

STACKSOURCE

2021 Report

Dear investors,

The StackSource team is extremely excited to attack 2022 coming off our strongest year so far, more than tripling loan origination volume over 2020. With loan sizes ranging from as little as \$130,000 for a retail property acquisition in Chicago, to more than \$58,000,000 for a student housing tower development in Texas, our platform is truly bringing transparency to commercial real estate investors of all sizes across the country. Now with a full executive team, a growing staff, and exciting new tech features to be launched in 2022, StackSource's business prospects are robust.

We need your help!

If you are connected with real estate investors in need of financing, you can act as a referral partner, earning fees based on the total collected revenue that StackSource generates financing their transactions. See StackSource.com/refer.

Sincerely,

William Nathan Wall

Co-founder & CTO

Tim Milazzo

Co-founder & CEO

Our Mission

We're creating a better real estate finance company than the old incumbents arranging tens of billions in loans manually each year. No more keeping real estate investors in the dark on their financing options.

[See our full profile](#)



How did we do this year?

Report Card

B+



The Good

Tripled loan volume and revenue over 2020.

Hired multiple key executives

Closed oversubscribed fundraising round totaling \$2.6 Million



The Bad

A growing percentage of the company is remote and has not met and bonded with their teammates in person due to the pandemic.

One high volume referral partner stopped sending leads because they chose to start competing with us.

The patent-pending Browser Extension technology failed to produce a high volume of commercial mortgage leads.

2021 At a Glance

January 1 to December 31



\$3,423,443 +212%

Revenue



-\$682,285 [20X]

Net Loss



\$293,200 +314%

Short Term Debt



\$2,389,965

Raised in 2021



\$1,579,417

Cash on Hand
As of 04/21/22

INCOME

BALANCE

NARRATIVE

Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and the related notes and other financial information included elsewhere in this offering. Some of the information contained in this discussion and analysis, including information regarding the strategy and plans for our business, includes forward-looking statements that involve risks and uncertainties. You should review the "Risk Factors" section for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

We connect real estate investors with lenders, online.

We're creating a better real estate finance company than the old incumbents arranging tens of billions in loans manually each year. No more keeping real estate investors in the dark on their financing options.

Milestones

StackSource, Inc. was incorporated in the State of Delaware in December 2015.

Since then, we have:

- StackSource has already closed over 100 real estate loans across 28 states; \$2 Million+ revenue
- Backed by Techstars, Newark Venture Partners, and real estate industry executives

EXECUTIVES

- Market Size: \$600 Billion of commercial mortgages were originated in the US in 2019
- All-time lending volume recently surpassed \$250 Million
- Real estate investors are increasingly looking online for financing
- Patent-pending browser extension technology will redefine the search for real estate acquisitions

Historical Results of Operations

- *Revenues & Gross Margin.* For the period ended December 31, 2021, the Company had revenues of \$3,423,443 compared to the year ended December 31, 2020, when the Company had revenues of \$1,095,566. Our gross margin was 27.62% in fiscal year 2021, compared to 44.4% in 2020.
- *Assets.* As of December 31, 2021, the Company had total assets of \$2,524,702, including \$2,481,767 in cash. As of December 31, 2020, the Company had \$410,456 in total assets, including \$154,355 in cash.
- *Net Loss.* The Company has had net losses of \$682,285 and net income of \$35,466 for the fiscal years ended December 31, 2021 and December 31, 2020, respectively.
- *Liabilities.* The Company's liabilities totaled \$3,794,265 for the fiscal year ended December 31, 2021 and \$997,732 for the fiscal year ended December 31, 2020.

Related Party Transaction

Refer to Question 26 of this Form C for disclosure of all related party transactions.

Liquidity & Capital Resources

To-date, the company has been financed with \$88,704 in debt (all of which has been paid off and is no longer outstanding, includes a PPP loan which was ultimately recognized as income, due to StackSource meeting the conditions for forgiveness), \$3,310,565 between equity and SAFEs.

StackSource, Inc. cash in hand as of April 2022 is \$1,579,41 and \$2,481,767 in cash in hand as of December 31, 2021.

We will likely require additional financing in excess of the proceeds from the Offering in order to perform operations over the lifetime of the Company. We plan to raise capital in 24 months. Except as otherwise described in this Form C, we do not have additional sources of capital other than the proceeds from the offering. Because of the complexities and uncertainties in establishing a new business strategy, it is not possible to adequately project whether the proceeds of this offering will be sufficient to enable us to implement our strategy. This complexity and uncertainty will be increased if less than the maximum amount of securities offered in this offering is sold. The Company intends to raise additional capital in the future from investors. Although capital may be available for early-stage companies, there is no guarantee that the Company will receive any investments from investors.

Runway & Short/Mid Term Expenses

StackSource, Inc. cash in hand is \$1,579,417.14, as of April 2022. Over the last three months, revenues have averaged \$394,812.23/month, cost of goods sold has averaged \$310,801.27/month, and operational expenses have averaged \$239,015.14/month, for an average burn rate of \$155,004.18 per month. Our intent is to be profitable in 0 months.

There are no material changes in finances or operations.

If you annualize 1Q22, then expected revenue for 2Q (next 3 months) should be around ~\$1.2mm, COGS of ~\$932k, and SG&A of \$717k. As we continue our ramp, our monthly net burn is in the range of \$150k-\$250k, which is subject to material change.

The company is not currently profitable as it invests into product and business development in order to grow revenue. The company plans to become profitable before the end of 2023.

Any projections in the above narrative are forward-looking and not guaranteed.

Net Margin: -20% **Gross Margin: 28%** **Return on Assets: -27%** **Earnings per Share: -\$85,285.63**
Revenue per Employee: \$100,690 **Cash to Assets: 98%** **Revenue to Receivables: ~** **Debt Ratio: 150%**

[Reviewed_Statements_-_Stacksource_Inc_-_FY2021_and_FY2020.pdf](#)

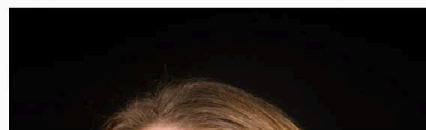
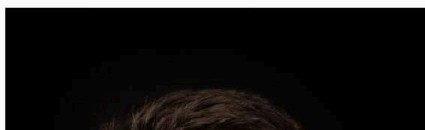
We ♥ Our 641 Investors

Thank You For Believing In Us

David Macario	John Karich	Leonard Grover	Stephen Mathai	Sean Stobart	Scott Hinkle	Sujit Jadhav
Faisal Fahad J Alotaibi	Justin Entrekin	Alexander Clarence McInt...	Barnaby Zelman	Joseph Lizyness	Joseph Leonetti	Chatri Jhunjhnuwala
John A REGIS	Tan Quan Nguyen	Alex Payne	Maxwell Kilb	Sean P Stites	Andrea Richie	Bruno Martins
Yoav Getzler	Todd A. Theman	Brian Bellej	Joseph Harris	Hatem Rowaihy	Christopher Onwuka	Joseph Charles
Michael Maher	Joshua Velson	Barbara Ann Inman	Barbara Ann Inman	Sanjay Ramchandani	Elizabeth Lumbattis Chal...	Thomas Plevel
Omar Sobhy	Roman Dzadzic	Deshon Porter	Derek Clark	James Lazor III	Kevin Kline Gargar	Raymond Brown (Venture...
Gabriel Ugalde	Richard Dahan	Sean Mikhail	Curtis Lee Hugo	Scott Snyder	Andre Harrell	Jerry Tsai
Jesse Crider	Michael DUGAS	Jeff Lazcano	Titus Polichnia	Edward A Soblotne	Stephen Gellatly	Sergei Malyshev
Curtis Fullmer	Yogi Mark	Adrian T Irby	Jason Thomas	Derrick Bigd	Debra Farber	Craig Brown
Davide Ivaldi	Alexander Harriman	Kenny Gutierrez	Shirley MUIR	Joshua Steig	Eric Harvey	Alan Aspera
Standley Eugene	John Rickgarn	Brad Kessler	Mattie Cain	Orlando Espino Jr.	Leonard Wong	Joe Leigh Bacon
Patrick Spaulding Ryan, P...	Michael Myers	Brad Bonde	April Symoens	Le Andre Watts	Darrell Reynolds	Per Olof Valdemar Persson
Anthony J. Giordano	Stephen Brown	Robert Holder	Leonard Wong	Benjamin Baller	Scott Ehrhorn	Seraiah Walter
Andy Aran	Joe Bouton	Subramanian Rama	Kenneth Edwards	Jessica Baker	Jasiel Moreno	Tiago Nakamura
Brandon Aldridge	Duke Duncan	Thomas Davidson	Terrance Clanton	Lucien Presnell	Evan Merritt	Loc Dao
Jeff Braisted	Paul Washington	Daniel St Juste	Devin Davenport	Hayden Rose	Syam prasad babu Kunam	City Slickers INC.
John DiRico	Nina Bell	Dylan Nelson	Moses Gonzales	Avinash Agarwal	Matthew J Vinez	Justin Keith Reeger
Nick Ryan	Christopher Ingram	Jared Jenson	Ireasha Ford	Kurt Read	Brandon Lipman	Dharmendra Prasad
Richard E Jenkins	Huber Bongolan Jr.	Jordan Wilkins	Andrew Gotianse	Derick Siebert	Ryan Merril	Len Badgette
Alan Macfarlane	Robert Hawkins	Justin Siebert	Stephen Drgan	Harold Chatman	Matt Kelly	Jared Astrinos

Krystian Tomaszewicz	Jeffrey Metzger	Ragun Rajendran	Aquino vides Corea	Bianca Traylor	Circe Cox	Marcella Barriere
Brian K Costello	Mark Polansky	John Butterfield	Juan Gallegos	Nichey Fuller	Maximiliano Grass	Tim Reed
Chris Grohman	Andrew Sample	Manny Song	Nathan Byars	David M Crenshaw	Rod Wallace	Florema Alunday
Kjell Nace	Gordo Gomez	Edgar Castro	Deji Wesley	Sebastien Manda	Jules Fabien	Keandre Byrd
Jim Dobbins	Bo Rasmussen	Spencer Vincent	Michael Jerko	Annabelle Heady Garces	Miguel Rivera Figueroa	Julie Ann Delvalle
Roderick Herron	Terry Rose	Robert Abrams	Jillian Ivey Sidoti	Andrew Merrick	Keshav Maheshwari	Robert Nordland
Anthony Lee	Ritesh Sharma	Freed VC	Chi Zeng	Earl Thomas	Carol Prachel	Timothy Danielson
Jacobo Sanchez Andreu	Johnny Dilemma	Anbria Bates	Gregory Graves	Fuma O	Glenn Payne	Luke Beckman
Tyrone Malloy	Guido Indij	Michelle Morioka Lewis	Keneci Egbuna	Farooq Shah	Conny Johansson	Thomas Bartela
Mike Williams	Paul Gilliam	David Stahlman	Wilfrid Jean-francois	Jim Dobbins	Jeffrey Metzger	George Chmiel
Rainer Filthaut	Nkechi Iregbulem	Barbara Doran	George Mower	Stephen Andrew Hearn	Timothy Dickens	Ralph Cecere
Dr. Pete I. Maduka-Okafor	Alex Lebon	Vivek ANAND	Derrick Oates	Dvir Gefen	Cedric Holloway	Scott Wolf
Olusegun DANIEL	Brian Perry	Wei Huang	Michael Hall	Harley Alloway	Charles Bantom	Dinesh Kumar DHANASE...
Andy Chemicles	Jerry H SHELTON	Jeffrey Schmitz	Jim Jensen	Anthony H Yeh	Michael J. Moriarty	Ankush Grover
Darrie Garth	Vivilyn Peterson	Steven M Holowicki	Kevin Fucile	Pius Franco Iruthayadasan	Robert Rhoads	Christopher Helfers
Robert Lambert	Tuan Anh Bui	Evan Flamm	Andres Aristizabal	Chris D. Busick	Steven Ontaneda	Corey Keeling
Fiona Baldwin	Thomas Landis	Phong Nguyen	Takanari Tanahashi	Menachem Posner	Connor Murch	Craig Campbell
Ryan Zampardo	Kent Mein	Rakesh Amarnani	Christopher B Burke	Dusty Swartz	Jacobson Hall	Mohamed Jabbar
Sanjay Shah	Mark C Sharp	Maxwell Dartey	Ross Blain	Craig Davenport	Joanne Martinez	Lipsa Sarangi
Edward Kelly Medlock	Willie Buggs	Katie Snead	Douglas Walters	Amit Choksi	Evangelos Katradis	Nicholas Gessner
Rajendra Pandey	Bhesh Mainali	Chang Woo Lee	Wanda Susan Slagle	Suchai Gumtrontip	Iya Samangnet	Terrence Brown
Joerg F Von Oldershausen	Daniel Weiss	Jeff Uken	Nathan B	Puspa Mishra	Jacob Fredrickson	Andy Young
Badereddeen Abulaban	Michael Teske	Daniel Sutter Melzer	Marissa Feliciano	Kenneth Alan Jackson, Jr.	Alexandra MacLean	Badal Haider
Neishanyelik Vazquez	Zep Williams	Shannon Graham	Michelle Yaa Nyarko	Michael Sather	Tyler Bolt	Austin Shane ARGYLE
Khris Persaud	Filipe Peerally	Sarath Chandra Kumar Ja...	Wesner Romulus	Juan Moreno	Thomas Lehr	Corey Keeling
Sarah Zhou	Dariana Francois	Arcangelo Ercole	Hari Dahal	Rehan Khan	Jitendra Chaudhari	Vignesh Kumar Sathyamo...
Vinodh Rajaopalan	Craig Throne	Brandon Loveless	Adan Ibarra	Timica MELVIN	Donoven D'Souza	Ankur Patel
Nathan Erdmann	James Usry	Raul Aldrete Jr	Michael Carter	Bruce Houck	William Van Opstal	Patricia McLain
Brian Murphy	Sahill Patel	Ryan Powell	Kai Cheung	Ajay Kumar	Sean Link	Don Shelby III
Narayanan Subramanian	Vartan VARTANIANIS	Adam Bauer	Matthew Phillips	Andrew Morin	Andrew Mckell	Omorie Mckell
Don Keysser	Rajat Wali	Brett P. Holmes	Mithun Patel	Mathew Virden	Nathan VANDEBRAKE	Damon Spencer
Kwok Cheung Law	Claire E Nichols	Yusuf Parker	Walter R Creasey Jr	Vijay Kumar Gupta	Anjani Singh	Jana M Johnston
Ethan So	Frank Hinds	Dapo Lediju	Scott Etter	Makanya Latasha Sarvera ...	Murat Uysal	Edgard Amador
William Johnson, IV	Lynes Downing	Matt Pallakoff	Ryan Ley	Thembiile Mtwa	Derek G Webster	David Dolan
Hoyeung Lam	Prabu Komaravel	Junel Miranda	Roberto Feng Chang	Alvin Ford	Sandeep Gourneni	Adrian Fernandez
Moira Baggett	Charlie Fox	Scott Willis	Dan TRAN	Christina Culbert	Francisco Albert Celestin...	Jose A Gelpi
De Andre Smith	Kevin McKearney	Gerald Rehill	Clifton Harris	Maxime Dabire	Matt Ryan	Meenu Sood
Todd Fiucci	Daniel Beck	Richard C Brown	Cameron Schmidt	Paul Nadeau	Zack Van Prooyen	Joseph Fahey
Thomas Edwards	Andrew Lee Rutherford	Gary Miller	Vance VOGEL	David Rabban	Praveen Surapaneni	John Hwang
Abhishek Rathi	Jukka Matti Karhu	Poonam Saluja	Frank Han	Jacob Atwell	Scott Walmer	Bryan Edelman
Mordechai Breatross	Richard Block	Casey Zace	Kevin K. Owney	Bruce Backa	Nathan Milhollin	William H ROYLAND
Matt Solle	Susan Jenkins	John Jacob	Anusha Kilaru	James R Dowdy	Brooks Luckett	Leonardo Durham
David Rose	Axel De La Harpe	Lavell Porter	Morgan Matarazzo	Enos Smith	Joe Piwowarczyk	Edward Dunlap
Arun Bhakthavalsalam	Primrose D'Souza	Jestina SHAND	Marco Frabotta	David Luke	June Kim	Nawaf Alotaibi
Shyam Kumar SUDHAKAR	Aaron Aab	Dylan Vaccaro	Robert Martin	Andrea Mc Leod	Jaime McDaniel	Daniel Walz
Tyrone Evans	Jeffrey M Griffin	David Martinelli	Spencer Gore Fields	Ram Manikarnika	Vipul Shah	David Botsford
Paul Sarker	Midhat Qidwai	James Gray III	Sandra Giudici	Alina Cutick	Robert Hodson	Wyn Douglas
Christopher Gilluly	Erik Talvola	Robert J Vadas	Nathan Webber	Jake Kinzly	Marc Russell	Edgar Bonilla
F IRA S Mansour N ALSA...	Patrice Denise STRICKLIN	N F	Ernest Iseminger	Marlo Mosser	Micah Spicer	Prasad V KATTA
Fran Moore	Charles Hardesty	Lorenzo Piccirilli	Jim Palmieri	Jaci Salley	Kurt Kennel	Darnell PHILLIPS
Yogendre Kumar Patel	Ed Far	Derrelle Singleton	Marc Dieuveuille	Rajavardhan R Likky	Venkat Ramaswamy	Janiece Williamson
De Lanzer Ford	Michael Clark Jr	Michael Pitt	James Martella	K Ennisha Banks	Robert Paul Meier	Matthew Scherer
Elena S Cajayon	Jared Cook	Marios Bourtzonis	Sergij Speshylov	Thomas McArdle	Richard Campbell	Mark Musselman
Thomas L Hawthorne	Alan Roitsch	Travis Giarde	T Hardy	Herbert Ernst	Fred Barolle	Terry Forde
Manoj Kunchala	Stephen B. Reid	Juan Martinez-Borrero	Russell G. Lewis	Rikky P	Timothy E Locklear	Shimon Burger
George Schenck	John Prestidge	Jonah T Leibman	James Wheeler	Herman Taussig	Herman Taussig	Anthony Runnels
Judy McGuire	Ebenezer Joseph	Jignesh Vavadiya	Zeus Avalos	Peng LIANG	Matthew Bradt	Michele Yen
Cheryl Muller-Rivers	Andrew Reel	Wesley Kotcher	Wesley Kotcher	Greg Briggs	Amit Dorf	Royce Ben-Moshe
Leeor Ben Moshe	James Jones	Judy Kim	Travis Johnson	Eloy Garza Jr. III	Joshua Green	Alexander Cox
Gaurav Tulsyan	Michael WILLIAMS	Anthony DeLuca	Rick Barra	Alex Hirsch	Shirley Muir	Andre Philogene
Clayton Bennett	Alejandro Daniel Marquez	Kanu Patel	Kodandaramireddy Singa...	Christopher Moken	David Q	Kranthi Kalagara
Mark White	Daniel Thibodeaux	Aliaksandr Karpuchok	David Katralis	Kent Weaver	Ricardo Olave	Virgilio Yabut
Babur Majid	Gabriel Paravisini	Brandon Katz	Falon Murph	Christine Nielepko	Niranjan Bose	Andre Rosemberg
Christopher Anthony Kim	Timothy Baxter	Carl Kriesant	Nathan McCarty	Timothy Jones	Joseph W Monasse	Kiran Saini
Saloni Saini	Anthony Marciano	Siri Boggavarapu	Robert Fowler	Pragneshkumar Patel	Geoffrey McNeil	Robert Woods
Theresa Luttrell	Patricia O Connor Perrone	Ryan Pham	Elizabeth Anyaa	Kevin Muthima	John Horn	Vinay V SATTI
Curt Mello	Rajeev Agrawal	Megan Goldstein	Maureen Arnold	Sumith Jain	Scott Hermann	Justin Helmcamp
David Kelley	Jiin Tarnng Horng	Tori Carter	Hee Yew Yii	W Kim Colich	Peter Wozniak	Emily Karr
Tara Bradley	Adam YARNOLD	Omar Best	Ed Burns	Robert Lewis	Ryan LANE	Ravishankar Vittoba
Basley Carlisle	Richard Moore	Christopher C Cole	Arlene Hinds-Beckford	Julio Arguello	Matthew Brown	Midhun Thomas
Melissa Link	Devante W.	June Hadlock	Cristian Crisan	Matt Pallakoff	James Gray III	Danny Jester
Ronnie Gross	Melinda Bouton Brown	Gowri Malasani	Hiten Patel			

Thank You!
From the StackSource Team





Tim Milazzo
Co-founder & CEO



Nathan Wall
Co-founder & CTO

Details

The Board of Directors

DIRECTOR	OCCUPATION	JOINED
Andrew Klenk	Managing Partner @ Capstone Companies	2021
Timothy Milazzo	CEO @ StackSource	2015
William Nathan Wall	CTO @ StackSource	2015

Officers

OFFICER	TITLE	JOINED
Timothy Milazzo	President CEO Treasurer Secretary	2015
William Nathan Wall	CTO	2015

Voting Power [?]

HOLDER	SECURITIES HELD	VOTING POWER
William Nathan Wall	2,100,000 Common Stock	25.1%
Timothy Milazzo	3,900,000 Common Stock	46.6%

Past Equity Fundraises

DATE	AMOUNT	SECURITY	EXEMPTION
11/2015	\$210	Common Stock	Section 4(a)(2)
11/2015	\$390	Common Stock	Section 4(a)(2)
12/2015	\$25,000		Other
02/2016	\$25,000		Other
05/2016	\$20,000	Common Stock	Section 4(a)(2)
09/2017	\$680,000	Safe	Section 4(a)(2)
10/2018	\$20,000	Common Stock	Section 4(a)(2)
10/2018	\$150,000	Safe	Section 4(a)(2)
05/2019	\$50,000	Safe	Section 4(a)(2)
04/2020	\$38,369		Other
04/2021	\$1,043,854		4(a)(6)
05/2021	\$1,346,111		506(c)

The use of proceeds is to fund general operations.

Outstanding Debts

LENDER	ISSUED	AMOUNT	OUTSTANDING	INTEREST	MATURITY	CURRE
Timothy Milazzo [?]	12/11/2015	\$25,000	\$27,699 [?]	2.0%		Yes
Timothy Milazzo [?]	02/04/2016	\$25,000	\$19,294 [?]	2.0%		Yes
U.S. Small Business Administration - Paycheck Protection Program [?]	04/22/2020	\$38,369	\$38,369 [?]	1.0%	04/22/2022	Yes

Related Party Transactions

None.

Capital Structure

CLASS OF SECURITY	SECURITIES (OR AMOUNT) AUTHORIZED	SECURITIES (OR AMOUNT) OUTSTANDING	VOTING RIGHTS
Common Stock	10,000,000	8,361,965	Yes
	SECURITIES RESERVED FOR ISSUANCE UPON EXERCISE OR CONVERSION		
Warrants:	0		
Options:	1,300,000		

Risks

In order for borrowers to receive quality loan offers quickly on StackSource, and for those lenders to be held accountable to close those loans quoted, StackSource needs to strong relationships with the right capital sources. Lenders losing trust in StackSource is a key risk.

StackSource may never be granted a non-provisional patent for its patent-pending Browser Extension technology, allowing competitors to create copies of the functionality.

Investing in the development of our software tools as a competitive advantage is also a liability if we spend cash too quickly for the revenue to catch up. Running out of cash investing in the product, and not seeing the short-term payoff we expect, can lead us to a place where we are under-capitalized.

The Company may never receive a future equity financing or elect to convert the Securities upon such future financing. In addition, the Company may never undergo a liquidity event such as a sale of the Company or an IPO. If neither the conversion of the Securities nor a liquidity event occurs, the Purchasers could be left holding the Securities in perpetuity. The Securities have numerous transfer restrictions and will likely be highly illiquid, with no secondary market on which to sell them. The Securities are not equity interests, have no ownership rights, have no rights to the Company's assets or profits and have no voting rights or ability to direct the Company or its actions.

Our users expect complete security and confidentiality of information they submit through our online financing portal. The security of our platform relies on certain key IT & cloud computing vendors that house our platform's infrastructure. Any breach of security for these vendors could have an adverse affect on StackSource's ability to keep confidential files secure, and lead to liability.

There are many large, traditional public and private company competitors in the commercial mortgage industry. Should some of the more well-funded companies with strong brand names choose to copy many of the technological development initiatives before we gain a large amount of market share, it may act as a headwind to StackSource's growth.

StackSource's reputation with commercial real estate owners and developers is extremely important. These potential borrowers need to have complete trust in our process. Borrowers losing trust by having a bad experience with a StackSource Capital

Advisor, or with a lender we source, harms that trust. Losing the trust of borrowers is our top risk. StackSource does not lend or underwrite any financial products directly, but acts as an intermediary to bring present third party commercial financing offers to these borrowers.

Our future success depends on the efforts of a small management team. The loss of services of the members of the management team may have an adverse effect on the company. There can be no assurance that we will be successful in attracting and retaining other personnel we require to successfully grow our business.

The SEC recently approved amendments to Regulation Crowdfunding in which the fundraising limit for crowdfunding issuers will be increased from \$1.07 million during a 12-month period to \$5 million during a 12-month period. These amendments will take effect 60 days after the publication in the Federal Register. The Company reserves the right to increase the Maximum Fundraise Target once such amendments take effect. If the Company increases the Maximum Fundraising Target, investments made prior to such limit increase may be diluted accordingly.

Description of Securities for Prior Reg CF Raise

Additional issuances of securities. Following the Investor's investment in the Company, the Company may sell interests to additional investors, which will dilute the percentage interest of the Investor in the Company. The Investor may have the opportunity to increase its investment in the Company in such a transaction, but such opportunity cannot be assured. The amount of additional financing needed by the Company, if any, will depend upon the maturity and objectives of the Company. The declining of an opportunity or the inability of the Investor to make a follow-on investment, or the lack of an opportunity to make such a follow-on investment, may result in substantial dilution of the Investor's interest in the Company.

Issuer repurchases of securities. The Company may have authority to repurchase its securities from shareholders, which may serve to decrease any liquidity in the market for such securities, decrease the percentage interests held by other similarly situated investors to the Investor, and create pressure on the Investor to sell its securities to the Company concurrently.

A sale of the issuer or of assets of the issuer. As a minority owner of the Company, the Investor will have limited or no ability to influence a potential sale of the Company or a substantial portion of its assets. Thus, the Investor will rely upon the executive management of the Company and the Board of Directors of the Company to manage the Company so as to maximize value for shareholders. Accordingly, the success of the Investor's investment in the Company will depend in large part upon the skill and expertise of the executive management of the Company and the Board of Directors of the Company. If the Board Of Directors of the Company authorizes a sale of all or a part of the Company, or a disposition of a substantial portion of the Company's assets, there can be no guarantee that the value received by the Investor, together with the fair market estimate of the value remaining in the Company, will be equal to or exceed the value of the Investor's initial investment in the Company.

Transactions with related parties. The Investor should be aware that there will be occasions when the Company may encounter potential conflicts of interest in its operations. On any issue involving conflicts of interest, the executive management and Board of Directors of the Company will be guided by their good faith judgement as to the Company's best interests. The Company may engage in transactions with affiliates, subsidiaries or other related parties, which may be on terms which are not arm's-length, but will be in all cases consistent with the duties of the management of the Company to its shareholders. By acquiring an interest in the Company, the Investor will be deemed to have acknowledged the existence of any such actual or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflict of interest.

Minority Ownership

An Investor in the Company will likely hold a minority position in the Company, and thus be limited as to its ability to control or influence the governance and operations of the Company.

The marketability and value of the Investor's interest in the Company will depend upon many factors outside the control of the Investor. The Company will be managed by its officers and be governed in accordance with the strategic direction and decision-making of its Board Of Directors, and the Investor will have no independent right to name or remove an officer or member of the Board Of Directors of the Company.

Following the Investor's investment in the Company, the Company may sell interests to

additional investors, which will dilute the percentage interest of the Investor in the Company. The Investor may have the opportunity to increase its investment in the Company in such a transaction, but such opportunity cannot be assured.

The amount of additional financing needed by the Company, if any, will depend upon the maturity and objectives of the Company. The declining of an opportunity or the inability of the Investor to make a follow-on investment, or the lack of an opportunity to make such a follow-on investment, may result in substantial dilution of the Investor's interest in the Company.

Exercise of Rights Held by Principal Shareholders

As holders of a majority-in-interest of voting rights in the Company, the shareholders may make decisions with which the Investor disagrees, or that negatively affect the value of the Investor's securities in the Company, and the Investor will have no recourse to change these decisions. The Investor's interests may conflict with those of other investors, and there is no guarantee that the Company will develop in a way that is optimal for or advantageous to the Investor. For example, the shareholders may change the terms of the articles of incorporation for the company, change the terms of securities issued by the Company, change the management of the Company, and even force out minority holders of securities. The shareholders may make changes that affect the tax treatment of the Company in ways that are unfavorable to you but favorable to them. They may also vote to engage in new offerings and/or to register certain of the Company's securities in a way that negatively affects the value of the securities the Investor owns. Other holders of securities of the Company may also have access to more information than the Investor, leaving the Investor at a disadvantage with respect to any decisions regarding the securities he or she owns. The shareholders have the right to redeem their securities at any time. Shareholders could decide to force the Company to redeem their securities at a time that is not favorable to the Investor and is damaging to the Company. Investors' exit may affect the value of the Company and/or its viability. In cases where the rights of holders of convertible debt, SAFES, or other outstanding options or warrants are exercised, or if new awards are granted under our equity compensation plans, an Investor's interests in the Company may be diluted. This means that the pro-rata portion of the Company represented by the Investor's securities will decrease, which could also diminish the Investor's voting and/or economic rights. In addition, as discussed above, if a majority-in-interest of holders of securities with voting rights cause the Company to issue additional stock, an Investor's interest will typically also be diluted.

Restrictions on Transfer

The securities offered via Regulation Crowdfunding may not be transferred by any purchaser of such securities during the one year period beginning when the securities were issued, unless such securities are transferred:

- to the issuer;
- to an accredited investor^②;
- as part of an offering registered with the U.S. Securities and Exchange Commission; or
- 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.

Valuation Methodology for Prior Reg CF Raise

The offering price for the securities offered pursuant to this Form C has been determined arbitrarily by the Company, and does not necessarily bear any relationship to the Company's book value, assets, earnings or other generally accepted valuation criteria. In determining the offering price, the Company did not employ investment banking firms or other outside organizations to make an independent appraisal or evaluation. Accordingly, the offering price should not be considered to be indicative of the actual value of the securities offered hereby.

The initial amount invested in a SAFE is determined by the investor, and we do not guarantee that the SAFE will be converted into any particular number of shares of Preferred Stock. As discussed in Question 13, when we engage in an offering of equity interests involving Preferred Stock, Investors may receive a number of shares of Preferred Stock calculated as either (i) the total value of the Investor's investment, divided by the price of the Preferred Stock being issued to new Investors, or (ii) if the valuation for the company is more than the Valuation Cap, the amount invested divided by the quotient of (a) the Valuation Cap divided by (b) the total amount of the Company's capitalization at that time. Because there will likely be no public market for

our securities prior to an initial public offering or similar liquidity event, the price of the Preferred Stock that Investors will receive, and/or the total value of the Company's capitalization, will be determined by our board of directors. Among the factors we may consider in determining the price of Preferred Stock are prevailing market conditions, our financial information, market valuations of other companies that we believe to be comparable to us, estimates of our business potential, the present state of our development and other factors deemed relevant. In the future, we will perform valuations of our stock (including both common stock and Preferred Stock) that take into account, as applicable, factors such as the following:

- unrelated third party valuations;
- the price at which we sell other securities in light of the relative rights, preferences and privileges of those securities;
- our results of operations, financial position and capital resources;
- current business conditions and projections;
- the marketability or lack thereof of the securities;
- the hiring of key personnel and the experience of our management;
- the introduction of new products;
- the risk inherent in the development and expansion of our products;
- our stage of development and material risks related to our business;
- the likelihood of achieving a liquidity event, such as an initial public offering or a sale of our company given the prevailing market conditions and the nature and history of our business;
- industry trends and competitive environment;
- trends in consumer spending, including consumer confidence;
- overall economic indicators, including gross domestic product, employment, inflation and interest rates; and
- the general economic outlook.

We will analyze factors such as those described above using a combination of financial and market-based methodologies to determine our business enterprise value. For example, we may use methodologies that assume that businesses operating in the same industry will share similar characteristics and that the Company's value will correlate to those characteristics, and/or methodologies that compare transactions in similar securities issued by us that were conducted in the market.

Company

StackSource, Inc.

- Delaware Corporation
- Organized December 2015
- 34 employees

1 Washington Place
7th floor
Newark NJ 07102

<http://www.StackSource.com>

Business Description

Refer to the [StackSource](#) profile.

EDGAR Filing

The Securities and Exchange Commission hosts the [official version of this annual report](#) on their EDGAR web site. It looks like it was built in 1989.

Compliance with Prior Annual Reports

StackSource has previously not complied with the reporting requirements under Rule 202 of Regulation Crowdfunding.

Delayed filing.

All prior investor updates

You can refer to the company's [updates page](#) to view all updates to date. Updates are for investors only and will require you to log in to the Wefunder account used to make the investment.