

Offering Memorandum: Part II of Offering Document (Exhibit A to Form C)

GoBQ Grills, Inc.
3742 N Janssen, STE 1
Chicago, IL 60613
<https://www.gobqgrills.com>

Up to \$1,069,999.80 in Common Stock at \$0.60
Minimum Target Amount: \$9,999.60

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.

Company:

Company: GoBQ Grills, Inc.

Address: 3742 N Janssen, STE 1, Chicago, IL 60613

State of Incorporation: DE

Date Incorporated: December 27, 2019

Terms:

Equity

Offering Minimum: \$9,999.60 | 16,666 shares of Common Stock

Offering Maximum: \$1,069,999.80 | 1,783,333 shares of Common Stock

Type of Security Offered: Common Stock

Purchase Price of Security Offered: \$0.60

Minimum Investment Amount (per investor): \$300.00

**Maximum Number of Shares Offered subject to adjustment for bonus shares. See Bonus info below.*

Perks* and Investment Bonus

All Investor Owners Club

5% discount on all GoBQ online purchases for LIFE

30% off any GoBQ black grill purchased from the website

Early access to products

Private owners group

Early Bird

First 48 hours - Friends and Family Early Birds | 15% bonus shares

Next 5 days - Early Bird Bonus | 10% bonus shares

Volume

\$500+ | CEO Designed GOBQ® Grill T-Shirt - Boldly Grill Where No One Has Grilled Before (see artwork in media upload)

\$1,000 | Above + Owners Exclusive GOBQ® Charcoal Grill

\$2,500+ | Above +10% lifetime discount of online purchase

\$5,000+ | Above + 5% bonus shares

\$10,000+ | \$2500 and above tier + 10% bonus shares

\$20,000+ | \$2500 and above tier + Invitation to private GoBQ Lakeshore Party in Chicago to grill with the GoBQ team + 15% bonus shares

\$50,000+ | Above+ 20% bonus + Personal Customized GoBQ® Charcoal Grill + 2 domestic round trip airfare tickets (up to \$1000 total) and 2 nights in a four-star hotel.

**All perks will occur after the offering is completed.*

The 10% Bonus for StartEngine Shareholders

GoBQ Grills, Inc., will offer 10% additional bonus shares for all investments that are committed by investors that are eligible for the StartEngine Crowdfunding Inc. OWNER's bonus.

This means eligible StartEngine shareholders will receive a 10% bonus for any shares they purchase in this offering. For example, if you buy 100 shares of Common Stock at \$0.60 / share, you will receive 110 shares of Common Stock, meaning you'll own 110 shares for \$60. 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 during the investors eligibility period. Investors eligible for this bonus will also have priority if they are on a waitlist to invest and the company surpasses its maximum funding goal. They will have the first opportunity to invest should room in the offering become available if prior investments are cancelled or fail.

Investors will only receive a single bonus, which will be the highest bonus rate they are eligible for.

The Company and its Business

Company Overview

GoBQ Grill, Inc. was originally founded as "Grillfold, LLC." in 2012 by Eric Goeken and Todd Zaroban. The company was converted to a C-Corp on January 1 2020. GoBQ Grills develops, manufactures, and sells a line of revolutionary ultra-portable grills made from flexible, flame- and heat-resistant fabric. The first product in this line is the patented "GoBQ® Charcoal Grill". The ultimate benefit of the GoBQ is its portability and convenience, and the primary target market is campers, hikers, tailgaters, travelers, and outdoor enthusiasts.

Our current sales channels consist of the GoBQ Grills online store, Amazon/Amazon Prime, and Walmart.com.

GoBQ utilizes in-house engineering and design for a rapid and cost-effective development process. Prototypes are created utilizing 3D printing technology and in-house testing to allow GoBQ to quickly perfect the grill design and specifications.

Manufacturing is outsourced overseas in order to attain an affordable price point for consumers. As the company grows, opportunities may exist to bring manufacturing

and assembly to a US-based partner or to build the capacity internally.

The company retains all ownership rights, title and interest of its intellectual property, including the patent, trademark, website, product designs, drawings, prototypes, trademarks, photography, and marketing materials.

Competitors and Industry

According to our research, there are no other flexible fabric grills on the market. The GoBQ Grill introduces a whole new category. With no direct competition in this niche, we benefit from being first to market.

However, there are many competitors that occupy the portable/tabletop grill market. The top competitors are Weber, Coleman and Cuisinart. As a brand-new product and brand, GoBQ's primary challenge will be to establish brand awareness and grow market share. An advantage is our ability to efficiently develop a product that addresses the deficiencies of existing products in the market, and the fact that the uniqueness of the GoBQ is revolutionary, exciting and buzzworthy.

Current Stage and Roadmap

The GoBQ Charcoal Grill is currently available for purchase on Amazon.com, Walmart.com, and our web store at gobqgrills.com. The GoBQ Propane Grill is in the prototype development stage.

We are ramping up production with a new supplier in China at a much lower cost-point than we were able to achieve previously with final assembly in the US. Once we know we can reliably deliver on high quantity orders, we will approach big box stores to form retail partnerships. The funds from StartEngine will be used for advertising and for our initial product run of 3200 units. We will also continue expansion of our product line to include a propane powered version first, and ultimately in the future varying sizes as well as add on products such as portable grilling utensils and white-label charcoal bags, branded under GoBQ.

Manufacturing is outsourced overseas in order to attain an affordable price point for consumers. As the company grows, opportunities may exist to bring manufacturing and assembly to a US-based partner or to build the capacity internally.

The Team

Officers and Directors

Name: Todd Zaroban

Todd Zaroban's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

- **Position:** Chief Executive Officer

Dates of Service: December 31, 2019 - Present

Responsibilities: Making major corporate decisions, managing the overall operations and resources of a company, acting as the main point of communication between the board of directors (the board) and corporate operations and being the public face of the company. Todd received equity compensation of 4,359,673 shares of common stock for all roles, and receives no salary at this time.

- **Position:** Secretary

Dates of Service: December 31, 2019 - Present

Responsibilities: Ensuring the integrity of the governance framework, being responsible for the efficient administration of the company, ensuring compliance with statutory and regulatory requirements and implementing decisions made by the Board of Directors.

- **Position:** Chief Operating Officer

Dates of Service: December 31, 2019 - Present

Responsibilities: Oversee the company's business operations and ensures the company has effective operational and financial procedures in place.

- **Position:** Chief Financial Officer

Dates of Service: December 31, 2019 - Present

Responsibilities: Managing the financial actions of the company, tracking cash flow, financial planning, analyzing the company's financial strengths and weaknesses and proposing corrective actions.

Other business experience in the past three years:

- **Employer:** Zaroban Design, LLC

Title: Owner

Dates of Service: August 14, 1998 - Present

Responsibilities: Branding, Design, and Website Development Services.

Name: Eric Goeken

Eric Goeken's current primary role is with HDR. Eric Goeken currently services Eric works 6 hours per week at the company and his hours will increase relative to the success of our StartEngine raise hours per week in their role with the Issuer.

Positions and offices currently held with the issuer:

- **Position:** Director / Chief Product Designer

Dates of Service: December 31, 2019 - Present

Responsibilities: Product design, engineering, research, development, and innovation. Eric received equity compensation of 4,359,673 shares of common stock for all roles, and receives no salary at this time.

Other business experience in the past three years:

- **Employer:** HDR
Title: Project Architect
Dates of Service: July 02, 2018 - Present
Responsibilities: TBD

Other business experience in the past three years:

- **Employer:** KAI
Title: Project Architect
Dates of Service: June 06, 2016 - July 01, 2018
Responsibilities: The project architect is the team leader in charge of overseeing timely and profitable completion of a project. The project architect coordinates the work team, consults with clients, draws designs, and proposes budgets.

Risk Factors

The SEC requires the company to identify risks that are specific to its business and its 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 more risky than more developed companies. You should consider general risks as well as specific risks when deciding whether to invest.

These are the risks that relate to the Company:

Uncertain 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 the 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.

Our business projections are only projections

There can be no assurance that the Company will meet our projections. There can be no assurance that the Company will be able to find sufficient demand for our product,

that people think it's a better option than a competing product, or that we will be able to provide the service at a level that allows the Company to make a profit and still attract business.

Any valuation at this stage is difficult to assess

The valuation for the offering was established by the Company. Unlike listed companies that are valued publicly through market-driven stock prices, the valuation of private companies, especially startups, is difficult to assess and you may risk overpaying for your investment.

The transferability of the Securities you are buying is limited

Any Common Stock purchased through this crowdfunding campaign is subject to SEC limitations of transfer. This means that the stock/note that you purchase cannot be resold for a period of one year. The exception to this rule is if you are transferring the stock back to the Company, to an "accredited investor," as part of an offering registered with the Commission, to a member of your family, trust created for the benefit of your family, or in connection with your death or divorce.

Your investment could be illiquid for a long time

You should be prepared to hold this investment for several years or longer. For the 12 months following your investment there will be restrictions on how you can resell the securities you receive. More importantly, there is no established market for these securities and there may never be one. As a result, if you decide to sell these securities in the future, you may not be able to find a buyer. The Company may be acquired by an existing player in the Outdoor Grill industry. However, that may never happen or it may happen at a price that results in you losing money on this investment.

If the Company cannot raise sufficient funds it will not succeed

The Company, is offering Common Stock in the amount of up to \$1,070,000 in this offering, and may close on any investments that are made. Even if the maximum amount is raised, the Company is likely to need additional funds in the future in order to grow, and if it cannot raise those funds for whatever reason, including reasons relating to the Company itself or the broader economy, it may not survive. If the Company manages to raise only the minimum amount of funds, sought, it will have to find other sources of funding for some of the plans outlined in "Use of Proceeds."

We may not have enough capital as needed and may be required to raise more capital.

We anticipate needing access to credit in order to support our working capital requirements as we grow. Although interest rates are low, it is still a difficult environment for obtaining credit on favorable terms. If we cannot obtain credit when we need it, we could be forced to raise additional equity capital, modify our growth plans, or take some other action. Issuing more equity may require bringing on additional investors. Securing these additional investors could require pricing our equity below its current price. If so, your investment could lose value as a result of this additional dilution. In addition, even if the equity is not priced lower, your ownership percentage would be decreased with the addition of more investors. If we are unable to find additional investors willing to provide capital, then it is possible that we will

choose to cease our sales activity. In that case, the only asset remaining to generate a return on your investment could be our intellectual property. Even if we are not forced to cease our sales activity, the unavailability of credit could result in the Company performing below expectations, which could adversely impact the value of your investment.

Terms of subsequent financings may adversely impact your investment

We will likely need to engage in common equity, debt, or preferred stock financings in the future, which may reduce the value of your investment in the Common Stock. Interest on debt securities could increase costs and negatively impact operating results. Preferred stock could be issued in series from time to time with such designation, rights, preferences, and limitations as needed to raise capital. The terms of preferred stock could be more advantageous to those investors than to the holders of Common Stock. In addition, if we need to raise more equity capital from the sale of Common Stock, institutional or other investors may negotiate terms that are likely to be more favorable than the terms of your investment, and possibly a lower purchase price per share.

Management Discretion as to Use of Proceeds

Our success will be substantially dependent upon the discretion and judgment of our management team with respect to the application and allocation of the proceeds of this Offering. The use of proceeds described below is an estimate based on our current business plan. We, however, may find it necessary or advisable to re-allocate portions of the net proceeds reserved for one category to another, and we will have broad discretion in doing so.

Projections: Forward Looking Information

Any projections or forward looking statements regarding our anticipated financial or operational 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.

We are reliant on one main type of service

All of our current services are variants on one type of product, making portable outdoor grills and grilling accessories. Our revenues are therefore dependent upon the market for outdoor grills.

We may never have an operational product or service

It is possible that there may never be an operational GoBQ Propane Grill Model or other new products besides the GoBQ Charcoal Grill, or that the new products may never be used to engage in transactions. It is possible that the failure to release new products is the result of a change in business model upon Company's making a determination that the business model, or some other factor, will not be in the best

interest of Company and its stockholders/members/creditors.

Some of our products are still in prototype phase and might never be operational products

It is possible that some new products under development may never be an operational product or that the product may never be used to engage in transactions. It is possible that the failure to release the product is the result of a change in business model upon the Company's making a determination that the business model, or some other factor, will not be in the best interest of the Company and its stockholders.

Developing new products and technologies entails significant risks and uncertainties

We are currently in the research and development stage and have only manufactured a prototype for our GoBQ Gas/Propane model. Delays or cost overruns in the development of our GoBQ Propane Grill and failure of the product to meet our performance estimates may be caused by, among other things, unanticipated technological hurdles, difficulties in manufacturing, changes to design and regulatory hurdles. Any of these events could materially and adversely affect our operating performance and results of operations.

Minority Holder; Securities with Voting Rights

The Common Stock that an investor is buying has voting rights attached to them. However, you will be part of the minority shareholders of the Company and therefore will have a limited ability to influence management's decisions on how to run the business. You are trusting in management discretion in making good business decisions that will grow your investments. Furthermore, in the event of a liquidation of our company, you will only be paid out if there is any cash remaining after all of the creditors of our company have been paid out.

You are trusting that management will make the best decision for the company

You are trusting in management discretion. You are buying securities as a minority holder, and therefore must trust the management of the Company to make good business decisions that grow your investment.

Insufficient Funds

The company might not sell enough securities in this offering to meet its operating needs and fulfill its plans, in which case it will cease operating and you will get nothing. Even if we sell all the common stock we are offering now, the Company will (possibly) need to raise more funds in the future, and if it can't get them, we will (possibly) fail. Even if we do make a successful offering in the future, the terms of that offering might result in your investment in the company being worth less, because later investors might get better terms.

This offering involves "rolling closings," which may mean that earlier investors may not have the benefit of information that later investors have.

Once we meet our target amount for this offering, we may request that StartEngine instruct the escrow agent to disburse offering funds to us. At that point, investors whose subscription agreements have been accepted will become our investors. All early-stage companies are subject to a number of risks and uncertainties, and it is not

uncommon for material changes to be made to the offering terms, or to companies' businesses, plans or prospects, sometimes on short notice. When such changes happen during the course of an offering, we must file an amended to our Form C with the SEC, and investors whose subscriptions have not yet been accepted will have the right to withdraw their subscriptions and get their money back. Investors whose subscriptions have already been accepted, however, will already be our investors and will have no such right.

Our new product could fail to achieve the sales projections we expected

Our growth projections are based on an assumption that with an increased advertising and marketing budget our products will be able to gain traction in the marketplace at a faster rate than our current products have. It is possible that our new products will fail to gain market acceptance for any number of reasons. If the new products fail to achieve significant sales and acceptance in the marketplace, this could materially and adversely impact the value of your investment.

We face significant 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.

We are competing against other recreational activities

Although we are a unique company that caters to a select market, we do compete against other recreational activities. Our business growth depends on the market interest in the Company over other activities.

We are an early stage company and have not yet generated any profits

GrillFold, LLC (DBA GoBQ Grills) was formed on September 24, 2012. Effective January 1, 2020, the Company converted from an Illinois Limited Liability Company to GoBQ Grills, Inc., a Delaware Corporation. Accordingly, the Company has a limited history upon which an evaluation of its performance and future prospects can be made. Our current and proposed operations are subject to all business risks associated with new enterprises. These include likely fluctuations in operating results as the Company reacts to developments in its market, managing its growth and the entry of competitors into the market. We will only be able to pay dividends on any shares once our directors determine that we are financially able to do so. GoBQ Grills, Inc. has incurred a net loss and has had limited revenues generated since inception. There is no assurance that we will be profitable in the next 3 years or generate sufficient revenues to pay dividends to the holders of the shares.

We are an early stage company and have limited revenue and operating history

The Company has a short history and limited revenue. If you are investing in this

company, it's because you think that the GoBQ Grill is a good idea, that the team will be able to successfully market, and sell the product or service, and that we can price them right and sell them to enough people so that the Company will succeed. Further, there is no assurance that we will ever be profitable, and the company has incurred losses since its inception aggregating \$252,032.

We have existing patents that we might not be able to protect properly

One of the Company's most valuable assets is its intellectual property. The Company's owns 1 trademark, 1 patent, copyrights, Internet domain names, and trade secrets. We believe one of the most valuable components of the Company is our intellectual property portfolio. Due to the value, competitors may misappropriate or violate the rights owned by the Company. The Company intends to continue to protect its intellectual property portfolio from such violations. It is important to note that unforeseeable costs associated with such practices may invade the capital of the Company.

Our trademarks, copyrights and other intellectual property could be unenforceable or ineffective

Intellectual property is a complex field of law in which few things are certain. It is possible that competitors will be able to design around our intellectual property, find prior art to invalidate it, or render the patents unenforceable through some other mechanism. If competitors are able to bypass our trademark and copyright protection without obtaining a sublicense, it is likely that the Company's value will be materially and adversely impacted. This could also impair the Company's ability to compete in the marketplace. Moreover, if our trademarks and copyrights are deemed unenforceable, the Company will almost certainly lose any potential revenue it might be able to raise by entering into sublicenses. This would cut off a significant potential revenue stream for the Company.

The cost of enforcing our trademarks and copyrights could prevent us from enforcing them

Trademark and copyright litigation has become extremely expensive. Even if we believe that a competitor is infringing on one or more of our trademarks or copyrights, we might choose not to file suit because we lack the cash to successfully prosecute a multi-year litigation with an uncertain outcome; or because we believe that the cost of enforcing our trademark(s) or copyright(s) outweighs the value of winning the suit in light of the risks and consequences of losing it; or for some other reason. Choosing not to enforce our trademark(s) or copyright(s) could have adverse consequences for the Company, including undermining the credibility of our intellectual property, reducing our ability to enter into sublicenses, and weakening our attempts to prevent competitors from entering the market. As a result, if we are unable to enforce our trademark(s) or copyright(s) because of the cost of enforcement, your investment in the Company could be significantly and adversely affected.

The loss of one or more of our key personnel, or our failure to attract and retain other highly qualified personnel in the future, could harm our business

To be successful, the Company requires capable people to run its day to day

operations. As the Company grows, it will need to attract and hire additional employees in sales, marketing, design, development, operations, finance, legal, human resources and other areas. Depending on the economic environment and the Company's performance, we may not be able to locate or attract qualified individuals for such positions when we need them. We may also make hiring mistakes, which can be costly in terms of resources spent in recruiting, hiring and investing in the incorrect individual and in the time delay in locating the right employee fit. If we are unable to attract, hire and retain the right talent or make too many hiring mistakes, it is likely our business will suffer from not having the right employees in the right positions at the right time. This would likely adversely impact the value of your investment.

Our ability to sell our product or service is dependent on outside government regulation which can be subject to change at any time

Our ability to sell product is dependent on the outside government regulation such as the FDA (Food and Drug Administration), FTC (Federal Trade Commission) and other relevant government laws and regulations. The laws and regulations concerning the selling of product may be subject to change and if they do then the selling of product may no longer be in the best interest of the Company. At such point the Company may no longer want to sell product and therefore your investment in the Company may be affected.

We rely on third parties to provide services essential to the success of our business

We rely on third parties to provide a variety of essential business functions for us, including manufacturing, shipping, accounting, legal work, public relations, advertising, retailing, and distribution. It is possible that some of these third parties will fail to perform their services or will perform them in an unacceptable manner. It is possible that we will experience delays, defects, errors, or other problems with their work that will materially impact our operations and we may have little or no recourse to recover damages for these losses. A disruption in these key or other suppliers' operations could materially and adversely affect our business. As a result, your investment could be adversely impacted by our reliance on third parties and their performance.

We are exposed to risks associated with product liability claims in the event that the use or installation of our products results in injury or damage.

Since our products are consumer products that are potentially inherently dangerous, it is possible that users could be injured or killed by our products, whether by product malfunctions, defects, improper installation, improper usage, or other causes. As a manufacturer of products that are used by consumers, we will face an inherent risk of exposure to product liability claims or class action suits in the event that the use of the products we sell or install results in injury or damage. Moreover, to the extent that a claim is brought against us we may not have adequate resources in the event of a successful claim against us. We will rely on general liability insurance and product liability insurance to cover product liability claims, but claims against us could exceed maximum coverage limits. The successful assertion of product liability claims against us could result in potentially significant monetary damages and, if our insurance

protection is inadequate, could require us to make significant payments.

Ownership and Capital Structure; Rights of the Securities

Ownership

The following table sets forth information regarding beneficial ownership of the company's holders of 20% or more of any class of voting securities as of the date of this Offering Statement filing.

Stockholder Name	Number of Securities Owned	Type of Security Owned	Percentage
Eric Goeken	4,359,673	Common Stock	43.59
Todd Zaroban	4,359,673	Common Stock	43.59

The Company's Securities

The Company has authorized equity stock. As part of the Regulation Crowdfunding raise, the Company will be offering up to 1,783,333 of Common Stock.

Common Stock

The amount of security authorized is 15,000,000 with a total of 10,000,000 outstanding.

Voting Rights

1 vote per share

Material Rights

There are no material rights associated with Common Stock.

What it means to be a minority holder

As a minority holder of Common Stock of the company, you will have limited rights in regards to the corporate actions of the company, including additional issuances of securities, company repurchases of securities, a sale of the company or its significant assets, or company transactions with related parties. Further, investors in this offering may have rights less than those of other investors, and will have limited influence on the corporate actions of the company.

Dilution

Investors should understand the potential for dilution. The investor's stake in a 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 go down, even though the value of the company may go up. 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, angel investment), employees exercising stock options, or by conversion of certain instruments (e.g. convertible

bonds, preferred shares or warrants) into stock. If the company decides 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 (though this typically occurs only if the company offers dividends, and most early stage companies are unlikely to offer dividends, preferring to invest any earnings into the company).

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.

Recent Offerings of Securities

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

- **Name:** Common Stock
Type of security sold: Equity
Final amount sold: \$0.00
Number of Securities Sold: 10,000,000
Use of proceeds: N/A
Date: December 27, 2019
Offering exemption relied upon: Section 4(a)(2)

Financial Condition and Results of Operations

Financial Condition

You should read the following discussion and analysis of our financial condition and results of our operations together with our financial statements and related notes appearing at the end of this Offering Memorandum. This discussion contains forward-looking statements reflecting our current expectations that involve risks and uncertainties. Actual results and the timing of events may differ materially from those contained in these forward-looking statements due to a number of factors, including those discussed in the section entitled "Risk Factors" and elsewhere in this Offering Memorandum.

Results of Operations

Circumstances which led to the performance of financial statements:

Year ended December 31, 2019 compared to year ended December 31, 2018

Revenue

Revenue for fiscal year 2019 was \$24,974, 51% lower compared to fiscal year 2018 revenue of \$51,944. Supply chain disruptions from spring to fall of 2018 resulted in inventory shortages, and marketing efforts were paused while focusing on establishing a new manufacturing supplier. These factors contributed to the decrease in sales revenues from 2018 to 2019.

Cost of Good Sold

Cost of goods sold in 2019 was \$29,389, an decrease of approximately \$12,791, from costs of \$42,180 in fiscal year 2018. While the operational disruption was resolved by October 2018, the accounting disruption affecting the carrying amounts of inventory & accounts payable was not completely resolved until the fourth quarter of 2019. At of the end of 2018, it was not possible for the Company to quantify the financial impact of the disruption. When the financial impact of the disruption became clear, the Company chose not to reopen its financial statements and income tax returns for 2018. Rather, the Company reflected the financial impact in the fourth quarter of 2019 when the impact became known.

Gross margins

As a result of the financial impact of the supply chain disruption noted above, gross margin in 2019 was negative \$4,415 compared to \$9,764 in 2018. The Company expects its gross margins to return to more normal levels in 2020.

Expenses

Expenses in 2019 were \$45,141 and increase of \$9,681 over 2018 when expenses were \$35,460. The primary reason for the increase is the compensation expense associated with the grant of equity securities to members of the Company's Advisory Board. No such compensation expenses were incurred in 2018.

Historical results and cash flows:

Historical results and cash flows are not representative of what investors should expect in the future. Supply chain disruptions that had limited sales revenues and adversely affected gross margins have been resolved with the successful transition to new manufacturing suppliers.

Liquidity and Capital Resources

What capital resources are currently available to the Company? (Cash on hand,

existing lines of credit, shareholder loans, etc...)

As of 4/23/2020, the company currently has \$10,074 of cash on hand at Chase bank, \$13,996 of disburseable funds from StartEngine campaign, and no lines of credit or shareholder loans.

How do the funds of this campaign factor into your financial resources? (Are these funds critical to your company operations? Or do you have other funds or capital resources available?)

The funds of this campaign are critical to growing our company and to a lesser degree, sustaining operations.

Are the funds from this campaign necessary to the viability of the company? (Of the total funds that your company has, how much of that will be made up of funds raised from the crowdfunding campaign?)

The funds from this campaign are necessary to the viability of the company. The majority of funds raised from the campaign will be allocated to marketing, production and inventory in order to generate revenue to grow the company.

How long will you be able to operate the company if you raise your minimum? What expenses is this estimate based on?

If a minimum of approximately \$10,000 is raised we can sustain operations for 6 months. 100% of the minimum raise will be used to pay the StartEngine platform fee. Cash on hand and existing revenue streams will pay operational costs for at least 6 months. Production of inventory and the 2020 marketing campaign will not be completed until additional capital is raised.

How long will you be able to operate the company if you raise your maximum funding goal?

If the maximum of approximately \$1,070,000 is raised we believe we can sustain operations for a minimum of 5 years. We expect these funds will also enable us to pay for 100% of manufacturing costs, develop effective marketing campaigns, achieve sustainable revenues, become profitable, and grow the company.

Are there any additional future sources of capital available to your company? (Required capital contributions, lines of credit, contemplated future capital raises, etc...)

We anticipate launching traditional crowdfunding campaigns in the future to help fund production for new products under development.

Indebtedness

- **Creditor:** ICFS Group LLC

Amount Owed: \$37,106.39

Interest Rate: 0.0%

Maturity Date: December 31, 2021

This is an AP account for product Assembly Services from a company that acquired parts from the former manufacture that went out of business. The balance is due and payable but there are no terms, interest, or a maturity date.

- **Creditor:** Eric Goeken

Amount Owed: \$50,000.00

Interest Rate: 6.0%

FOR VALUE RECEIVED the undersigned, GRILLFOLD, LLC, an Illinois limited liability company (hereinafter "COMPANY"), promises to pay to the order of Eric Goeken (hereinafter "Lender") the sum of FIFTY THOUSAND AND 00/100 (\$50,000.00) DOLLARS ("Principal Amount") together with interest on the unpaid balance of THIRTY THOUSAND AND 00/100 (\$30,000.00) DOLLARS of the Principal Amount from the date of the loan evidenced hereby until paid in full at the rate of six percent (6%) per annum. For the sake of clarity, interest does not accrue on \$20,000.00 of the Principal Amount. Principal and accrued interest shall be paid in full upon the Company securing either debt or equity financing in the amount of at least \$250,000.00, and with the consent of the equity investor or the financial institution providing the loan to the Company. Any part of the outstanding principal balance plus accrued interest thereon may be prepaid from time to time without penalty. Payments received shall be applied first to interest, and the balance on principal. If Company shall fail to perform any of its obligations hereunder and such failure shall continue for a period of ten (10) business days after receipt of written notice regarding the default from Lender, then, a default of Company's obligations hereunder shall be deemed to have occurred. If such default occurs, then the holder of this Note may elect to declare the entire principal remaining at the time unpaid, together with the accrued interest thereon, immediately due and payable. Upon default, interest on the unpaid balance shall accrue at 8% of the unpaid balance per annum, or the maximum rate as allowable by law, whichever is less. The rights, interests and obligations hereunder shall be binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and permitted assigns. Payments of this note may be assigned by Lender to his heirs or for other estate planning purposes. No other assignment by Lender is permitted without the express written consent of Company. THIS NOTE IS NON-NEGOTIABLE AND MAY NOT BE ASSIGNED OR TRANSFERRED EXCEPT AS EXPRESSLY SET FORTH IN THIS PARAGRAPH. Failure or delay of the Lender to enforce any provisions of this Note shall not be deemed a waiver of such provision, nor shall the Lender be estopped from enforcing such provisions at a

later time. Any waiver of the provision hereof must be in writing. Presentment for payment, demand, protest, notice of protest, and notice of non-payment are each hereby waived. This Note may not be changed orally, but only by an agreement in writing and signed by the party against whom enforcement of any waiver, change, modification, or discharge is sought. This Note shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to any applicable principles of conflicts of laws. The Lender of this Note shall be entitled to collect his actual costs, including attorney fees, incurred in any proceeding to enforce the terms and condition of this Note.

- **Creditor:** Capital Premium Financing, Inc.

Amount Owed: \$1,211.85

Interest Rate: 17.79%

Maturity Date: April 28, 2020

Amount owed is remaining balance of liability insurance premium financing.

Amount Financed: \$3728.80. Terms are 10 Monthly payments of \$403.95, first payment made 7/28/2019.

Related Party Transactions

- **Name of Entity:** John Cooper

Relationship to Company: Family member

Nature / amount of interest in the transaction: During 2019, the Company recorded compensation expense associated with Member units granted to a related party of \$134,000.

Material Terms: The Company receives from this related party finance consulting services. This related party also serves on the Company's Advisory Board.

- **Name of Entity:** Eric Goeken

Relationship to Company: 20%+ Owner

Nature / amount of interest in the transaction: The Company recorded during 2019, interest expense of \$7,850 payable to one of the Company's founders under a Note for \$50,000 issued following the founder's contribution of a patent on August 24, 2015.

Material Terms: FOR VALUE RECEIVED the undersigned, GRILLFOLD, LLC, an Illinois limited liability company (hereinafter "COMPANY"), promises to pay to the order of Eric Goeken (hereinafter "Lender") the sum of FIFTY THOUSAND AND 00/100 (\$50,000.00) DOLLARS ("Principal Amount") together with interest on the unpaid balance of THIRTY THOUSAND AND 00/100 (\$30,000.00) DOLLARS of the Principal Amount from the date of the loan evidenced hereby until paid in full at the rate of six percent (6%) per annum. For the sake of clarity, interest does not accrue on \$20,000.00 of the Principal Amount. Principal and accrued interest shall be paid in full upon the Company securing either debt or equity financing in the amount of at least \$250,000.00, and with the consent of

the equity investor or the financial institution providing the loan to the Company. Any part of the outstanding principal balance plus accrued interest thereon may be prepaid from time to time without penalty. Payments received shall be applied first to interest, and the balance on principal. If Company shall fail to perform any of its obligations hereunder and such failure shall continue for a period of ten (10) business days after receipt of written notice regarding the default from Lender, then, a default of Company's obligations hereunder shall be deemed to have occurred. If such default occurs, then the holder of this Note may elect to declare the entire principal remaining at the time unpaid, together with the accrued interest thereon, immediately due and payable. Upon default, interest on the unpaid balance shall accrue at 8% of the unpaid balance per annum, or the maximum rate as allowable by law, whichever is less. The rights, interests and obligations hereunder shall be binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and permitted assigns. Payments of this note may be assigned by Lender to his heirs or for other estate planning purposes. No other assignment by Lender is permitted without the express written consent of Company. THIS NOTE IS NON-NEGOTIABLE AND MAY NOT BE ASSIGNED OR TRANSFERRED EXCEPT AS EXPRESSLY SET FORTH IN THIS PARAGRAPH. Failure or delay of the Lender to enforce any provisions of this Note shall not be deemed a waiver of such provision, nor shall the Lender be estopped from enforcing such provisions at a later time. Any waiver of the provision hereof must be in writing. Presentment for payment, demand, protest, notice of protest, and notice of non-payment are each hereby waived. This Note may not be changed orally, but only by an agreement in writing and signed by the party against whom enforcement of any waiver, change, modification, or discharge is sought. This Note shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to any applicable principles of conflicts of laws. The Lender of this Note shall be entitled to collect his actual costs, including attorney fees, incurred in any proceeding to enforce the terms and condition of this Note.

Valuation

Pre-Money Valuation: \$6,000,000.00

Valuation Details:

The Company set its valuation internally, without a formal-third party independent valuation. We believe the combined achievements of our Intellectual Property, branding, market traction, media recognition, consumer enthusiasm, rave reviews, new product prototypes, and rapid growth potential validates our pre-money valuation. These achievements include:

Awarded US Patent #US 8,915,238 B2 on 12/23/2014

Fulfilled ALL Indiegogo Perks & Backorders.

Opened Amazon & Amazon Prime Sales Channels (4.5 star review avg).

Expanded fulfillment capabilities with Fulfillment By Amazon.

Earned rave reviews from Amazon retail consumers.

Developed a Propane Prototype.

Developed/Tested Heat Resistant Screen Printing Process which opens channels into the custom Branding & Licensing Market.

Earned a Silver Medal from AmazingRibs.com Reviews.

Earned the AmazingRibs.com Award for "Best New Products of 2019".

Successfully transitioned to a new manufacturing partner, Reducing manufacturing costs by 40%.

Became a Wholesale Product Supplier for Walmart.com.

Featured on Mr Gadget LA News Morning show.

Featured on popular viral social channels such as RatedRed and Fatherly.

Achieved Proven Consumer Satisfaction: Warranty return rate is under 1% which is below average for consumer products.

Evolved from post crowdfunding stage to IN MARKET.

Use of Proceeds

If we raise the Target Offering Amount of \$9,999.60 we plan to use these proceeds as follows:

- *StartEngine Platform Fees*
3.5%
- *Start Engine Platform Fees*
96.5%
Platform fees

If we raise the over allotment amount of \$1,069,999.80, we plan to use these proceeds as follows:

- *StartEngine Platform Fees*
3.5%
- *Inventory*
44.9%

These proceeds will be used for manufacturing and overseas shipping costs of the second production run of GoBQ Charcoal Grills.

- *Marketing*
24.3%
GoBQ will focus on targeted digital, social and Search Engine marketing campaigns to engage customers, generate immediate revenue, and increase product awareness. We will also attend Outdoor Expos and Trade shows in order to expand our sales channels to medium and big box retailers.
- *Operations*
6.1%
Additional legal and accounting expenses will be required to support the round.
- *Research & Development*
4.7%
Funds will be used for ongoing research and development.
- *Company Employment*
14.0%
Funds will be used for company wages and salaries.
- *Travel*
2.5%
Funds will be used for company travel expenses.

The Company may change the intended use of proceeds if our officers believe it is in the best interests of the company.

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 the requirements of Regulation Crowdfunding.

Ongoing Reporting

The Company will file a report electronically with the SEC annually and post the report on its website no later than April 30 (120 days after Fiscal Year End). Once posted, the annual report may be found on the Company's website at <https://www.gobqgrills.com> (<https://www.gobqgrills.com/annualreport>).

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

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

Updates

Updates on the status of this Offering may be found at: www.startengine.com/gobq-grills

Investing Process

See Exhibit E to the Offering Statement of which this Offering Memorandum forms a part.

EXHIBIT B TO FORM C

**FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANT'S REVIEW FOR GoBQ Grills,
Inc.**

[See attached]

GoBQ Grills, Inc.

A Delaware Corporation

Financial Statements (Unaudited) and Independent Accountant's Review Report
December 31, 2019 and 2018

GoBQ Grills, Inc.

TABLE OF CONTENTS

	Page
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1
FINANCIAL STATEMENTS AS OF DECEMBER 31, 2019 AND 2018 AND FOR THE YEARS THEN ENDED:	
Balance Sheets	2
Statements of Operations	3
Statements of Changes in Stockholders' /Members' Equity/(Deficit)	4
Statements of Cash Flows	5
Notes to Financial Statements	6-11



To the Board of Directors of
GoBQ Grills, Inc.
Chicago, Illinois

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

We have reviewed the accompanying financial statements of GoBQ Grills, Inc. (the "Company"), which comprise the balance sheets as of December 31, 2019 and 2018, and the related statements of operations, changes in stockholders'/members' equity/(deficit), and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Going Concern

As discussed in Note 3, certain conditions indicate that 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.

Artesian CPA, LLC

Artesian CPA, LLC
Denver, Colorado
April 15, 2020

Artesian CPA, LLC
1624 Market Street, Suite 202 | Denver, CO 80202
p: 877.968.3330 f: 720.634.0905
info@ArtesianCPA.com | www.ArtesianCPA.com

GoBQ Grills, Inc.
BALANCE SHEETS (UNAUDITED)
As of December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Current Assets:		
Cash	\$ 12,721	\$ 4,210
Accounts receivable	694	-
Inventory	4,165	-
Total Current Assets	<u>17,580</u>	<u>4,210</u>
Non-Current Assets:		
Property and equipment, net	7,693	-
Patent	20,000	20,000
Total Non-Current Assets	<u>27,693</u>	<u>20,000</u>
TOTAL ASSETS	<u><u>\$ 45,273</u></u>	<u><u>\$ 24,210</u></u>
LIABILITIES AND STOCKHOLDERS' /MEMBERS' EQUITY/(DEFICIT)		
Liabilities		
Current Liabilities		
Accounts payable	\$ 46,764	\$ 29,013
Accrued expenses	-	25
Total Current Liabilities	<u>46,764</u>	<u>29,038</u>
Long-Term Liabilities		
Notes Payable	50,000	50,000
Accrued interest - notes payable	7,850	6,050
Total Long-Term Liabilities	<u>57,850</u>	<u>56,050</u>
Total Liabilities	<u><u>104,614</u></u>	<u><u>85,088</u></u>
Members' Equity (Deficit)	-	(60,878)
Stockholders' Equity (Deficit):		
Common Stock, \$0.0001 par, 15,000,000 shares authorized, 10,000,000 and 0 shares issued and outstanding, 9,257,960 and 0 shares vested as of December 31, 2019 and 2018, respectively	1,000	-
Additional paid-in capital	100,050	-
Accumulated deficit	(160,391)	-
Total Stockholders' Equity (Deficit)	<u>(59,341)</u>	<u>(60,878)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' /MEMBERS' EQUITY/(DEFICIT)	<u><u>\$ 45,273</u></u>	<u><u>\$ 24,210</u></u>

See Independent Accountant's Review Report and accompanying notes, which are an integral part of these financial statements.

GoBQ Grills, Inc.
STATEMENTS OF OPERATIONS (UNAUDITED)
For the years ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Net revenues	\$ 24,974	\$ 51,944
Cost of goods sold	<u>(29,389)</u>	<u>(42,180)</u>
Gross profit	(4,415)	9,764
Operating Expenses:		
General & administrative	35,515	25,683
Sales and marketing	<u>9,626</u>	<u>9,777</u>
Total Operating Expenses	<u>45,141</u>	<u>35,460</u>
Loss from operations	(49,556)	(25,696)
Other Income/(Expense):		
Interest expense	<u>(1,800)</u>	<u>(1,800)</u>
Total Other Income/(Expense)	<u>(1,800)</u>	<u>(1,800)</u>
Provision for income taxes	-	-
Net loss	<u><u>\$ (51,356)</u></u>	<u><u>\$ (27,496)</u></u>

See Independent Accountant's Review Report and accompanying notes, which are an integral part of these financial statements.

GoBQ Grills, Inc.
STATEMENTS OF CHANGES IN STOCKHOLDERS' / MEMBERS' EQUITY / (DEFICIT) (UNAUDITED)
For the years ended December 31, 2019 and 2018

	Members' Equity (Deficit)		Stockholders' Equity (Deficit)				
	Common Stock		Additional		Total		
	Units	Amount	Number of Shares	Amount	Paid-In Capital	Accumulated Deficit	Stockholders' Equity (Deficit)
Balance at January 1, 2018	8,300,000	\$ (40,043)	-	\$ -	-	\$ -	-
Membership units issued as compensation	-	6,661	-	-	-	-	-
Net loss	-	(27,496)	-	-	-	-	-
Balance at December 31, 2018	8,300,000	(60,878)	-	-	-	-	-
Membership units issued for cash investments	155,000	31,000	-	-	-	-	-
Membership units issued as compensation	720,000	21,893	-	-	-	-	-
Conversion to corporation	(9,175,000)	7,985	10,000,000	1,000	100,050	(109,035)	(7,985)
Net loss	-	-	-	-	-	(51,356)	(51,356)
Balance at December 31, 2019	-	\$ -	10,000,000	\$ 1,000	\$ 100,050	\$ (160,391)	\$ (59,341)

See Independent Accountant's Review Report and accompanying notes, which are an integral part of these financial statements.

GoBQ Grills, Inc.
STATEMENTS OF CASH FLOWS (UNAUDITED)
For the years ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash Flows From Operating Activities		
Net loss	\$ (51,356)	\$ (27,496)
Adjustments to reconcile net loss to net cash used in operating activities:		
Bad debt expense	742	-
Membership units issued as compensation	21,893	6,661
Changes in operating assets and liabilities:		
(Increase)/decrease in accounts receivable	(1,436)	-
(Increase)/decrease in inventory	(4,165)	-
Increase/(decrease) in accounts payable	17,751	23,927
Increase/(decrease) in accrued interest	1,800	1,800
Increase/(decrease) in accrued expenses	(25)	25
Increase/(decrease) in customer deposits	-	(1,370)
Net Cash Provided by (Used In) Operating Activities	<u>(14,796)</u>	<u>3,547</u>
Cash Flows From Investing Activities		
Purchase of property and equipment	<u>(7,693)</u>	-
Net Cash Used In Investing Activities	<u>(7,693)</u>	-
Cash Flows From Financing Activities		
Proceeds from issuance of membership units	<u>31,000</u>	-
Net Cash Provided By Financing Activities	<u>31,000</u>	-
Net Change In Cash	8,511	3,547
Cash at Beginning of Period	<u>4,210</u>	<u>663</u>
Cash at End of Period	<u><u>\$ 12,721</u></u>	<u><u>\$ 4,210</u></u>
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -

See Independent Accountant's Review Report and accompanying notes, which are an integral part of these financial statements.

GoBQ Grills, Inc.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

As of December 31, 2019 and 2018 and for the years then ended

NOTE 1: NATURE OF OPERATIONS

GoBQ Grills, Inc. (the “Company”) was originally organized as a limited liability company (Grillfold LLC) on September 24, 2012 under the laws of Illinois and was subsequently converted to a corporation on December 27, 2019 under the laws of Delaware. The Company was formed to develop, manufacture, and sell innovative ultra-portable grills made from flexible flame and heat-resistant materials. The first product in the Company’s line is the GoBQ® Grill, a grill designed to serve hikers, campers, tailgaters, and other outdoor enthusiasts. The GoBQ® Grill is lightweight, compact, and fast to set up.

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 (GAAP).

The Company adopted the calendar year as its basis of reporting.

Use of Estimates

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

Cash and Cash Equivalents

The Company considers all highly liquid securities with an original maturity of less than three months to be cash equivalents. The Company’s cash and cash equivalents in bank deposit accounts, at times, may exceed federally insured limits. As of December 31, 2019 and 2018, the Company’s cash balances did not exceed federally insured limits.

Fair Value of Financial Instruments

Financial Accounting Standards Board (“FASB”) guidance specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 primarily consists of financial instruments whose value is based on quoted market prices such as exchange-traded instruments and listed equities.

See accompanying Independent Accountant’s Review Report

GoBQ Grills, Inc.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

As of December 31, 2019 and 2018 and for the years then ended

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., quoted prices of similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active).

Level 3 - Unobservable inputs for the asset or liability. Financial instruments are considered Level 3 when their fair values are determined using pricing models, discounted cash flows or similar techniques and at least one significant model assumption or input is unobservable.

The carrying amounts reported in the balance sheets approximate their fair value.

Accounts Receivable

Payment from sales made directly to consumers is generally received at the time of sale. Accounts receivable reflects amounts due from third party sales channel partners for sales completed after deductions for commissions and warehousing expenses. The Company reviews the collectability of all receivables at least quarterly. The Company believes that all accounts receivable as of December 31, 2019 and 2018 are collectible. The Company has not charged interest on past due receivables.

Inventory

Inventory is stated at the lower of cost or market, maintained on a first in, first out basis. Allowances are recorded to reduce the carrying value of inventory for factors such as excess quantities. Write-downs of inventory establish a new cost basis, which is not increased for future changes in market or changes in excess quantities. At December 31, 2019, inventory was entirely comprised of finished good and no allowances had been recorded.

Property and Equipment

The Company's acquired property and equipment during the year ended December 31, 2019 for total cost of \$7,693. The equipment has not been depreciated as it has not been placed in service as of year-end. Depreciation will be provided using the straight-line method over the estimated useful lives of the assets as follows:

Computer equipment	3 years
Office equipment	3 to 5 years
Furniture and fixtures	7 to 10 years
Leasehold improvements	5 years

Long-Lived Assets

The Company evaluates long-lived assets for impairment whenever events or circumstances indicate the carrying value of an asset may not be recoverable. If the estimated future cash flows (undiscounted without interest charges) from the use of an asset were less than the carrying value, the related asset would be written down to its estimated fair value. There were no such impairments in 2019 or 2018.

See accompanying Independent Accountant's Review Report

GoBQ Grills, Inc.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

As of December 31, 2019 and 2018 and for the years then ended

Revenue Recognition

The Company recognizes revenue in accordance with ASC 606 when it has satisfied its performance obligations to its customers and collection is probable, which generally occurs when the Company ships its orders.

Cost of Goods Sold

Cost of goods sold includes product costs, freight, shipping, selling and merchant fees.

Sales & Marketing

Sales and marketing costs are expensed as incurred. Total expenses related to sales and marketing were \$9,626 and \$9,777 for the years ended December 31, 2019 and 2018, respectively.

Member Unit-Based Compensation

The Company accounts for stock-based compensation in accordance with authoritative accounting literature, which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors based on estimated fair value. The Company estimates the fair value of share-based payment awards on the date of grant. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service period using the straight-line method. Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

Income Taxes

The Company uses the liability method of accounting for income taxes as set forth in ASC 740, *Income Taxes*. Under the liability method, deferred taxes are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities using tax rates expected to be in effect during the years in which the basis differences reverse. A valuation allowance is recorded when it is unlikely that the deferred tax assets will be realized.

The Company assesses its income tax positions and records tax benefits for all years subject to examination based upon its evaluation of the facts, circumstances and information available at the reporting date. In accordance with ASC 740-10, for those tax positions where there is a greater than 50% likelihood that a tax benefit will be sustained, our policy is to record the largest amount of tax benefit that is more likely than not to be realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. For those income tax positions where there is less than 50% likelihood that a tax benefit will be sustained, no tax benefit will be recognized in the consolidated financial statements. The Company has determined that there are no material uncertain tax positions.

The Company accounts for income taxes with the recognition of estimated income taxes payable or refundable on income tax returns for the current period and for the estimated future tax effect attributable to temporary differences and carryforwards. Measurement of deferred income items is based on enacted tax laws including tax rates, with the measurement of deferred income tax assets being reduced by available tax benefits not expected to be realized in the immediate future.

See accompanying Independent Accountant's Review Report

GoBQ Grills, Inc.**NOTES TO FINANCIAL STATEMENTS (UNAUDITED)****As of December 31, 2019 and 2018 and for the years then ended**

From its inception until December 27, 2019, at which time the LLC was converted to a corporation, the Company was subject to taxation as a limited liability company, and therefore was treated as a partnership for federal and state income tax purposes with all income tax liabilities and/or benefits of the Company being passed through to the members. As such, no recognition of federal or state income taxes for the Company have been provided for in the accompanying financial statements during that period. The Company was, however, subject to Illinois replacement tax on its Illinois taxable income. No Illinois replacement tax was recorded in 2019 and 2018 as the Company had accumulated losses as of December 31, 2019 for Illinois replacement tax purposes of \$34,025.

For the period after the December 27, 2019 conversion to a corporation, the Company was taxed as a corporation. No 2019 activity was attributed to the corporation for tax purposes. The Company files U.S. federal and state income tax returns. The 2019 tax returns have not yet been filed as of the issuance of these financial statements. All tax periods since 2016 remain open to examination by the taxing jurisdictions to which the Company is subject.

NOTE 3: GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has sustained a net losses of \$51,356 and \$27,496 for the years ended December 31, 2019 and 2018, respectively, has negative cash flows from operations, has a working capital deficiency of \$29,184 as of December 31, 2019, lacks liquidity to pay its obligations as they come due with just \$12,721 of cash as of December 31, 2019, and has an accumulated deficit of \$106,391 as of December 31, 2019.

The Company's ability to continue as a going concern in the next twelve months following the date the financial statements were available to be issued is dependent upon its ability to produce revenues and/or obtain financing sufficient to meet current and future obligations and deploy such to produce profitable operating results. Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs. No assurance can be given that the Company will be successful in these efforts.

These factors, among others, raise substantial doubt about the ability of the Company to continue as a going concern for a reasonable period of time. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities.

NOTE 4: NOTES PAYABLE

In 2015, one of the founders of the Company contributed a patent to the Company in return for a promissory note carrying a principal amount of \$50,000. Interest accrues on the unpaid balance less \$30,000 at the rate of 6% annually. Principal and accrued interest are payable in full upon the Company securing either debt or equity financing in the amount of at least \$250,000 and with the consent of the equity investor or financial institution providing the debt or equity financing. Interest expense for the years ended December 31, 2019 and 2018 was \$1,800 and \$1,800, respectively.

See accompanying Independent Accountant's Review Report

GoBQ Grills, Inc.**NOTES TO FINANCIAL STATEMENTS (UNAUDITED)****As of December 31, 2019 and 2018 and for the years then ended**

NOTE 5: STOCKHOLDERS'/MEMBERS' EQUITY/DEFICITCapital Structure

The Company was organized as a limited liability company with 10,000,000 authorized membership units through the December 27, 2019 conversion to a corporation. The number of member units issued and outstanding as of December 31, 2018 was 8,300,000, of which 8,233,333 were vested.

On December 27, 2019, the Company converted to a Delaware corporation and authorized 15,000,000 shares of common stock with a par value of \$0.0001. All membership units in the Company were converted into common stock at the rate of 1.0899183 share of common stock for each membership unit. As of December 31, 2019, 10,000,000 shares of common stock were issued and outstanding and 9,257,960 shares of common stock were vested.

Membership Unit Issuances

During the year ended December 31, 2019, the Company issued 155,000 membership units at \$0.20 per membership unit for gross proceeds of \$31,000.

Member Unit Based Compensation

The Company records issued and outstanding membership units at the grant date, and discloses the vested portions of such.

During the year ended December 31, 2017, the Company granted 100,000 member units (converted to 108,992 shares of common stock) with a grant-date fair value of \$0.20 per unit. This grant vests over a 3-year period.

During the year ended December 31, 2019, the Company granted 720,000 member units (converted to 784,741 shares of common stock) with a grant-date fair value of \$0.20 per unit. These grants vest over a 3-year period.

For the years ended December 31, 2019 and 2018, the Company recorded compensation expense of \$21,893 and \$6,661, respectively, on the vesting of the membership unit grants. As of December 31, 2019, 742,040 shares of common stock remained subject to vesting. Total unrecognized compensation cost related to non-vested member units amounted to \$133,950 and will be recognized over a weighted average period of 31 months as of December 31, 2019.

NOTE 6: RELATED PARTY TRANSACTIONS

As discussed in Note 4, for the years ended December 31, 2019 and 2018, the Company incurred interest expense in the amounts of \$1,800 and \$1,800, respectively, on a note agreement with a related party.

NOTE 7: RECENT ACCOUNTING PRONOUNCEMENTS

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers" (Topic 606). This ASU

See accompanying Independent Accountant's Review Report

GoBQ Grills, Inc.**NOTES TO FINANCIAL STATEMENTS (UNAUDITED)****As of December 31, 2019 and 2018 and for the years then ended**

supersedes the previous revenue recognition requirements in ASC Topic 605—Revenue Recognition and most industry-specific guidance throughout the ASC. The core principle within this ASU is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration expected to be received for those goods or services. In August 2015, the FASB issued ASU 2015-14, "Revenue from Contracts with Customers", which deferred the effective date for ASU 2014-09 by one year to fiscal years beginning after December 15, 2017, while providing the option to early adopt for fiscal years beginning after December 15, 2016. Transition methods under ASU 2014-09 must be through either (i) retrospective application to each prior reporting period presented, or (ii) retrospective application with a cumulative effect adjustment at the date of initial application. We are continuing to evaluate the impact of this new standard on our financial reporting and disclosures, including but not limited to a review of accounting policies, internal controls and processes. We adopted the new standard effective January 1, 2018.

In February 2016, the FASB issued ASU 2016-02, "Leases" (Topic 842). This ASU requires a lessee to recognize a right-of-use asset and a lease liability under most operating leases in its balance sheet. The ASU is effective for annual and interim periods beginning after December 15, 2020, including interim periods within those fiscal years. Early adoption is permitted. We are continuing to evaluate the impact of this new standard on our financial reporting and disclosures.

Management does not believe that any other recently issued, but not yet effective, accounting standards could have a material effect on the accompanying financial statements. As new accounting pronouncements are issued, we will adopt those that are applicable under the circumstances.

NOTE 8: SIGNIFICANT CUSTOMERS

The Company sells directly to consumers through its e-commerce website and at sales events. Sales through the Company's e-commerce website are fulfilled by Amazon to whom the Company pays a commission and a warehousing fee. The Company also sells to consumers through third party sales channels, including Amazon.com and Indiegogo.com. Sales made through Amazon.com were \$13,526 and \$15,665 and sales through Indiegogo.com were \$300 and \$3,395 for the years ended December 31, 2019 and 2018, respectively. The Company also sells products to Walmart at wholesale prices, which totaled \$7,420 in 2019.

NOTE 9: CONTINGENCIES

The Company may be subject to pending legal proceedings and regulatory actions in the ordinary course of business. The results of such proceedings cannot be predicted with certainty, but the Company does not anticipate that the final outcome, if any, arising out of any such matter will have a material adverse effect on its business, financial condition or results of operations.

NOTE 10: SUBSEQUENT EVENTS

The Company has evaluated subsequent events through April 15, 2020, the date the consolidated financial statements were available to be issued. Based on the evaluation, no additional material events were identified which require adjustment or disclosure.

See accompanying Independent Accountant's Review Report

EXHIBIT C TO FORM C

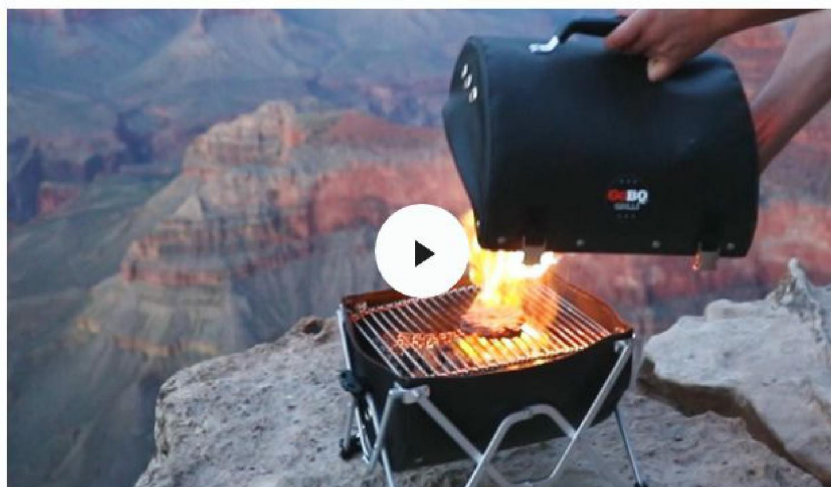
PROFILE SCREENSHOTS

[See attached]



GoBQ Grills, Inc.

GoBQ Ultra Portable Grills & Accessories



[Website](#) [Chicago, IL](#)

CONSUMER PRODUCTS

GoBQ produces portable grills made from foldable fireproof fabric. The GoBQ grill is compact enough to fit in a backpack and be stored in a drawer. Weighing in under 10 pounds, it is easy to carry on bike or by foot. We have won multiple awards, including a silver medal rating and "top new product" status from AmazingRibs.com. There is no grill on the market that matches the GoBQ grill on both portability and functionality. The GoBQ grill also cools 7 times faster than any other grill on the market, making it truly practical to travel with.

\$0.00 raised

116
Investors

14
Hours Left

\$0.60
Price per Share

\$6M
Valuation

Equity
Offering Type

\$300.00
Min. Investment

INVEST NOW



This Offering is eligible for the [StartEngine Owner's 10% Bonus](#)

This Reg CF offering is made available through StartEngine Capital, LLC.

Overview

Team

Terms

Updates⁹

Comments



Follow

Reasons to Invest

- Large Market: One in three Americans plan to buy a grill in the near year, and 13% of Americans say they like to grill away from home (mintel)
- Patented Technology: GoBQ is the first grill on the market that is built from fabric and has a utility patent making it the lightest grill on the market that has a lid
- Previous Success: Raised over \$120,000+ from over 711 backers on Indiegogo and Backerkit fulfilling all 650+ grills to our backers

Bonus Rewards

Get rewarded for investing more into GoBQ Grills, Inc.

\$300+

Investment

**StartEngine
Owner's Bonus**

This offering is eligible for the [StartEngine Owner's 10% Bonus](#)

and backers, getting an extra grill to our backers.

Starting in 2015, we began offering a 10% bonus to all investors. For details on the bonus, please see the Offering Summary section below.

"Grill away from it all"

OUR STORY

Innovation, international support and an outstanding Indiegogo campaign

The vision for GoBQ started in 2012 with the founding of Grillfold LLC and the creation of our first prototype. By 2014, we had a utility patent and our trademarked brand. Since then, GoBQ launched an Indiegogo campaign that raised over **\$115,000 from 711 backers from 44 countries buying over 650 grills and then an additional \$8,000+ on Backerkit**. After this international outpouring of support, we developed our production model, fulfilled all of our backer obligations, and began direct online sales.



\$300+

Investment

All Investor Owners Club

5% discount on all GoBQ online purchases for LIFE and 30% off any GoBQ black grill (retail price \$149.99) purchased from the website, Early access to products, Private owners

\$500+

Investment

First Tier

\$500+ | Above + CEO Designed GC Grill T-Shirt - Boldly Grill Where No One Has Grilled Before

\$1,000+

Investment

Second Tier

\$1,000 | Above + Owners Exclusive GOBQ® Charcoal Grill

\$2,500+

Investment

Third Tier

\$2,500+ | Above +10% lifetime discount on all online purchases

\$5,000+

Investment

Fourth Tier

\$5,000+ | Above + 5% bonus share

THE PROBLEM

Clunky, heavy and slow-to-cool grills

Before GoBQ, there was no grill that was both portable and effective. Those that were small enough to carry around were far too small to be actually effective as grills, heating up insufficiently, lacking grill space or missing a lid. Metal grills are hard to clean and frustrating to store, and they often stay hot for a long time, making them even harder and more dangerous to cool down.

making them even harder and more dangerous to pack up.



“ Try as they might, few portable grills are truly portable, thanks to rigid bodies, weighty construction, & lengthy cool-down times...”

uncrate

Uncrate

THE SOLUTION

A foldable, lightweight and easy-to-use grill

GoBQ turned the portable grill market on its head by substituting fireproof fabric for metal when making its grills. GoBQ uses a silicone coated fiberglass fabric in its grills, with foldable cooking grates and a collapsible charcoal basket made out of metal, allowing it to be compact enough to fit in a backpack but expand into a cooking surface with 7 inches of clearance. From a backpack, GoBQ can expand large enough to be a portable smoker and grill as many as 9 burgers at a time.

Meet your new favorite grilling buddy



\$10,000+

Investment

Fifth Tier

\$10,000+ | \$2500 and above tier + bonus shares

\$20,000+

Investment

Sixth Tier

\$20,000+ | \$2500 and above tier + Invitation to private GoBQ Lakeshore Party in Chicago to grill with the GoBQ team + 15% bonus shares

\$50,000+

Investment

Seventh Tier

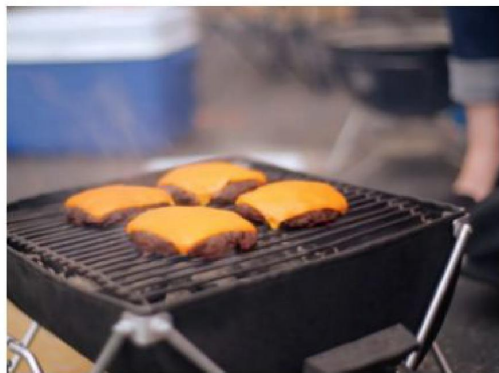
\$50,000+ | Above+ 20% bonus + Private Customized GoBQ® Charcoal Grill domestic round trip airfare tickets (\$1000 total) and 2 nights in a four-star hotel.

OUR TRACTION

Key supporters and loyal customers lead to rising sales

As of early 2020, we have sold over 1,400 units in 44 different countries. We were born out of strong community support with a successful Indiegogo campaign, during which Kingsford Charcoal bought all our Special Edition grills, worth \$20,000. Kingsford also arranged a Chicago television appearance for us and used our grills as raffle prizes. Both our loyal consumer base and mainstream recognition bring us pride and show that we have what it takes to continue to grow as a company.

Crowdfunding Success with 100% Pre-Order Fulfillment



The GoBQ Grill: Redefining Portability

A revolutionary, lightweight, fold-up fabric grill that fits in a backpack



GoBQ Grills
1 Campaign | Chicago, United States

\$115,105 from 711 backers

303% funded



And it's not just our Backers who love us!

We have been featured by over **50 online, TV and print media channels** and **had two network TV appearances**, became a Walmart.com online wholesale vendor and opened Amazon and Amazon Prime sales channels. Our customers give us **rave reviews**, and we are committed to continuing to serve them through new innovations and products, like the propane prototype currently in research and development stages.

The Best Portable Grill of 2020

If you want portable charcoal grilling in a **truly** portable package, this is

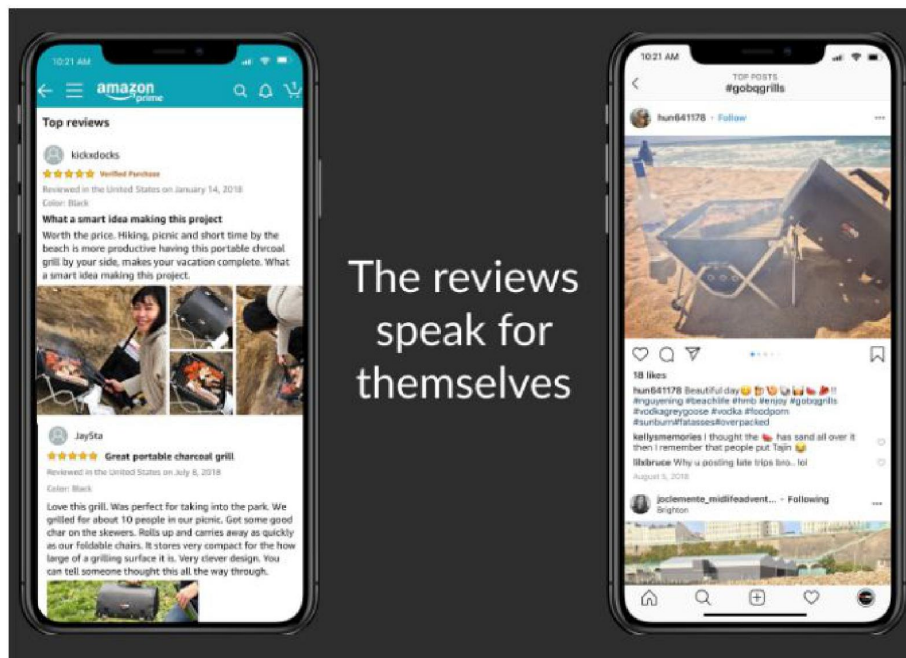


portable package, this is
the best grill to buy.



“ The GoBQ
puts all other
portable grills
to shame.”

Michael Noliedo
insidehook.com



The reviews
speak for
themselves

insidehook

WHAT WE DO

A pioneering presence in outdoor grilling

Grillfold, LLC. was founded in 2012 to develop, manufacture and sell innovative ultra-portable grills made from flexible flame- and heat-resistant materials. The

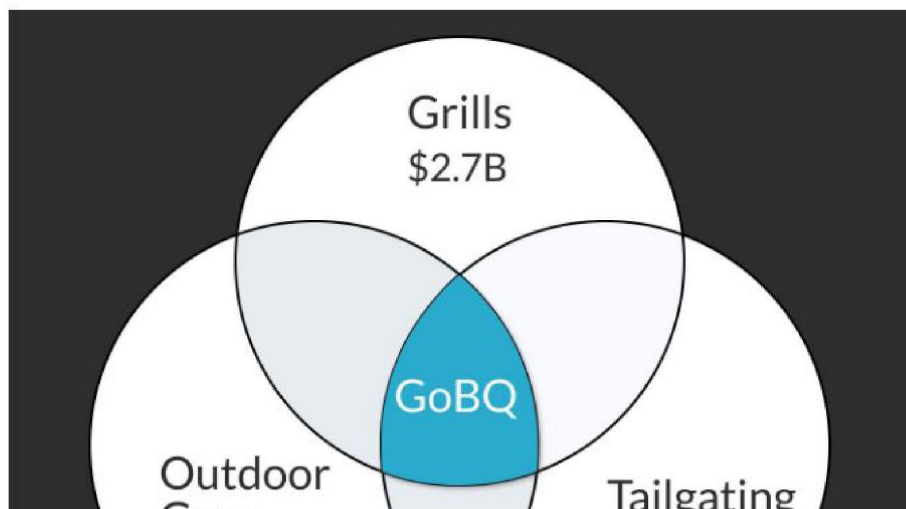
first product in our line is the "GoBQ® Grill," a grill designed to serve hikers, campers, tailgaters and other outdoor enthusiasts. It is lightweight, compact, fast to set up and only the first of many potential GoBQ products to utilize unique materials and design to revolutionize grilling.



THE MARKET

The grill market is ripe for disruption

GoBQ is at the intersection of a number of huge markets. The tailgating industry alone is \$11.4B, the outdoor gear market is a massive \$120B (2012 outdoor industry assoc.) and the **grill market alone is \$2.7B** (Mintel. Grill and Barbecuing July 2018). The grill market has long lacked innovation and is ripe for disruption. The market research also indicates that people are willing to invest in grilling equipment, as 32% of people plan on buying a grill in the next year and 13% of all Americans enjoy grilling away from home.



Gear
\$120B

\$11.4B

HOW WE ARE DIFFERENT

We believe we are the only company making functional fabric grills

We believe we are the first and only portable grill made from fireproof fabric, and we have a utility patent on our innovation. This puts our grills far ahead of the competition in terms of portability.

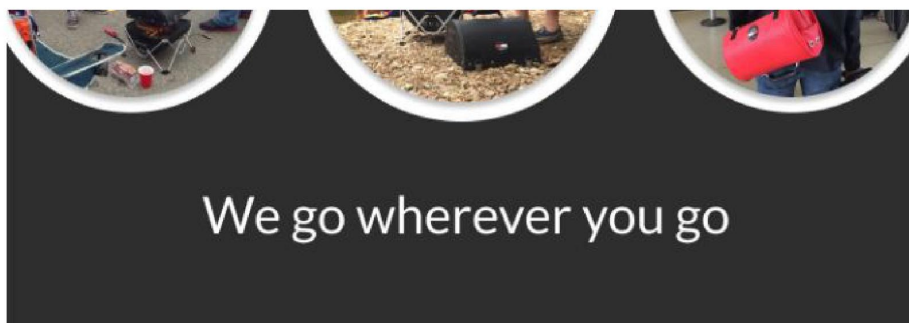
Our
unique
design
makes
that
possible



**Images are computer generated demo versions.*

We believe no other complete grill can fit in a backpack, and no other grill cools down nearly as quickly as ours. Because of that, we serve a market that no other grill can serve.





We go wherever you go

THE BUSINESS MODEL

Crowdfunding, partnerships and a stellar product

We have three different sales methods: business to consumer sales, retail sales and promotional product market sales. We sell online through [our website](#) and Amazon, and we also sell directly to consumers at different events. We partner both with Walmart and an assortment of small businesses for our retail sales. Expanding our retail operations is our next step in taking GoBQ to the next level.



THE VISION

The potential to become a leader in the grill market

As a result of our continued success and endorsements, we have great

As a result of our continued success and endorsements, we have great confidence in our products. At least half of the money we raise through StartEngine will be spent on marketing, through a variety of mediums. Our growth plan centers around both expanding to new consumers and growing our product line to include customizable colors, licensing, grilling tools and accessories and a propane model. In 2020, we expect to sell 2,900 units.

We plan to be the go-to company for portable grilling. We currently have the best portable grill on the market, and our goal is to create a line of products centered around grilling away from it all. We could expand to selling utensils, charcoal bags, custom GoBQ backpacks, and other supplies. GoBQ has the potential to become a leader in the grill market, and we project acquisition after 3-5 years to a strategic partner in a similar industry.



**Propane image is a computer generated version*

The flagship GoBQ grill is our charcoal model. It is a foldable fireproof fabric, and it has ample grill surface and a cover to allow for easy, delicious grilling.





The majority of grills are propane fueled, so we have been developing a propane GoBQ grill. This model will offer the same comfortable cooking surface as the charcoal model but will use the most popular fuel.



We plan to create a line of portable GoBQ grill tools to go along with our two grill models. These items will make us into a one-stop-shop to be able to grill anywhere, anytime.





OUR TEAM

Diverse experience and a commitment to innovation

Our founding duo brings a mixture of leadership experience, brand development and creative innovation. Together, they possess a diverse set of skills and interests that have carried the company to the success it enjoys today. Our advisors also bring great value to our company, as they have varying skills, proven track records, recognition and valuable insight.

Todd Zaroban
CEO/Marketing Director



We have the privilege to consult with nationally respected culinary figures, experts in finance, inventors and business leaders. They provide invaluable guidance, support and leadership to our company.



Eric Goeken
Chief Product Designer

WHY INVEST

The first company to change the outdoor grilling landscape

The chance to invest in GoBQ is an opportunity to own a part of a fun and exciting company that is revolutionizing outdoor cooking. With our success, traction and attention, we are poised for rapid growth as we release new products and attract new consumers. No other company has innovated in our market for decades, so we have an opportunity to disrupt a stagnant market. And lastly, the active grilling and cooking cultures surrounding sports, tailgating and hiking suggest that there will be opportunities for licensing sports teams and other brands on products.



“...it could revolutionize the portable charcoal grill forever...”

Derrick Riches
bbq.about.com

Source



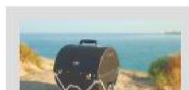
Prototype #1

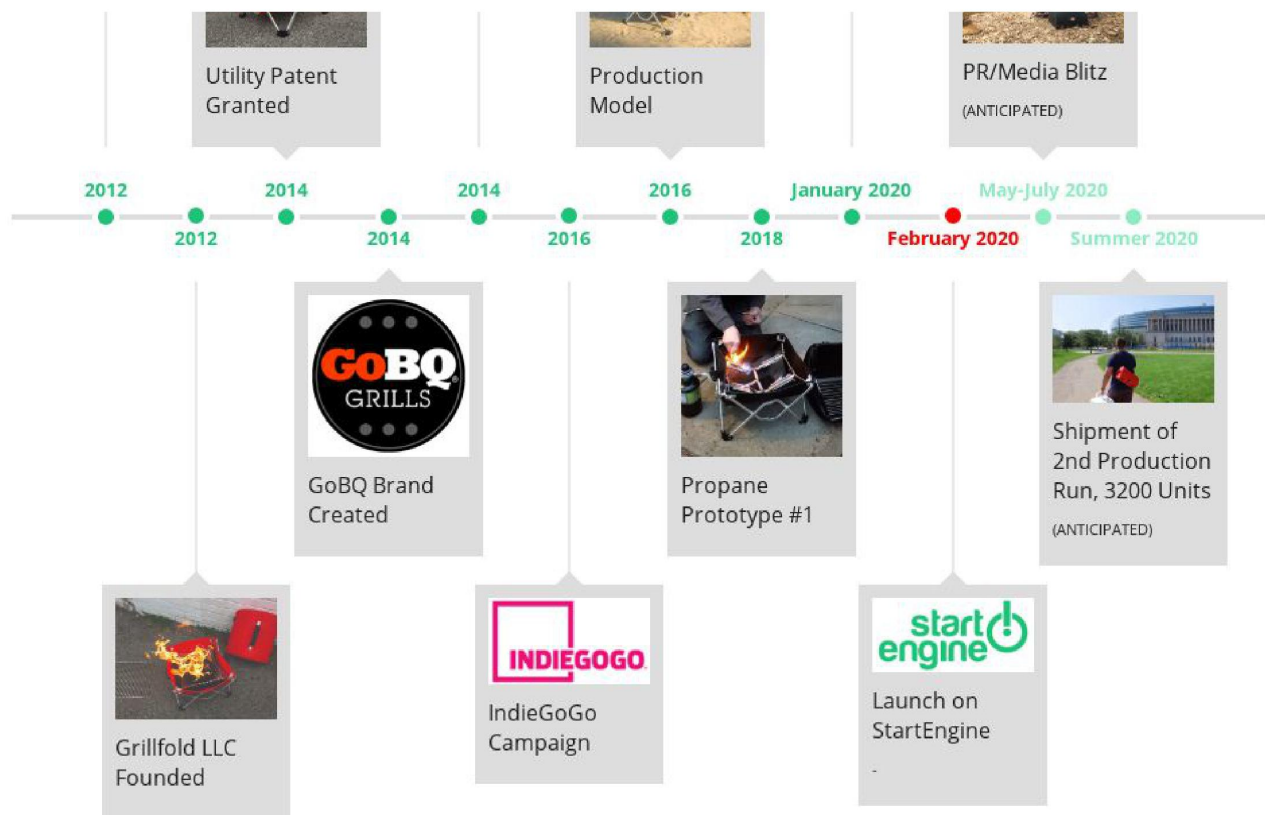


Prototype #5



Converted to C-Corp





In the Press

GAME&FISH

SEEK THE WORLD
ADVENTURE & THE DESTINATION

DIGITAL
TRENDS

GRILLGIRL
LIVESTREAM AT A GRILL AS THE GRILL GIRL

TAILGATER
MAGAZINE



SHOW MORE

Meet Our Team





Todd Zaroban

CEO

Todd Zaroban received a Bachelor of Fine Arts degree from the University of Nebraska in 1991. From 1990 to 1998 he worked as a graphic designer, art director and production supervisor in the graphics industry. In 1998, he started his own design company, Zaroban Design, and has sustained this successful business for over 20 years. During that time, he developed visual communication solutions for numerous global brands such as Bayer, AstraZeneca, McDonalds and Edelman. In 2002, he co-founded Get-The-Game, LLC, a startup company that provided rapid-time live scoring and stats services for college basketball. Todd's focus is on the operations, manufacturing, marketing and sales of the existing and new GoBQ products. Todd currently works about 30 hours a week at the company.



Eric Goeken

Chief Product Designer

Eric Goeken earned a Bachelor of Architecture degree at Iowa State University in 2004 and worked for Holabird & Root architecture firm for 7 years. He's currently working as a Project Architect for HDR in Omaha, Nebraska. His in-depth knowledge of structural design and building materials has been key to the efficient development and refinement of several GoBQ prototypes that have led up to the final product. Eric's focus moving forward is on product engineering, research and development, and innovation. Eric currently works 6-10 hours per week at the company.



John Cooper

Financial Advisor

John earned a BS in Finance with honors from the University of Nebraska - Lincoln in 2005, and then spent five years working at TD Ameritrade as a new account sales specialist and investment consultant, attaining Series 7 and 66 licenses and becoming a Chartered Retirement Planning Counselor. In 2010, John moved to Chicago to found several start-up companies while earning his MBA from the University of Chicago Booth School of business, in 2014, with concentrations in Entrepreneurship and Managerial/ Organizational Behavior. In 2012, John left the



McKay Johnson

Engineering Advisor

McKay is a seasoned mechanical engineer with 18+ years working on a wide variety of consumer products. His experience ranges from creating initial prototypes to preparing products to be manufactured at rates above 1M+ per quarter. While working at Motorola and Ignite, McKay has travelled worldwide working with suppliers of all disciplines and levels of technology.

Currently, he is a Staff Mechanical Engineer at Optimal Design in Chicago, laying out initial architectures and completing detailed product designs while meeting clients' cost, quality, and timelines. He earned a Bachelor of Science in

start-up world to join Real Estate Investment firm HAN Capital as a project manager for several storage facility acquisitions, and a year later became the third partner at HAN Capital.

Mechanical Engineering from the University of Illinois at Urbana-Champaign.

Offering Summary

Company : GoBQ Grills, Inc.

Corporate Address : 3742 N Janssen, STE 1, Chicago, IL 60613

Offering Minimum : \$9,999.60

Offering Maximum : \$1,069,999.80

Minimum Investment Amount : \$300.00
(per investor)

Terms

Offering Type : Equity

Security Name : Common Stock

Minimum Number of Shares Offered : 16,666

Maximum Number of Shares Offered : 1,783,333

Price per Share : \$0.60

Pre-Money Valuation : \$6,000,000.00

**Maximum Number of Shares Offered subject to adjustment for bonus shares. See Bonus info below.*

Perks* and Investment Bonus

All Investor Owners Club

5% discount on all GoBQ online purchases for LIFE

30% off any GoBQ black grill purchased from the website

Early access to products

Private owners group

Early Bird

First 48 hours - Friends and Family Early Birds | 15% bonus shares

Next 5 days - Early Bird Bonus | 10% bonus shares

Volume

\$500+ | CEO Designed GOBQ® Grill T-Shirt - Boldly Grill Where No One Has Grilled Before (see

artwork in media upload)

\$1,000 | Above + Owners Exclusive GOBQ® Charcoal Grill

\$2,500+ | Above +10% lifetime discount of online purchase

\$5,000+ | Above + 5% bonus shares

\$10,000+ | \$2500 and above tier + 10% bonus shares

\$20,000+ | \$2500 and above tier + Invitation to private GoBQ Lakeshore Party in Chicago to grill with the GoBQ team + 15% bonus shares

\$50,000+ | Above+ 20% bonus + Personal Customized GoBQ® Charcoal Grill + 2 domestic round trip airfare tickets (up to \$1000 total) and 2 nights in a four-star hotel.

**All perks will occur after the offering is completed.*

The 10% Bonus for StartEngine Shareholders

GoBQ Grills, Inc., will offer 10% additional bonus shares for all investments that are committed by investors that are eligible for the StartEngine Crowdfunding Inc. OWNER's bonus.

This means eligible StartEngine shareholders will receive a 10% bonus for any shares they purchase in this offering. For example, if you buy 100 shares of Common Stock at \$0.60 / share, you will receive 110 shares of Common Stock, meaning you'll own 110 shares for \$60. 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 during the investors eligibility period. Investors eligible for this bonus will also have priority if they are on a waitlist to invest and the company surpasses its maximum funding goal. They will have the first opportunity to invest should room in the offering become available if prior investments are cancelled or fail.

Investors will only receive a single bonus, which will be the highest bonus rate they are eligible for.

Irregular Use of Proceeds

The Company might incur Irregular Use of Proceeds that may include but are not limited to the following over \$10,000: Vendor payments. Any expense labeled "Travel and Entertainment".

[Offering Details](#)

[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

Notice of Funds Disbursement

9 days ago

[The following is an automated notice from the StartEngine team].

Hello!

As you might know, GoBQ Grills, Inc. has exceeded its minimum funding goal. When a company reaches its minimum on StartEngine, it's about to begin withdrawing funds. If you invested in GoBQ Grills, Inc. be on the lookout for an email that describes more about the disbursement process.

This campaign will continue to accept investments until its indicated closing date.

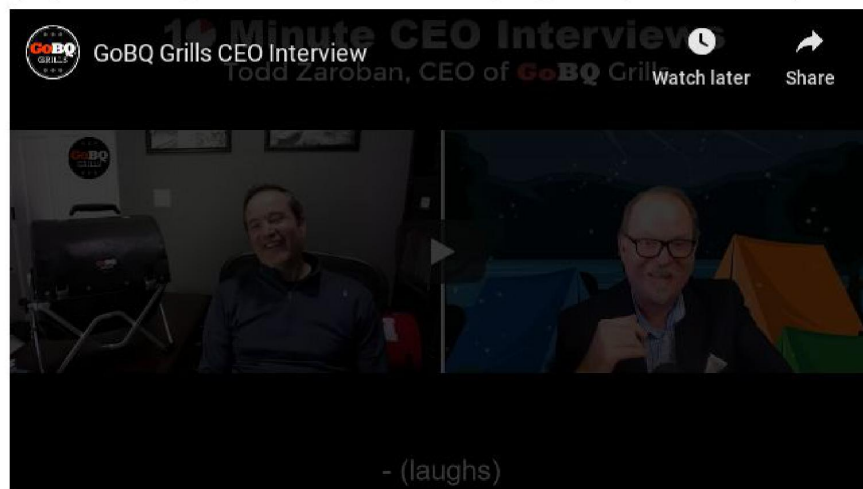
Thanks for funding the future.

-StartEngine

The 10 Minute CEO Interview

11 days ago

Check out the "10 Minute CEO Interview" with GoBQ's Co-Founder/CEO Todd Zaroban as he gets "grilled" by Entrepreneur/Investor/Pitch-Deck-Guru Jon Stoddard. They talk bbq, manufacturing, equity crowdfunding, consumer enthusiasm, and navigating challenges of the Covid-19 pandemic.



Annual Report Filing Extension Notice

14 days ago

Dear Investors, I hope this message finds you healthy, safe and secure.

The SEC is allowing all companies a 45-day extension on the April 29th annual report filing deadline due to the Covid-19 pandemic. We elected to use the extension so that we can focus our efforts on the campaign in progress and shifting our marketing tactics to better connect with everyone's changing lifestyles while the Covid-19 pandemic runs its course. In order to qualify for this extension, we are required to notify investors, so this post serves as our notification.

All my best,

Todd Zaroban
Co-founder & CEO
GoBQ Grills, Inc.

CNET Editors pick GoBQ as "Best Portable Charcoal Grill" for 2020!

21 days ago

We're incredibly proud and excited to announce that **GoBQ has been picked by CNET as the "Best portable charcoal grill" for 2020!**

CNET Best Portable Charcoal Grill for 2020

Check out the full review, and if you haven't invested yet, be sure to get in on the action before our campaign expires. And guess what else... *prime grilling season* is around the corner!

GoBQ Grills, Inc. COVID-19 Update

about 2 months ago

Dear GoBQ Investors and Supporters,

From our families to yours, we hope this message finds you healthy and well during these difficult times.

We are writing to update our investors and supporters about how the global COVID-19 pandemic is impacting our company, and what we are doing to align our tactics to meet these unprecedented challenges.

First, we remain confident in our product and steadfast in our mission to grow GoBQ Grills into a brand leader for portable outdoor grilling gear. GoBQ Grills was born from a desire to merge two of life's greatest joys: The thrill of the outdoors, and grilling out with family or friends. ***We believe this mission is relevant and impactful now more than ever.***

Second, our supply chain is strong. Progress on our second production run has been slowed due to the COVID-19 pandemic, but our overseas suppliers have been continually communicating with us and have informed us they are through the worst of it. Their factories have resumed operations and are ramping back up toward full capacity. Tooling for component parts is completed, and we expect to see a production sample within the next 2-3 weeks.

And finally, our plans for a big Spring/Summer 2020 marketing push are full steam ahead. Spring is nearing and peak grilling season is just around the corner. As social distancing is becoming the new normal, we believe our slogan ***"Grill Away From it All"*** is already perfectly suited for our 2020 campaign, and consumers will be clamoring for highly portable outdoor products that can be easily carried long distances.

Thank you again for your interest and support. We've raised more than \$50,000 from over 70 investors so far and look forward to sharing more production updates and new media coverage. And as always, if you have any questions or concerns, please feel free to reach out to us.

All the Best,

Todd Zaroban
CEO
GoBQ Grills, Inc.

Notice of Funds Disbursement

2 months ago

[The following is an automated notice from the StartEngine team].

Hello!

As you might know, GoBQ Grills, Inc. has exceeded its minimum funding goal. When a company reaches its minimum on StartEngine, it's about to begin withdrawing funds. If you invested in GoBQ Grills, Inc. be on the lookout for an email that describes more about the disbursement process.

This campaign will continue to accept investments until its indicated closing date.

Thanks for funding the future.

-StartEngine

All About How our GoBQ Perks Work

2 months ago

Hello GoBQ Fans! Just wanted to provide more insight as to how our perks work. Perks for investors are included at the minimum \$300 investment, and more perks accumulate depending on which investment tier you reach. **IMPORTANT:** Discount and Bonus percentages are NOT combined, you will receive the highest % discount and/or bonuses available at each tier.

All Investor Owners Club: \$300+ Investment

- **30% Discount on 1 Black GoBQ Grill purchased at gobqgrills.com**
- **5% Lifetime Discount on all purchases at gobqgrills.com**
- Early access to new products
- Private Owners Group

TIER 1: \$500+ Investment

- All "Investor Owners Club" Perks
- **+ 1 CEO Designed "Grill Where No One Has Grilled Before" T-shirt**

TIER 2: \$1000+ Investment

- All "Investor Owners Club" Perks and all TIER 1 Perks
- **+ 1 (Black) GoBQ Grill (\$149.95 value)**

TIER 3: \$2500+ Investment

- All "Investor Owners Club" Perks and all TIER 1 & Tier 2 Perks
- **10% Lifetime Discount** on all purchases at gobqgrills.com (upgraded from 5% discount)

TIER 4: \$5000+ Investment

- All "Investor Owners Club" Perks and all TIER 1-3 Perks
- **+5% Bonus Shares**

TIER 5: \$10,000+ Investment

- All "Investor Owners Club" Perks and all TIER 1-4 Perks
- **+10% Bonus Shares** (upgraded from +5% bonus shares)

TIER 6: \$20,000+ Investment

- All "Investor Owners Club" Perks and all TIER 1-5 Perks
- **+15% Bonus Shares** (upgraded from +10% bonus shares)
- **Invitation to private GoBQ Lakeshore Party in Chicago to grill with the GoBQ team**

TIER 7: \$50,000+ Investment

- All "Investor Owners Club" Perks and all TIER 1-6 Perks
- **+20% Bonus Shares** (upgraded from +15% bonus shares)
- **+2 domestic round trip airfare tickets (up to \$1000 total) and 2 nights in a four-star hotel** to attend the private GoBQ Lakeshore Party in Chicago.
- **+1 Personal Customized GoBQ® Charcoal Grill**

Early Bird Bonus is ending VERY SOON!

3 months ago

Wow, a BIG Thank You to all our early investors, what a great start out of the gate – we've already blown past our minimum and have raised almost \$35k from 37 investors!

And don't forget, our final Early-bird Bonus Perk expires VERY soon so if you haven't invested yet, now's the time to hop on board! Also please share our campaign page with your friends and family, the more the merrier!

WELCOME

3 months ago

Welcome to our newly launched GoBQ StartEngine launch! And thank you VERY MUCH to all our early bird investors who have generated BLAZING momentum right out of the gate! We are excited and proud to have you join us as co-owners in our company!

END OF UPDATES

Comments (19 total)

Add a public comment...

0/2500



I'm not a robot



reCAPTCHA
Privacy · Terms

Post

Michael Warner **1 INVESTMENT** 2 days ago
How is this cleaned?

Todd Zaroban - **GoBQ Grills, Inc.** a day ago

Hi Michael, that's a popular question. The fabric lid and base is made of a durable non-stick silicone-coated fiberglass fabric, so usually a quick rinse with a garden hose when you get back from your adventure is all you need. A more thorough cleaning (for long term indoor storage) can be accomplished using dish soap, a non-abrasive plastic brush and warm water. For greasier messes, cleaning recommendations vary depending on the amount of grease, how/when you're transporting it, and where/when you're storing it. Check our our FAQs page at gobqgrills.com/faqs for additional tips.

ALAN KESLER **7 INVESTMENTS** 6 days ago
where do you manufacture your product. i do not invest in stuff made in china

Todd Zaroban - **GoBQ Grills, Inc.** 4 days ago

Hi Alan, thank you for your question. The GoBQ is designed and engineered in the USA, and manufactured in China. We tried our very best to try and source manufacturing in the USA but found it impossible to find affordable suppliers at lower volumes while still keeping the retail price point within reason.

Shiv Kanwar Singh **1 INVESTMENT** 6 days ago
how much money are you trying to raise here, when are collected funds to be invested, and when can returns be expected ?

Todd Zaroban - **GoBQ Grills, Inc.** 4 days ago

Hi Shiv, thank you for asking! Our maximum raise for this campaign is \$107,000. For details on how/when investments are closed, here is a good article to review:
<https://www.startengine.com/blog/subscription-agreement?category=featured/>

As for returns, we are not allowed to provide any forward looking statements or projections outside of what is part of the campaign content and Offering Document. Here is another good article that provides insight into investing in common stock for startups:
<https://www.startengine.com/blog/investing-in-startups-101/?category=investors/>

Fredrick Meyn 9 INVESTMENTS INVESTED 12 days ago

I love this. Is it possible to get a second grill at the Startup price? I am an investor?

Todd Zaroban - GoBQ Grills, Inc. 11 days ago

Hi Fred, thank thank you for investing and welcome to the owners club! What Startup price are you referring to? Every investor get's a 30% off coupon code for the purchase of a grill at the end of the campaign but I'd be happy to send you your coupon sooner if you'd like.

Andrew Bushnell SE OWNER 55 INVESTMENTS 3 months ago

It shouldn't be difficult to review the paperwork and admit that it is not correct. The paperwork says that if you only raise the minimum, it's 100% going to StartEngine fees. It divides the amount into "platform Fees", "Platform Fees", and just to be sure there is a redundant extra "Platform fees" without fees capitalized.

"If we raise the Target Offering Amount of \$9,999.60 we plan to use these proceeds as follows:

StartEngine Platform Fees 3.5%

Start Engine Platform Fees 96.5%

Platform fees"

Todd Zaroban - GoBQ Grills, Inc. 3 months ago

Hi Andrew, the online form StartEngine provided for the offering contained the default field "StartEngine Platform Fees: 3.5%" which was based on a percentage if the minimum raise was set to \$100k. In order to correctly disclose that if we only raised \$10k, that 100% of that would be allocated to the StartEngine Platform fees, I was instructed by StartEngine to enter another field for StartEngine Platform fees of 96.5%. And you are correct. when I entered the description for the second field the space character in "Start Engine" was inconsistent, and I added "Platform Fees" as a description. I apologize if this created any confusion. Thank you for your input, happy to help address anything else!

Andrew Bushnell SE OWNER 55 INVESTMENTS 3 months ago

Todd, at no point would startengine charge 100% fees, this section of the paperwork describes how proceeds would be used if different amounts are raised. I'm canceling my investment. Please feel free to check out some other raises on here if you'd like to see some examples or reach out to startengine for guidance.

Todd Zaroban - GoBQ Grills, Inc. 3 months ago

Hi Andrew, perhaps I'm not explaining this clearly. The StartEngine platform fee is \$10,000. This gets paid directly from the proceeds of our campaign, so 100% of the first \$10,000 raised, which is \$10,000, goes to StartEngine. The platform standard on StartEngine is to set the minimum funding goal at \$10k but the company ultimately has the discretion whether or not they would like to close on those funds, which is moot at this point because we've already exceeded that minimum. I can assure you guidance from StartEngine was provided throughout the entire process of creating the offering documents and the campaign page. I'm not sure why there would be inconsistencies between our campaign and others, per StartEngine this is standard across all offerings on StartEngine! However if you have more questions about StartEngine's policies then please feel free to contact StartEngine support. Hopefully this clears up your concerns, we certainly would love to have you back on board as an investor!

Andrew Bushnell SE OWNER 55 INVESTMENTS 3 months ago

There appears to be a mistake in the offering memo (page 21) where you list StartEngine platform fees as 100% of use of proceeds if the minimum \$9,999.60 is raised. Please clarify what will be the Use of Proceeds for a minimum raise.

Hi Andrew, this just means that out of the first \$10,000 we raise, 100% is used to pay for StartEngine's platform fee. We've already surpassed that so proceeds over that minimum are used for production, marketing and other expenses as stated in the offering.

Revenue for fiscal year 2019 was \$45,755, 9.5% lower compared to fiscal year 2018 revenue of \$50,574. I read your explanation for the valuation but still it seems high to me. I will watch the campaign and decide if i want to invest or not?? I could have invested today if the valuation was around \$3 Million. Good luck and best wishes for the campaign.

SHOW MORE COMMENTS

About

Our Team
Equity Crowdfunding 101
Blog
Careers
Reserve StartEngine Shares

Companies

- [Get Funding](#)
- [How It Works](#)
- [Why StartEngine](#)
- [Founder FAQ](#)
- [Refer Founders](#)

Investors

Start Investing
Investing 101
Investor FAQ
Earn 10% Bonus

Legal/Contact

- [Terms of Use](#)
- [Privacy Policy](#)
- [Disclaimer](#)
- [Annual Reports](#)
- [Help Center](#)
- [Contact Us](#)



©2020 All Rights Reserved



Important Message

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. INVESTMENTS ON STARTENGINE ARE SPECULATIVE, ILLIQUID, AND INVOLVE A HIGH DEGREE OF RISK, INCLUDING THE POSSIBLE LOSS OF YOUR ENTIRE INVESTMENT.

www.StartEngine.com is a website owned and operated by StartEngine Crowdfunding, Inc. ("StartEngine"), which is neither a registered broker-dealer, investment advisor nor funding portal.

Unless indicated otherwise with respect to a particular issuer, all securities-related activity is conducted by regulated affiliates of StartEngine: StartEngine Capital, LLC, a funding portal registered [here](#) with the US Securities and Exchange Commission (SEC) and [here](#) as a member of the Financial Industry Regulatory Authority (FINRA), or StartEngine Primary, LLC, a broker-dealer registered with the SEC and [FINRA/SIPC](#). You can review the background of our broker-dealer and our investment professionals on FINRA's BrokerCheck [here](#).

Investment opportunities posted and accessible through the site are of three types:

1) Regulation A offerings (JOBS Act Title IV; known as Regulation A+), which are offered to non-accredited and accredited investors alike. These offerings are made through StartEngine Primary, LLC (unless otherwise indicated). 2) Regulation D offerings (Rule 506(c)), which are offered only to accredited investors. These offerings are made through StartEngine Primary, LLC. 3) Regulation Crowdfunding offerings (JOBS Act Title III), which are offered to non-accredited and accredited investors alike. These offerings are made through StartEngine Capital, LLC. Some of these offerings are open to the general public, however there are important differences and risks.

Any securities offered on this website have not been recommended or approved by any federal or state securities commission or regulatory authority. StartEngine and its affiliates do not provide any investment advice or recommendation and do not provide any legal or tax advice with respect to any securities. All securities listed on this site are being offered by, and all information included on this site is the responsibility of, the applicable issuer of such securities. StartEngine does not verify the adequacy, accuracy or completeness of any information. Neither StartEngine nor any of its officers, directors, agents and employees makes any warranty, express or implied, of any kind whatsoever related to the adequacy, accuracy, or completeness of any information on this site or the use of information on this site. See additional general disclosures [here](#).

By accessing this site and any pages on this site, you agree to be bound by our [Terms of Use](#) and [Privacy Policy](#), as may be amended from time to time without notice or liability.

Canadian Investors

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 for offerings is not permitted; it is solely your responsibility to comply with the laws and regulations of your country of residence.

California Investor Only - [Do Not Sell My Personal Information](#)



EXHIBIT D TO FORM C

VIDEO TRANSCRIPT

GoBQ grills

made of fire/flame resistant fabric

So compact it can fit in a backpack

or be stored in a drawer

weighs only 9lbs

quick set-up no tools required

big enough to fit 24 hot dogs or 5 hamburgers

perfect for:

tailgating

the beach

boating

fishing

traveling

camping hiking and biking

where will you Gobq?

Eric Goeken:

My name is Eric Goeken.

Todd Zaroban:

Todd Zaroban.

Eric Goeken:

Where-

Todd Zaroban:

Where will you GoBQ?

Eric Goeken:

Hang on, let's do it again. Where are we going to go? "Where will you GoBQ?"

Todd Zaroban:

Yeah.

Eric Goeken:

My name is Eric Goeken.

Todd Zaroban:

I'm Todd Zaroban.

Unison:

Where will you GoBQ?

Todd Zaroban:

Hi, I'm Todd Zaroban. I'm co-founder and CEO of GoBQ Grills. We had a very successful crowdfunding campaign a few years ago where we raised over \$120,000 in a few months to early adopters, people that were excited about the concept of the GoBQ and were buying them on a pre-order basis before it was even built.

Todd Zaroban:

To date, we've sold over 1,400 units to consumers all over the world, over 44 different countries. And we've also been fine-tuning our supply chain and our production processes, so we've reduced our production costs by 40% and are ready for our next production run.

Todd Zaroban:

We're ready to take it to the next step and really scale up the company and pursue retail markets. Customers are using it in ways that we never imagined, and also in ways that we thought were ideal and why we invented the product. They love their GoBQs. They leave us great reviews, and posting some pretty cool stories on social media about how they're using it.

Todd Zaroban:

For example, one customer was grilling burgers in the deep canyons of the Moab Desert. Another customer was ice fishing in the middle of Canada, in the great expanse of a barren lake. One guy was tailgating in the parking lot of Motel 6, cooking ribs. Who knew that that was a thing? Someone posted a review on Amazon where they were cooking breakfast for the family in a park in Zambia.

Todd Zaroban:

But beyond that, we've learned that people especially appreciate it just for its compactness and it's portability. City-dwellers that don't have a lot of storage space or don't even have a balcony to grill on, they can take it with them to a local park, or the beach, or what have you.

Todd Zaroban:

So, we're ready to make a big marketing splash in 2020. We want to move beyond direct-to-

consumer online sales and tackle the retail markets, and really build up an awareness across the US market and globally of the GoBQ Grill. There's also opportunities for the promotional products industry and licensing.

Todd Zaroban:

The GoBQ Grill unites two of the greatest joys in life, being outdoors and enjoying the wondering of nature, and cooking up a hot, fresh, grilled meal that sure beats a soggy sandwich in a backpack.

Todd Zaroban:

StartEngine is a great platform for GoBQ fans to be able to become part owners of the company for as little as \$300.

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.