1 Common Stock bonus shares, meaning you'll own 11 shares for \$100. Fractional shares will not be distributed and share bonuses will be determined by rounding down to the nearest whole share.

This 10% Bonus is only valid for one year from the time StartEngine Crowdfunding Inc. investors receive their countersigned StartEngine Crowdfunding Inc. subscription agreement.

## **Multiple Closings**

If we reach the target offering amount prior to the offering deadline, we may conduct the first of multiple closings of the offering early, if we provide notice about the new offering deadline at least five business days prior (absent a material change that would require an extension of the offering and reconfirmation of the investment commitment).

## **THE COMPANY AND ITS BUSINESS**

### **The company's business**

#### ***Description of Business***

NDS is currently in the research, development, and prototyping stage. The patent granted to us describes a working machine, and we have the details laid out to develop our prototype. After raising the funds we need to continue, within the next 6 months Natural Dynamic Systems will partner with multiple industries to create the ultimate entertainment, military training, education, and exploration platforms. Our next-generation motion simulation technology offers exclusive, interactive Alternate Reality experiences for the masses. Our unique interactive chambers create the necessary conditions to achieve full physical VR environmental immersion.

#### ***Competition***

Competitors of NDS would include preexisting entertainment venues, and simulation training companies. We believe these competitors however do not offer the same level of technology provided by NDS. We believe they offer outdated experiences using inferior technology enabling NDS to take the lead in these markets.

#### ***Sales, Supply Chain, & Customer Base***

NDS will partner with existing engineering and production companies to mass

produce our custom machines. These custom machines will be sold to the government for military training purposes, to entertainment companies for amusement attractions, and to any other companies who can utilize the technology. With our exclusive entertainment venues, our customers will then be the daily visitors who will pay a park entrance fee, or price per ride fee.

### ***Liabilities and Litigation***

NDS is not involved with any liabilities or litigation at this time.

### ***Intellectual Property***

The patent US8491403B2 for the Amusement ride system, which is a core technology of Natural Dynamic Systems' proposed product is currently owned by Nathan Schreibfeder, not the Company.

### **The team**

#### **Officers and directors**

|                     |                              |
|---------------------|------------------------------|
| Nathan Schreibfeder | Founder, CEO & Sole Director |
|---------------------|------------------------------|

#### **Nathan Schreibfeder**

I'm an an artist, musician, technology enthusiast, and all around creative person. Being creative in my daily life has lead me to become an amateur engineer and architect. An epiphany in 2003 lead me to develop my technology after 20 years of visiting amusement parks, playing video games, and being obsessed with movies. I realized that my tech would be the ultimate culmination of all these things, so it became my life goal to make it a reality. 2005-Present: Data Entry/Computer Maintenance at Sierra Tax Service/STS Property Management Inc. (20 hours per week) 2017-Present: Founder, CEO, Director of Natural Dynamic Systems (28 hours per week)

Number of Employees: 1

#### **Related party transactions**

The company has not conducted any related party transactions.

### **RISK FACTORS**

These are the principal risks that related to the company and its business:

- **In general, investing in a company is a financial risk.** An investment in the Company (also referred to as “we”, “us”, “our”, or “Company”) involves a high degree of risk and should only be considered by those who can afford the loss of their entire investment. Furthermore, the purchase of any of Company's Common Stock should only be undertaken by persons whose financial resources



are sufficient to enable them to indefinitely retain an illiquid investment. Each investor in the Company should consider all of the information provided to such potential investor regarding the Company as well as the following risk factors, in addition to the other information listed in the Company's Form C. The following risk factors are not intended, and shall not be deemed to be, a complete description of the commercial and other risks inherent in the investment in the Company.

- **Limited History** The company has a limited history with no clients and no revenues. If you are investing in this Company it is because you think the product is a good idea and that the Company will be able to secure all the necessary intellectual property rights to develop the product. You further believe that the Company will be able to successfully manufacture, market, and sell the product. This involves the company being able to price the product at a price point that will promote the sale of enough units so that the company will succeed. We have yet to sell any units and we plan to market the product once it is ready for beta testing. Further, we have never turned a profit and there is no assurance that we will ever be profitable.
- **Future Funding** We estimate that we will require at least \$1 million to commence commercial production of the machine. We believe that we will be able to finance the commercial production of the machine through pre-payment for orders. If we are unable to do so we may need to raise money from bank loans, future sales of securities or some combination thereof. Any potential investors should consider and understand these risks before investing.
- **Valuation** No one is saying the company is worth a specific amount. We can't. It's a question of whether you, the investor, want to pay this price for this security. We believe that our patented technology is superior and that it will make a large impact in the applicable industries. This belief has lead us to put a relatively large value on the current company status.
- **Business Projections Are Only Estimates** There can be no assurance that NDS will meet those projections. There can be no assurance that there will be sufficient demand for product, people think its a better option than the competition, and NDS has priced the services at a level that allows the company to make a profit and still attract business. If the offering is successfull these projections are more likely to come to fruition.
- **Development Risk** Development of our product may not be completed on time, or within budget. Unknown factors will always change the course of action when it comes to product development. Delays in production can be caused by lack of funding. Investors should consider and understand the development risks before investing.
- **Funding Risk** Funding may not be available at a level or timing required for the startup to succeed. NDS understands that it's product is costly. A large machine that operates as our tech does requires significant investments. More than one round of fund raising will be crucial to the success of the company. Investors should consider and understand the funding risks before investing.
- **Developing new products and technologies entails significant risks and uncertainties.** We are currently in the research and development stage and have

not yet manufactured a prototype for our machine. In addition we do not have a manufacturing facility or manufacturing processes. A successful first round of fund raising will guarantee a giant leap forward, but will lead us into new territory with new risks and uncertainties. Any potential investors should consider and understand these risks and uncertainties before investing.

- **Projections: Forward Looking Information** Any projections or forward looking statements regarding our anticipated financial performance are hypothetical and are based on management's best estimate of the probable results of our operations, and will not have been reviewed by our independent accountants. These projections will be based on assumptions which management believes are reasonable. Some assumptions invariably will not materialize due to unanticipated events and circumstances beyond management's control. Therefore, actual results of operations will vary from such projections, and such variances may be material. Any projected results cannot be guaranteed.
- **Limited transferability of stock offered** Each investor agrees that it will acquire the company's Common Stock for investment purposes only and not with a view towards distribution. Certain conditions imposed by the Securities Act must be satisfied prior to any sale, transfer, conversion, or other disposition of the company's common stock. No public market exists for the company's Common Stock and no market is currently expected to develop.
- **Potential Market Competition** We will compete with larger, established companies who currently have products on the market and/or various respective product development programs. They may have much better financial means and marketing/sales and human resources than us. They may succeed in developing and marketing competing equivalent products earlier than us, or superior products than those developed by us. There can be no assurance that competitors will render our technology or products obsolete or that the products developed by us will be preferred to any existing or newly developed technologies. It should further be assumed that competition will intensify.
- **Proceeds Used For Development of Prototype** The majority of the proceeds received from this offering will be used to continue the development of our virtual reality prototype. There is no guarantee that the use of the proceeds for such purpose will yield any success. Depending on the amount invested into our campaign, we may need more funds to continue the development of our prototype to allow our Company to release a finalized product.
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- **Intellectual Property** The patent US8491403B2 for the Amusement ride system, which is a core technology of Natural Dynamic Systems' proposed product is currently owned by Nathan Schreibfeder, not the Company.

## **OWNERSHIP AND CAPITAL STRUCTURE; RIGHTS OF THE SECURITIES**

### **Ownership**

- Nathan Schreibfeder, 100.0% ownership, Common Stock

## **Classes of securities**

- Common Stock: 51,000

### **Common Stock**

The Company is authorized to issue up to 100,000 shares of common stock. There are a total of 51,000 shares currently outstanding.

### **Voting Rights (*of this security*)**

The holders of shares of the Company's Common Stock, no par value per share (the "Common Stock"), are entitled to one vote for each share held of record on all matters submitted to a vote of the shareholders.

### **Dividend Rights**

Subject to preferences that may be granted to any then outstanding preferred stock, holders of shares of Common Stock are entitled to receive ratably such dividends as may be declared by the Board out of funds legally available therefore as well as any distribution to the shareholders. The payment of dividends on the Common Stock will be a business decision to be made by the Board from time based upon the results of our operations and our financial condition and any other factors that our board of directors considers relevant. Payment of dividends on the Common Stock may be restricted by law and by loan agreements, indentures and other transactions entered into by us from time to time. The Company has never paid a dividend and does not intend to pay dividends in the foreseeable future, which means that shareholders may not receive any return on their investment from dividends.

### **Rights to Receive Liquidation Distributions**

Liquidation Rights. In the event of our liquidation, dissolution, or winding up, holders of Common Stock are entitled to share ratably in all of our assets remaining after payment of liabilities and the liquidation preference of any then outstanding preferred stock.

### **Rights and Preferences**

The rights, preferences and privileges of the holders of the company's Common Stock are subject to and may be adversely affected by any additional classes of stock that we may designate in the future.

## **What it means to be a Minority Holder**

As a minority holder of common stock, you will have limited ability, if all, to influence our policies or any other corporate matter, including the election of directors, changes to the Company's governance documents, additional issuances of securities, company repurchases of securities, a sale of the Company or of assets of the Company, or

transactions with related parties.

## **Dilution**

Investors should understand the potential for dilution. Each Investor's stake in the Company, could be diluted due to the Company issuing additional shares. In other words, when the Company issues more shares, the percentage of the Company that you own will decrease, even though the value of the Company may increase. You will own a smaller piece of a larger company. This increase in number of shares outstanding could result from a stock offering (such as an initial public offering, another crowdfunding round, a venture capital round or angel investment), employees exercising stock options, or by conversion of certain instruments (e.g., convertible notes, preferred shares or warrants) into stock.

If we decide to issue more shares, an Investor could experience value dilution, with each share being worth less than before, and control dilution, with the total percentage an investor owns being less than before. There may also be earnings dilution, with a reduction in the amount earned per share (although this typically occurs only if we offer dividends, and most early stage companies are unlikely to offer dividends, referring to invest any earnings into the Company).

The type of dilution that hurts early-stage investors mostly occurs when the company sells more shares in a "down round," meaning at a lower valuation than in earlier offerings.

If you are making an investment expecting to own a certain percentage of the Company or expecting each share to hold a certain amount of value, it is important to realize how the value of those shares can decrease by actions taken by the Company. Dilution can make drastic changes to the value of each share, ownership percentage, voting control, and earnings per share.

## **Transferability of securities**

For a year, the securities can only be resold:

- In an IPO;
- To the company;
- To an accredited investor; and
- To a member of the family of the purchaser or the equivalent, to a trust controlled by the purchaser, to a trust created for the benefit of a member of the family of the purchaser or the equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance.

## **FINANCIAL STATEMENTS AND FINANCIAL CONDITION; MATERIAL INDEBTEDNESS**

### **Financial Statements**

Our financial statements can be found attached to this document. The financial

review covers the period ending in 2017-12-31.

## **Financial Condition**

### **Results of Operation**

The company has no operating history. NDS was in the R & D stage from 2009 - 2011. 2013 through the present has been full of business development, marketing material creation, and connecting with industry experts. We will not be able to continue prototype production without a successful offering. \$100,000 raised in the offering will be crucial to the next major steps in the prototyping process. Machine production will be outsourced to major manufacturers making NDS a profit per product sale company initially. There will be no business operation until after the prototype is created, marketed, and when units have been sold.

### **Financial Milestones**

NDS believes it can raise at least \$100,000 in investments in 2018 through the StartEngine offering. This belief is based on extremely positive feedback from people in the entertainment, VR, and military community. With the exposure generated through StartEngine, and the product video, I hope to excite the public about the future of entertainment enough to invest. Partnering with a leading engineering and prototyping company like A2ZFX, NDS will make a product worth investing in and betting on to lead the markets.

If this campaign is not successful, and I do not raise enough money for prototype production, I will be less likely to make business partnerships with major industry leaders. A working prototype is key to success, and larger future investments.

### **Liquidity and Capital Resources**

A successful offering is crucial to the expansion of the business as we will not see any profit until after units are sold. Units cannot be sold until a working prototype has been built and marketed. Minimum funds raised will secure a partnership with engineers to do a minimum amount of prototype production. Maximum funds raised in this offering will enable partnerships to be made, and work will begin immediately towards a full working prototype. 6 months, and all of the funds raised, will be given to the engineering crew to begin prototype production.

If we are successful in this offering, we will likely seek to continue to raise capital under crowdfunding offerings, equity or debt issuances, or any other method available to NDS. With the industry connections already in place, a successful offering will provide the working product to make major business partnerships and investments possible. This will lead to a positive domino effect to success.

### **Indebtedness**

Capital One Credit Card: Credit Line: \$10,000 Used: \$7,531.29 Available: \$2,468.71

## Recent offerings of securities

None

## Valuation

\$510,000.00

We believe that our patented technology is superior, and that it will make a large impact in the applicable industries. This has lead us to put a relatively large value on our current company status. The price of the shares merely reflects the opinion of the board as to what would be fair market value. We have not undertaken any efforts to produce a valuation of the Company. The price of the notes merely reflects the opinion of the board as to what would be fair market value. The Company has based this opinion on the strength of its intellectual property and the experience of the management team. The Company has also compared the value of similarly situated competitors, such as Virtuix and Optishot, and believes that the valuation is correct to the best of their abilities.

## USE OF PROCEEDS

|                                    | Min Offering<br>Amount Sold | Max Offering<br>Amount Sold |
|------------------------------------|-----------------------------|-----------------------------|
| <b>Total Proceeds:</b>             | \$10,000                    | \$107,000                   |
| Less: Offering Expenses            |                             |                             |
| StartEngine Fees (6% total<br>fee) | \$600                       | \$6,420                     |
| <b>Net Proceeds</b>                | \$9,400                     | \$100,580                   |
| <b>Use of Net Proceeds:</b>        |                             |                             |
| R& D & Production                  | \$9,400                     | \$100,580                   |
| <b>Total Use of Net Proceeds</b>   | \$9,400                     | \$100,580                   |

\$100,580 (our maximum goal) will be used exclusively for prototype production, as would our minimum goal of \$9,400. Any additional funds (\$101,000 - \$1,000,000) will be used for further machine development, and exclusive content creation. \$1,000,000



- \$10,000,000 would bring exclusive themed entertainment parks centering around our next-generation tech, and other immersive experiences.

### ***Irregular Use of Proceeds***

The company will not incur any irregular use of proceeds.

## **REGULATORY INFORMATION**

### **Disqualification**

No disqualifying event has been recorded in respect to the company or its officers or directors.

### **Compliance failure**

The company has not previously failed to comply with Regulation CF.

### **Annual Report**

The company will make annual reports available on its website [natemd.wix.com/ndsistemas](http://natemd.wix.com/ndsistemas) by clicking the Annual Reports button at the bottom right corner of the page. The annual reports will be available within 120 days of the end of the issuer's most recent fiscal year."

**EXHIBIT B TO FORM C**

**FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANT'S REVIEW FOR  
Natural Dynamic Systems**

*[See attached]*

I, Nathan Schreibfeder, the CEO of Natural Dynamic Systems, hereby certify that the financial statements of Natural Dynamic Systems and notes thereto for the periods ending 1/1/17 and 12/31/17 included in this Form C offering statement are true and complete in all material respects and that the information below reflects accurately the information reported on our federal income tax returns.

For the year 2017 the amounts reported on our tax returns were total income of \$0; taxable income of \$0 and total tax of \$0.

IN WITNESS THEREOF, this Principal Executive Officer's Financial Statement Certification has been executed as of the 12/31/17.

  
\_\_\_\_\_(Signature)

CEO  
\_\_\_\_\_(Title)

5-27-18  
\_\_\_\_\_(Date)

**Natural Dynamic Systems**

**FINANCIAL STATEMENTS  
(UNAUDITED)**

**Since Inception**

**Natural Dynamic Systems**  
Index to Financial Statements  
(unaudited)

|                                                    | <b><u>Pages</u></b> |
|----------------------------------------------------|---------------------|
| Balance Sheets Since Inception                     | 1                   |
| Statements of Operations Since Inception           | 2                   |
| Statements of Stockholders' Equity Since Inception | 3                   |
| Statements of Cash Flows Since Inception           | 4                   |
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**Natural Dynamic Systems****BALANCE SHEETS****Since Inception****(unaudited)****Balance Sheet**

Accrual Basis

As of December 31, 2017

Dec 31, 17

|                            |           |
|----------------------------|-----------|
| ASSETS                     |           |
| Current Assets             |           |
| Checking/Savings           |           |
| Wells Fargo Bank           | 2.89      |
| Total Checking/Savings     | 2.89      |
| Total Current Assets       | 2.89      |
| TOTAL ASSETS               | 2.89      |
| LIABILITIES & EQUITY       |           |
| Equity                     |           |
| Capital Stock              | 7,461.29  |
| CEO Shareholder Loan       | -292.00   |
| Net Income                 | -7,166.40 |
| Total Equity               | 2.89      |
| TOTAL LIABILITIES & EQUITY | 2.89      |



**Natural Dynamic Systems**  
**STATEMENTS OF OPERATIONS**  
**Since Inception**  
**(unaudited)**

Natural Dynamic Systems  
**Profit & Loss**  
January through December 2017

Accrual Basis

|                         | Jan - Dec 17 |
|-------------------------|--------------|
| Ordinary Income/Expense |              |
| Expense                 |              |
| Bank Service Charges    | 80.00        |
| Finance Charge          | 7.25         |
| Legal Expense           | 1,780.00     |
| Meals and Entertainment | 47.15        |
| Office Supplies         | 52.00        |
| Professional Fees       | 5,200.00     |
| Total Expense           | 7,166.40     |
| Net Ordinary Income     | -7,166.40    |
| Net Income              | -7,166.40    |

**Natural Dynamic Systems** STATEMENTS OF  
STOCKHOLDERS' EQUITY Since Inception  
(unaudited)

|                        | [Common Stock] |               | <u>Additional Paid<br/>in Capital</u> | <u>Accumulated<br/>Deficit</u> | <u>Total Stockholders<br/>Equity</u> |
|------------------------|----------------|---------------|---------------------------------------|--------------------------------|--------------------------------------|
|                        | <u>Shares</u>  | <u>Amount</u> |                                       |                                |                                      |
| [8/21/17]              |                |               |                                       |                                |                                      |
| Contributed<br>Capital | <u>-51,000</u> | <u>\$0.51</u> | <u>\$7461.29</u>                      | <u>\$7458.40</u>               | <u>\$2.89</u>                        |
| Income                 |                |               |                                       |                                |                                      |
| [12/31/17]             |                |               |                                       |                                |                                      |

**Natural Dynamic Systems** STATEMENTS OF  
CASH FLOWS Since Inception (unaudited)

Natural Dynamic Systems

**Statement of Cash Flows**

January through December 2017

|                                                                            | Jan - Dec 17 |
|----------------------------------------------------------------------------|--------------|
| OPERATING ACTIVITIES                                                       |              |
| Net Income                                                                 | -7,166.40    |
| Adjustments to reconcile Net Income to<br>net cash provided by operations: |              |
| Capital One                                                                | 7,261.29     |
| Loan from Nancy                                                            | 200.00       |
| Net cash provided by Operating Activities                                  | 294.89       |
| FINANCING ACTIVITIES                                                       |              |
| CEO Shareholder Loan                                                       | -292.00      |
| Net cash provided by Financing Activities                                  | -292.00      |
| Net cash increase for period                                               | 2.89         |
| Cash at end of period                                                      | 2.89         |

## NOTE 1 – NATURE OF OPERATIONS

Natural Dynamic Systems was formed on 8/21/17 in the State of CA. The financial statements of Natural Dynamic Systems are prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Company’s headquarters are located in Palmdale, CA.

Natural Dynamic Systems will partner with multiple industries to create the ultimate entertainment, military training, education, and exploration platforms. Our next-generation motion simulation technology offers exclusive, interactive Alternate Reality experiences for the masses. Our unique interactive chambers create the necessary conditions to achieve full physical VR environmental immersion.

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### *Use of Estimates*

The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported amount of expenses during the reporting periods. Actual results could materially differ from these estimates. It is reasonably possible that changes in estimates will occur in the near term.

### *Fair Value of Financial Instruments*

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

Level 1 - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Include other inputs that are directly or indirectly observable in the marketplace.

Level 3 - Unobservable inputs which are supported by little or no market activity.

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

Fair-value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2017 and 2018. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values.

### *Cash and Cash Equivalents*

For purpose of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

### *Revenue Recognition*

The Company will recognize revenues from (d) when (a) persuasive evidence that an agreement exists; (b) the service has been performed; (c) the prices are fixed and determinable and not subject to refund or adjustment; and (d) collection of the amounts due is reasonably assured.

### *Income Taxes*

The Company applies ASC 740 Income Taxes ("ASC 740"). Deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial statement reported amounts at each period end, based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized. The provision for income taxes represents the tax expense for the period, if any and the change during the period in deferred tax assets and liabilities.

ASC 740 also provides criteria for the recognition, measurement, presentation and disclosure of uncertain tax positions. A tax benefit from an uncertain position is recognized only if it is "more likely than not" that the position is sustainable upon examination by the relevant taxing authority based on its technical merit.

The Company is subject to tax in the United States ("U.S.") and files tax returns in the U.S. Federal jurisdiction and CA state jurisdiction. The Company is subject to U.S. Federal, state and local income tax examinations by tax authorities for all periods since Inception. The Company currently is not under examination by any tax authority.

### *Concentration of Credit Risk*

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

## **NOTE 3 – DEBT**

Capital One Credit Card: Credit Line: \$10,000

Used: \$7,531.29

Available: \$2,468.71

## **NOTE 4 – COMMITMENTS AND CONTINGENCIES**

We are currently not involved with or know of any pending or threatening litigation against the Company or any of its officers.

## **NOTE 5 – STOCKHOLDERS' EQUITY**

### *Common Stock*

We have authorized the issuance of 100,000 shares of our common stock with par value of \$1,000,000. As of August 21, 2017 the company has currently issued 51,000 shares of our common stock to NDS CEO.

#### **NOTE 6 – RELATED PARTY TRANSACTIONS**

Natural Dynamic Systems does not have any related party transactions.

#### **NOTE 7 – SUBSEQUENT EVENTS**

The Company has evaluated subsequent events that occurred after December 31, 2016 through December 31, 2017, the issuance date of these financial statements. There have been no other events or transactions during this time which would have a material effect on these financial statements.



EXHIBIT C TO FORM C

PROFILE SCREENSHOTS

*[See attached]*

Natural Dynamic Systems is pending **StartEngine Approval**.

▶ PLAY VIDEO



## Natural Dynamic Systems

Advanced interactive motion simulators.

● Small OPO ● Palmdale, CA ● Technology ● US Investors Only

0

Investors

\$0.00

Raised of \$10K - \$107K goal



Overview

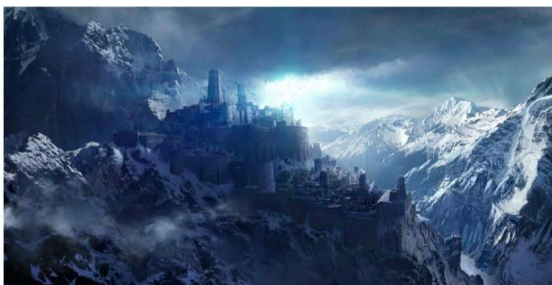
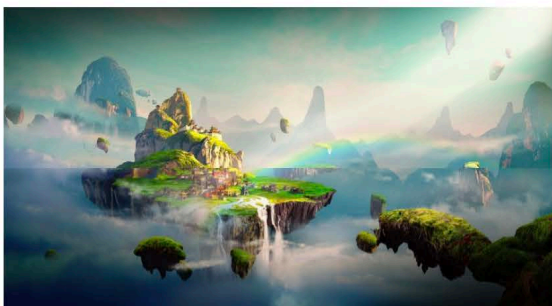
Team

Terms

Updates

Comments

Share



**Join the wave of the future. Step into Natural Dynamic Systems.**

## New Perspectives That Educate and Awe: This Is An Entertainment Experience

Invest in Natural Dynamic Systems. Pre-prototype Production

You could compare this system to a giant video game console, but it's more than a video game console. **It's an Experience.**

Natural Dynamic Systems was founded by Nathan Schreiberfeder who aims to change the way we experience Virtual Reality in the way we play, educate, and train. This system is *more than just entertainment*. We believe its applications are endless, and that this technology is revolutionary.

**Invest in Natural Dynamic Systems. We're changing the way people relate to their surroundings.** Virtual reality, up until now, has been hindered by its ability to engage with a maximum of two or three of the human senses at a time. Natural Dynamic Systems engages all five - therefore being able to manipulate the users brain *and* body into believe it's really there. Rather than putting on a pair of goggles, this system is one that users physically enter to experience.

**The product is still currently in research and development stage, and is pre-prototype.** A system platform, once development begins on Experience Programs, the possibilities are endless.

## The Offer

### Investment

Common Stock at \$10/share | When you invest you are betting the company's future value will exceed \$617,000.

### Perks

\$10,000+ Investing this amount and more will grant you free access to attractions built in NDS exclusive parks for life. Along with this, discounted prices and deals for friends and family will be available to you.

*\*All perks occur after the offering is completed, and the attractions are up and running.*



This Offering is eligible for the  
**StartEngine Owners' 10% Bonus.**

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*We plan on creating the most amazing, and realistic, VR experiences to entertain, train, and educate the masses.*

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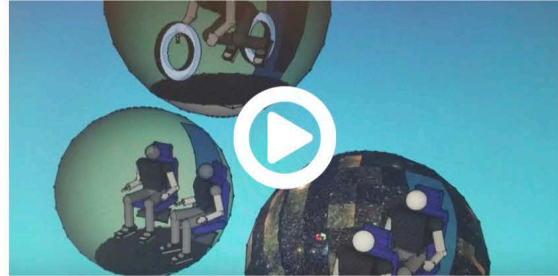
## The Future Of Entertainment

### Experience Programs

#### How You Interact

With Natural Dynamic Systems, your interaction with your experience is not through a controller. In fact, you enter a system, get inside, and live the world you're gaming in. We believe this guarantees a passionately realistic experience to the user every time. By controlling the user's five senses, we believe we offer an experience that no other platform currently has available.

By the nature of its design, Natural Dynamic Systems eliminates the faults and limitations that are currently being used. For example, during in-flight training, we believe that current motion platforms do not accurately represent what users will find in real-life G-Forces. Training should be as realistic as possible, and with the current methods of simulation, these mistakes and inaccuracies need to be remedied to avoid potentially huge in-practice problems.



### We'll Sell To

#### Amusement Parks



Parks that use Natural Dynamic Systems can expand exponentially. Rather than having to build multiple structures for each ride, they can simply reformat an NDS system to easily update rides and change them.

#### Entertainment Companies



Entertainment companies can integrate NDS into their existing formats in order to make their experiences pop and break through another dimension.

#### The Military



The military can use NDS to train their fighters in ways that are more accurate, more realistic, and more applicable in the real world. This means each person going through NDS' training can be better prepared.

## Entertainment Experiences, As They Currently Exist, Have Problems

### Problems With Entertainment Venues

- Current spaces are still using 20th century machines, thinking, and storytelling.
- Expensive, limited, large roller coasters are the current entertainment being offered, and each only boasts one experience.
- We believe the technology is outdated and un inventive. In the current climate, faulty and unrealistic motion simulators are commonplace.

### Our Solution

- Universal platforms can take you anywhere in existence, anywhere in time, and anywhere in your imagination to experience it first-hand
- Next-Generation reprogrammable technology offers unlimited possibilities
- We can offer exclusive genre-based experiences for all ages. We have a small footprint, which allows for numerous location opportunities.

## Natural Dynamic Systems Has Patented Solutions

### The Patent

After 3 years of active development we were granted a utility patent in 2013. With these components working together, and acting on each other, you create the necessary conditions to for alternate reality immersion.

### The Prototype

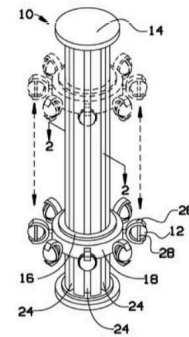
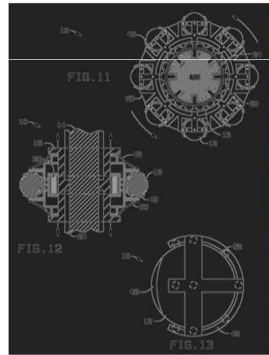
- We are currently in the prototype stage developing our system that will eliminate the faults and limitations currently being used for motion based entertainment, and training simulations
- Motion platforms don't represent what you'd feel with real life g-



\*The patent is currently owned by Nathan Schreiber, not the Company.

forces

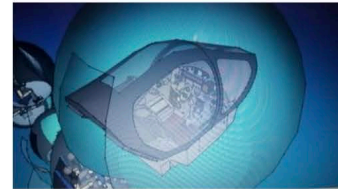
- Training exercises should be realistic as possible



## Machine Summary

We build pods that the user *literally steps into*.

- Spherical pods create the necessary controlled conditions for vehicle, environmental, and scenario simulation.
- Pod interiors are completely customizable based on the customer's needs.
- Interior features can match the full range of military, commercial, private, and fantasy vehicles.
- One or multiple pods will be rolled in their place by computer control to place passengers in the correct environmental position, and for correct g-force application to their body.
- Computer controlled rotation around the circular track applies horizontal g-forces, while computer controlled movement up and down the central tower applies vertical g-forces.
- The tower's height is customizable based on the customers' needs.



## Here's Who Backs It Up

After meeting with expert individuals, we were able to take from their experience and learn that what we dreamt of is possible. We've met with people, including a Test Pilot, who've told us they believe we've created a superior technology, we knew we have created something special. We've come up with something that as far as we know doesn't exist yet - and it's got promise. We've been encouraged by...

### Test Pilot



### Engineer



## The Market

**\$1.9T**

The global Media & Entertainment (M&E) market reached **\$1.9 trillion** in revenues in 2016

**\$.5B**

From 1990 to 2007, amusement park revenue increased by **\$.5B each year**. In 2011 alone, the nationwide amusement park and attraction economical impact was \$274B.

**\$15.8B**

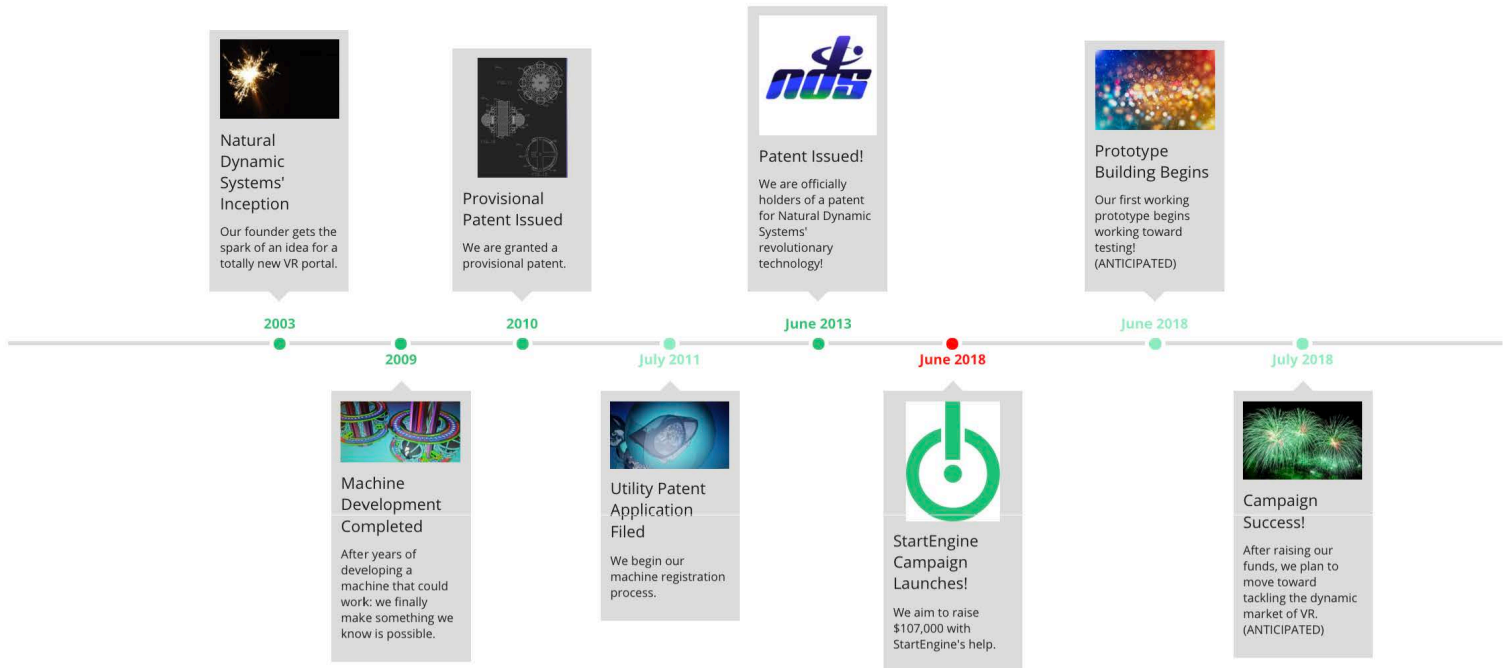
The global military simulation and virtual training market is expected to be worth **US\$10.4 billion** in 2015, and is expected to increase to US\$15.8 billion by 2025.

## Invest in Natural Dynamic Systems

Natural Dynamic Systems aims to be the leader in the VR entertainment and motion simulation technology. By using our technology where VR is applicable (and not just in entertainment) we're poised to not only change the way things are done but we'll also aim to change the way people view the world. We're also ready to create hundreds of thousands of new jobs.

**Invest in Natural Dynamic Systems.** Together, we'll make a difference. We'll use the funds raised in this campaign to build prototypes, fund

production, and infuse our marketing to meet maximum reach for this exciting new product.



## Meet Our Team



### Nathan Schreibfeder

Founder, CEO & Sole Director

*I'm an artist, musician, technology enthusiast, and all around creative person. Being creative in my daily life has lead me to become an amateur engineer and architect. An epiphany in 2003 lead me to develop my technology after 20 years of visiting amusement parks, playing video games, and being obsessed with movies. I realized that my tech would be the ultimate culmination of all these things, so it became my life goal to make it a reality. 2005-Present: Data Entry/Computer Maintenance at Sierra Tax Service/STS Property Management Inc. (20 hours per week) 2017-Present: Founder, CEO, Director of Natural Dynamic Systems (28 hours per week)*





## Offering Summary

Maximum 10,700 shares of common stock (\$107,000)

*\*Maximum subject to adjustment for bonus shares. See 10% Bonus below*

Minimum 1,000 shares of common stock (\$10,000)

|                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Company                                  | Natural Dynamic Systems                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Corporate Address                        | 619 West Avenue Q Suite D Palmdale, CA 93551                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Description of Business                  | NDS is currently in the prototyping stage of its patented machine production. While a working model is outlined on paper, and in the digital space, a live working prototype is still being developed. Engineering crews are currently on standby waiting for the funds raised in this offering to begin work. 6 months will be needed to create the working product, and once a working model has been produced, we plan to partner with different industries (also on standby) who will utilize our exclusive technology for entertainment, training, and education purposes. |
| Type of Security Offered                 | Common Stock                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Purchase Price of Security Offered       | \$10.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Minimum Investment Amount (per investor) | \$400.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

### Perks

**\$10,000+ Investing this amount and more will grant you free access to attractions built in NDS exclusive parks for life. Along with this, discounted prices and deals for friends and family will be available to you.**

*\*All perks occur after the offering is completed, and the attractions are up and running.*

### The 10% Bonus for StartEngine Shareholders

Natural Dynamic Systems will offer 10% additional bonus shares for all investments that are committed by StartEngine Crowdfunding Inc. shareholders (with  $\geq$  \$1,000 invested in the StartEngine Reg A+ campaign) within 24 hours of this offering going live.

StartEngine shareholders who have invested \$1,000+ in the StartEngine Reg A+ campaign will receive a 10% bonus on this offering within a 24-hour window of their campaign launch date. This means you will receive a bonus for any shares you purchase. For example, if you buy 10 shares of Common Stock at \$10 / share, you will receive 1 Common Stock bonus shares, meaning you'll own 11 shares for \$100. Fractional shares will not be distributed and share bonuses will be determined by rounding down to the nearest whole share.

This 10% Bonus is only valid for one year from the time StartEngine Crowdfunding Inc. investors receive their countersigned StartEngine Crowdfunding Inc. subscription agreement.

## Irregular Use of Proceeds

The company will not incur any irregular use of proceeds.

Form C Filings

SHOW MORE

## Risks

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 does not pass upon the merits of any securities offered or the terms of the offering, nor does it pass upon the accuracy or completeness of any offering document or literature. These securities are offered under an exemption from registration; however, the U.S. Securities and Exchange Commission has not made an independent determination that these securities are exempt from registration.

## Updates

Follow Natural Dynamic Systems to get notified of future updates!

## Comments (0 total)

Add a public comment...

0/2500

Post



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Investment opportunities posted and accessible through the site will not be offered to Canadian resident investors.

Potential investors are strongly advised to consult their legal, tax and financial advisors before investing. The securities offered on this site are not offered in jurisdictions where public solicitation of offerings are not permitted; it is solely your responsibility to comply with the laws and regulations of your country of residence.



## VIDEO TRANSCRIPT (Exhibit D)

### Main Video

natural dynamic systems presents the ultimate virtual reality experience interactive immersion pods consisting of one or more spherical pods and their supporting motion track this system allows passengers to literally be moved by an experience applying to their body the g-forces associated with any visual scenario the interior surface of the pod is a seamless high-resolution display during the simulation computerized motion controls roll the pot in place while the track provides multi axial acceleration the result is movement and rotation precisely matched to the 360-degree visuals of a given simulation our unique interactive chambers create the necessary conditions for full physical environmental immersion and are completely customizable to support any application from consumer entertainment to commercial and military training simulations any type of vehicle can be simulated from military aircraft to commercial automobiles even an imaginary futuristic vehicle will feel real in the simulation pods interactive immersion pods are designed to be scalable to serve as multiple riders multiple pods can be supported on a single motion track providing a consistent experience for all riders horizontal tracking movement is achieved as the track rotates while up and down motion of the tracks achieves vertical g-forces multiple tracks form a tower of interactive pods and tower height is customizable based on the needs of the simulation underground installation is available to learn more about natural dynamic systems and our interactive immersion pods visit our website thanks for watching

### Video 2

all right so this is some 3d artwork that I have made of the machine I have broken down into its main components but with their combined movement capabilities you can account for any type of movement throughout a three-dimensional environment and I'll start with the spherical paws here which are interactive immersion chambers that the passengers will enter they are not transparent this is just to show what's going on on the inside now the size the amount of passengers and interior features can be customized for different uses passengers will either just be along for the ride with no control over what's happening or they could be in complete control of what's happening I have three examples here this one has a single passenger on a motorcycle set up the others have two passengers inside arranged a couple of different ways this one side-by-side this one with more of a fighter jet set up with one passenger sitting behind the other each pot regardless will have either wraparound screens covering the inside and or specialized headgear for the passengers to wear the visuals presented on these devices give the realistic impression of being in the middle of a digital modeled environment these modeled environments will be ultra realistic accurate 3d depictions of real places or imaginary now the interior is then set up to be like that of a car a helicopter fighter jet or on a motorcycle or something special that I like to call free walk possibilities are really endless the pods have a sound system they

have special effects like temperature control and other things like wind and fog and smells even and they are equipped with proper power supply each pod is placed on this mechanism called the roll system this working by computer control positions the pod and its passengers for the correct environmental position and for correct g-force application based off of the visual data these four mechanisms here will do the actual rolling and with the combined movement capabilities any pod position can be achieved as you can see in these movements here you have a barrel roll kind of maneuver where you're rolling left and right and this has a 360 degree roll capability in either direction and then you have a forward and backward flip like this also with a 360 degree flip capability all the way around and then you have the left and right pivot again with a 360 degree movement capability and then if you combine any of those movements the passengers can wind up in some very interesting positions now while these movements are being carried out everything is being held in place by this structure here so it's gonna kind of be like your eyeball in the socket you can roll around in all directions but it's not just gonna pop out so this pot this structure holds the pods in place also while leaving it free to roll with no resistance and this is showing what it looks like relatives someone my size standing next to this structure and I am five-seven and I want you to keep in mind that everything is going to be built with the lightest weight and strongest materials used appropriately where needed the colors are just to help me when explaining what everything is so the pod with its roll system and the socket structure is kind of sandwiched between these top and bottom green tracks here and because the tracks are in a doughnut shape you can add multiple pods there's only one here but I have two here positioned opposite each other on the track and then I have four here but you could have up to eight pods in this design if you want more pods you just scale things up a bit more pods means more passengers at once or if the machine's purpose is for training each pod could have a different interior setup eliminating the need for multiple systems one could be set up for helicopter training one for fighter jet one for a tank and one for say Humvee you can really do pretty much anything now these green tracks enable controlled centrifugal rotation around the purple middle structure which is the tower by having the ability to control the rate of rotation you can then apply controlled horizontal g-forces to a passenger's body based again off of the visual data now this ability is what will accurately simulate the acceleration of something like a car or a jet plane and account for all horizontal g-forces that one may feel while moving throughout a three-dimensional environment then accompanied by the positioning of the passenger within the pot you can then determine the angle in which the g-forces are applied so all of this alone really gives you unlimited options of things you can do for entertainment purposes but there's more now what the purple middle structure the tower enables is the controlled Ascension and dissension of these components as a whole so again by computer control and based off of the visual data you can account for all vertical g-forces one may feel when moving throughout a three-dimensional environment these movements can include freefall rapid ascension and really everything in between the only limit you have to

these vertical movements is the height of the tower and that is determined by the customers needs so you could have a system like this with a 35 foot Tower and a 20 foot diameter base or if you want things to be a little more extreme you can increase the tower height to say 70 feet 105 feet 140 feet and you can keep going another advantage you have though with the overall design of the system is that it gives you the ability to build the machine partially or completely into the ground so I'll end up looking something like this so if you build it into the ground it enables even more vertical options and it leaves a nice unobstructed view of the skyline it can go down into the ground pretty far so with these components working together by easily reprogrammable computer control your options are unlimited with a single system so they're small footprints make them easy to fit just about anywhere you can have multiple systems in one relatively small area compared to something like that of a rollercoaster which takes up a generally large portion of land now there are no simulators out there that offer these kinds of possibilities and accurate effects to a passenger thus making this technology beneficial in many ways not just for entertainment purposes but for things like education military training and scientific study in these areas accuracy and unlimited options meaning everything of course there are many more details about how everything is working but these are the basics

## STARTENGINE SUBSCRIPTION PROCESS (Exhibit E)

### Platform Compensation

- As compensation for the services provided by StartEngine Capital, the issuer is required to pay to StartEngine Capital a fee consisting of a 6-8% (six to eight percent) commission based on the dollar amount of securities sold in the Offering and paid upon disbursement of funds from escrow at the time of a closing. The commission is paid in cash and in securities of the Issuer identical to those offered to the public in the Offering at the sole discretion of StartEngine Capital. Additionally, the issuer must reimburse certain expenses related to the Offering. The securities issued to StartEngine Capital, if any, will be of the same class and have the same terms, conditions and rights as the securities being offered and sold by the issuer on StartEngine Capital's website.

### Information Regarding Length of Time of Offering

- Investment Cancellations: Investors will have up to 48 hours prior to the end of the offering period to change their minds and cancel their investment commitments for any reason. Once within 48 hours of ending, investors will not be able to cancel for any reason, even if they make a commitment during this period.
- Material Changes: Material changes to an offering include but are not limited to: A change in minimum offering amount, change in security price, change in management, material change to financial information, etc. If an issuer makes a material change to the offering terms or other information disclosed, including a change to the offering deadline, investors will be given five business days to reconfirm their investment commitment. If investors do not reconfirm, their investment will be cancelled and the funds will be returned.

### Hitting The Target Goal Early & Oversubscriptions

- StartEngine Capital will notify investors by email when the target offering amount has hit 25%, 50% and 100% of the funding goal. If the issuer hits its goal early, and the minimum offering period of 21 days has been met, the issuer can create a new target deadline at least 5 business days out. Investors will be notified of the new target deadline via email and will then have the opportunity to cancel up to 48 hours before new deadline.
- Oversubscriptions: We require all issuers to accept oversubscriptions. This may not be possible if: 1) it vaults an issuer into a different category for financial statement requirements (and they do not have the requisite financial statements); or 2) they reach \$1.07M in investments. In the event of an oversubscription, shares will be allocated at the discretion of the issuer.
- If the sum of the investment commitments does not equal or exceed the target offering amount at the offering deadline, no securities will be sold in the offering, investment commitments will be cancelled and committed funds will be returned.
- If a StartEngine issuer reaches its target offering amount prior to the deadline, it may conduct an initial closing of the offering early if they provide notice of the new offering deadline at least five business days prior to the new offering deadline (absent a material change that would require an extension of the offering and reconfirmation of the investment commitment). StartEngine will notify investors when the issuer meets its

target offering amount. Thereafter, the issuer may conduct additional closings until the offering deadline.

#### Minimum and Maximum Investment Amounts

- In order to invest, to commit to an investment or to communicate on our platform, users must open an account on StartEngine Capital and provide certain personal and non-personal information including information related to income, net worth, and other investments.
- Investor Limitations: Investors are limited in how much they can invest on all crowdfunding offerings during any 12-month period. The limitation on how much they can invest depends on their net worth (excluding the value of their primary residence) and annual income. If either their annual income or net worth is less than \$107,000, then during any 12-month period, they can invest up to the greater of either \$2,200 or 5% of the lesser of their annual income or net worth. If both their annual income and net worth are equal to or more than \$107,000, then during any 12-month period, they can invest up to 10% of annual income or net worth, whichever is less, but their investments cannot exceed \$107,000.