

# Annual Report

## Cover Page

Name of issuer:

Morari, Inc.

Legal status of issuer:

Form: Corporation  
Jurisdiction of Incorporation/Organization: DE  
Date of organization: 5/14/2020

Physical address of issuer:

6501 ZIRCON LN N  
MAPLE GROVE MN 55311

Website of issuer:

<http://www.morarimedical.com>

Name of intermediary through which the offering will be conducted:

Wefunder Portal LLC

CIK number of intermediary:

0001670254

SEC file number of intermediary:

007-00033

CRD number, if applicable, of intermediary:

283503

Current number of employees:

1

	Most recent fiscal year-end:	Prior fiscal year-end:
Total Assets:	\$724,213.00	\$409,690.00
Cash & Cash Equivalents:	\$653,265.00	\$350,630.00
Accounts Receivable:	\$0.00	\$0.00
Short-term Debt:	\$0.00	\$0.00
Long-term Debt:	\$100,000.00	\$0.00
Revenues/Sales:	\$0.00	\$0.00
Cost of Goods Sold:	\$0.00	\$0.00
Taxes Paid:	\$0.00	\$0.00
Net Income:	(\$646,440.00)	(\$1,164,386.00)

Select the jurisdictions in which the issuer intends to offer the securities:

AL, AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY, BS, GU, PR, VI, IV

## Offering Statement

Respond to each question in each paragraph of this part. Set forth each question and any notes, but not any instructions thereto, in their entirety. If disclosure in response to any question is responsive to one or more other questions, it is not necessary to repeat the disclosure. If a question or series of questions is inapplicable or the response is available elsewhere in the Form, either state that it is inapplicable, include a cross-reference to the responsive disclosure, or omit the question or series of questions.

Be very careful and precise in answering all questions. Give full and complete answers so that they are not misleading under the circumstances involved. Do not discuss any future performance or other anticipated event unless you have a reasonable basis to believe that it will actually occur within the foreseeable future. If any answer requiring significant information is materially inaccurate, incomplete or misleading, the Company, its management and principal shareholders may be liable to investors based on that information.

### THE COMPANY

1. Name of issuer:

Morari, Inc.

3. Has the issuer or any of its predecessors previously failed to comply with the ongoing reporting requirements of Rule 202 of Regulation Crowdfunding?

☐ Yes ☒ No

### DIRECTORS OF THE COMPANY

4. Provide the following information about each director (and any persons occupying a similar status or performing a similar function) of the issuer.

Director	Principal Occupation	Main Employer	Year Joined as Director
Michael Hoey	Founder/CTO	Francis Medical	2020
Timothy Allen	CFO	Dominium	2020
John Barbella	President	Neighborli	2020
Jeffrey Bennett	CEO and Founder	Morari, Inc.	2020

For three years of business experience, refer to [Appendix D: Director & Officer Work History](#).

### OFFICERS OF THE COMPANY

5. Provide the following information about each officer (and any persons occupying a similar status or performing a similar function) of the issuer.

Officer	Positions Held	Year Joined
Jeffrey Bennett	CEO	2020
Mark Payne	Treasurer	2021
Mark Payne	CFO	2021

For three years of business experience, refer to [Appendix D: Director & Officer Work History](#).

*INSTRUCTION TO QUESTION 5: For purposes of this Question 5, the term officer means a president, vice president, secretary, treasurer or principal financial officer, comptroller or principal accounting officer, and any person that routinely performing similar functions.*

**PRINCIPAL SECURITY HOLDERS**

6. Provide the name and ownership level of each person, as of the most recent practicable date, who is the beneficial owner of 20 percent or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power.

Name of Holder	No. and Class of Securities Now Held	% of Voting Power Prior to Offering
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No principal security holders.

*INSTRUCTION TO QUESTION 5: The above information must be provided as of a date that is no more than 120 days prior to the date of filing of this offering statement.*

*To calculate total voting power, include all securities for which the person directly or indirectly has or shares the voting power, which includes the power to vote or to direct the voting of such securities. If the person has the right to acquire voting power of such securities within 90 days, including through the exercise of any option, warrant or right, the conversion of a security, or other arrangement, or if securities are held by a member of the family, through corporations or partnerships, or otherwise in a manner that would allow a person to direct or control the voting of the securities (or share in such direction or control — as, for example, a co-trustee) they should be included as being “beneficially owned.” You should include an explanation of these circumstances in a footnote to the “Number of and Class of Securities Now Held.” To calculate outstanding voting equity securities, assume all outstanding options are exercised and all outstanding convertible securities converted.*

**BUSINESS AND ANTICIPATED BUSINESS PLAN**

7. Describe in detail the business of the issuer and the anticipated business plan of the issuer.

For a description of our business and our business plan, please refer to the attached Appendix A, Business Description & Plan  
*INSTRUCTION TO QUESTION 7: Wefunder will provide your company's Wefunder profile as an appendix (Appendix A) to the Form C in PDF format. The submission will include all Q&A items and "read more" links in an un-collapsed format. All videos will be transcribed.*

*This means that any information provided in your Wefunder profile will be provided to the SEC in response to this question. As a result, your company will be potentially liable for misstatements and omissions in your profile under the Securities Act of 1933, which requires you to provide material information related to your business and anticipated business plan. Please review your Wefunder profile carefully to ensure it provides all material information, is not false or misleading, and does not omit any information that would cause the information included to be false or misleading.*

**RISK FACTORS**

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.

8. Discuss the material factors that make an investment in the issuer speculative or risky:  
Use of Proceeds of this Offering

We will have considerable discretion as to how we use the net proceeds from this Offering, and no representation can be made that use of proceeds will improve the Company's ability to generate material revenues or materially improve its ability to market its product. We intend to use the net proceeds to help develop, test, study and launch our technologies and products, including without limitation, the Mor Patch System and for general corporate purposes. Even if we generate material revenues, we might need additional capital to support customer order flow and for growth. No assurance can be given that any source of additional cash will be available to us. If no source of additional cash is available to us, we may have to significantly reduce the scope of our operations.

No Independent Valuation

The Company has not obtained an independent opinion regarding the valuation of the Company or the Securities, nor has there been any legal, investment banking, or other diligence in connection with the valuation of the Company or the Securities. Prospective investors must rely on their own business and investment background and their own investigation of the Company and its proposed business in determining whether to invest in the Company.

Transaction Fees & Expenses

This Offering involves fees and expenses which will be paid out of the proceeds of the Offering thus reducing the amount of proceeds available to the Company.

There is currently no public market for our Securities, and an active trading market may not develop or be sustained after this Offering. The valuation under which this Offering is made may not be indicative of the market price for our Series Seed Preferred Stock after the financing. We cannot predict the extent to which investor interest in our Company will lead to the development of an active trading market. The lack of an active market may reduce the value of your shares and impair your ability to sell your shares at the time or price at which you wish to sell them. An inactive market may also impair our ability to raise capital by selling our Series Seed Preferred Stock and may impair our ability to acquire or invest in other companies, products or technologies by using our Series Seed Preferred Stock as consideration.

Our ability to generate revenue to support our operations is uncertain.

We are in the early stage of our business and have a limited history of generating revenues. We have a limited operating history upon which you can evaluate our potential for future success, and we are subject to the additional risks affecting early-stage businesses. Rather than relying on historical information, financial or otherwise, to evaluate our Company, you should evaluate our Company in light of your assessment of the growth potential of our business and the expenses, delays, uncertainties, and complications typically encountered by early-stage businesses, many of which will be beyond our control. Early-stage businesses in rapidly evolving markets commonly face risks, such as the following:

- unanticipated problems, delays, and expenses relating to the development and implementation of their business plans
- operational difficulties;
- lack of sufficient capital;
- competition from more advanced enterprises; and
- uncertain revenue generation.

Our limited operating history may make it difficult for us to accurately forecast our operating results.

Our planned expense levels are, and will continue to be, based in part on our expectations, which are difficult to forecast accurately based on our stage of development and factors outside of our control. We may be unable to adjust spending in a timely manner to compensate for any unexpected developments. Further, business development expenses may increase significantly as we expand operations. To the extent that any unexpected expenses precede, or are not rapidly followed by, a corresponding increase in revenue, our business, operating results, and financial condition may be materially and adversely affected.

We have a history of losses that may continue, which may negatively impact our ability to achieve our business objectives.

We have incurred net losses since our inception. We cannot assure you that we can achieve or sustain profitability on a quarterly or annual basis in the future. There can be no assurance that future operations will be profitable. We may not achieve our business objectives and the failure to achieve such goals would have an adverse impact on us.

We operate in a highly competitive industry and if we are unable to compete successfully our revenue and profitability will be adversely affected.

We face strong competition from manufacturers and distributors of products addressing certain technologies, features or markets for sexual performance, worldwide. Many of our competitors have stronger capitalization than we do, have strong existing customer relationships and more extensive engineering, manufacturing, sales and marketing capabilities. Competitors could focus their substantial resources on developing a competing technology that may be potentially more attractive to customers than our products or services. In addition, we may face competition from other products with existing technologies. Our competitors may also offer competitive products at reduced prices in order to improve their competitive positions. Any of these competitive factors could make it more difficult for us to attract and retain customers, require us to lower our prices in order to remain competitive, and reduce our revenue and profitability, any of which could have a material adverse effect on our results of operations and financial condition.

Our success depends on FDA regulatory approvals and the timeliness thereof.

Our success depends on regulatory approvals and timeliness of those approvals. A key step that Morari will take is to submit the Mor Patch to the FDA to obtain clearance for safety for users. The Mor Patch is based on existing technology but there is a possibility that the FDA could conclude that electronic pulses would be unsafe for product users. Additionally, there could be delays in receipt of any approvals from the FDA, which could also slow Company sales growth and negatively impact financial projections.

Our success depends on our ability to expand, operate, and successfully manage our operations.

Our success depends on our ability to design products popular with customers and consumers, effectively market our products, manage third party manufacturing operations nationally and internationally, and successfully manage our operations. Our ability to successfully accomplish these objects will depend upon a number of factors, including the following:

signing with strategic distribution partners with established retail, manufacturing, logistics and wholesale relationships;  
continued interruptions in the supply chain or distribution of our products;  
the continued development of our business;  
the hiring, training, and retention of competent personnel;  
the ability to design products that generates customer demand;  
the ability to enhance our operational, financial, and management systems;  
the availability of adequate financing;  
competitive factors; and  
general economic and business conditions.

If we are unable to obtain additional capital, our business operations could be harmed.

The expansion of our business will require additional funds to support inventories, accounts receivable and expansion. In the future, we expect to seek additional equity or debt financing to provide for our working capital needs. Such financing may not be available or may not be available on satisfactory terms to us. If financing is not available on satisfactory terms, we may be unable to expand our operations to achieve our objectives. While debt financing will enable us to expand our business more rapidly than we otherwise would be able to do, debt financing increases expenses and we must repay the debt regardless of our operating results. Future equity financings could result in dilution to our stockholders.

The recent global financial crisis, which has included, among other things, significant reductions in available capital and liquidity from banks and other providers of credit, substantial reductions or fluctuations in equity and currency values worldwide, and concerns that the worldwide economy may enter into a prolonged recessionary period, may make it difficult for us to raise additional capital or obtain additional credit, when needed, on acceptable terms or at all.

Our inability to obtain adequate capital resources, whether in the form of equity or debt, to fund our business and growth strategies, may require us to delay, scale back, or eliminate some or all of our operations, which may adversely affect our financial results and ability to operate as a going concern.

The success of our business depends on the market acceptance of products with our proprietary technology.

Our future success depends on the market acceptance of our proprietary safe and technologies in which our technology is imbedded. If we are unable to convince current and potential customers of the advantages of our technology or gain market traction, then our ability to sell our products will be limited. If the market for our proprietary technology does not develop, or if the market does not accept our products, then our ability to grow our business could be limited.

We depend on a limited number of third-party manufacturers.

We depend on certain key manufacturers for our current products. If these relationships become strained, our results of operations and financial condition could be materially adversely affected.

We depend on external products for the successful use of our product and their supply chain issues could negatively impact our business.

Our product that is dependent on batteries, sensors, fabrics, adhesives, circuits, and other materials that we do not produce internally, nor do we control the supply chain of. There is the possibility that the supply chain for some or all of these elements can be impacted by external factors beyond the Company's control which could negatively impact the Company's ability to sell or distribute the product.

We may depend upon a limited number of customers in any given period to generate a substantial portion of our revenue.

Our industry does not lend to long-term customer contracts, and our dependence on individual key customers can vary from period to period as a result of consumer demands among other variables. As a result, we may experience more customer concentration in any given future period. The loss of, or substantial reduction in sales to, any of our significant customers could have a material adverse effect on our results of operations in any given future period.

We may need to raise additional financing to support our operations, but we cannot be sure that we will be able to obtain additional financing on terms favorable to us when needed. If we are unable to obtain additional financing to meet our needs, our operations may be adversely affected or terminated.

We have limited financial resources. There can be no assurance that we will be able to obtain financing to fund our operations in light of factors beyond our control such as the market demand for our securities, the state of financial markets generally, and other relevant factors. Any sale of our Series Seed Preferred Stock in the future may result in dilution to existing stockholders.

Furthermore, there is no assurance that we will not incur debt in the future, that we will have sufficient funds to repay any future indebtedness or that we will not default on our future debts, which would thereby jeopardize our business viability. Finally, we may not be able to borrow or raise additional capital in the future to meet our needs or to otherwise provide the capital necessary to continue the development of our technology, which might result in the loss of some or all of your investment in our Series Seed Preferred Stock.

If we obtain debt financing, we will face risks associated with financing our operations:

If we obtain debt financing, we will be subject to the normal risks associated with debt financing, including the risk that our cash flow will be insufficient to meet required payments of principal and interest and the risk that we will not be able to renew, repay, or refinance our debt when it matures or that the terms of any renewal or refinancing will not be as favorable as the existing terms of that debt. If we enter into secured lending facilities and are unable to pay our obligations to our secured lenders, they could proceed against any or all of the collateral securing our indebtedness to them.

We may acquire other businesses, license rights to technologies or products, form alliances, or dispose of or spin-off businesses, which could cause us to incur significant expenses and could negatively affect profitability.

We may pursue acquisitions, technology-licensing arrangements, and strategic alliances, or dispose of or spin-off some of our businesses, as part of our business strategy. We may not complete these transactions in a timely manner, on a cost-effective basis, or at all, and may not realize the expected benefits. If we are successful in making an acquisition, the products and technologies that are acquired may not be successful or may require significantly greater resources and investments than originally anticipated. We may not be able to integrate acquisitions successfully into our existing business and could incur or assume significant debt and unknown or contingent liabilities. We could also experience negative effects on our reported results of operations from acquisition or disposition-related charges, amortization of expenses related to intangibles and charges for impairment of long-term assets.

We depend on our officers, key employees and agents who would be difficult to replace, and our business will likely be harmed if we lose their services or cannot hire additional qualified personnel.

Our success depends substantially on the efforts and abilities of our officers, and other key employees and agents. The loss of services of one or more of our officers or key employees or agents or the inability to add key personnel could have a material adverse effect on our business. Competition for experienced personnel in our industry is substantial. Our success depends in part on our ability to attract, hire, and retain qualified personnel. In addition, if any of our officers or other key employees join a competitor or form a competing company, we may lose some of our customers.

If we experience rapid growth and we are not able to manage this growth successfully, this inability to manage the growth could adversely affect our business, financial condition, and results of operations.

Rapid growth places a significant strain on our financial, operational, and managerial resources. While we engage in strategic and operational planning to adequately manage anticipated growth, there can be no assurance that we will be able to implement and subsequently improve operations and financial systems successfully and in a timely manner to fully manage our growth. There can be no assurance that we will be able to manage our growth and any inability to successfully manage growth could materially adversely affect our business, financial condition, and results of operation.

We rely on third-party manufacturers to produce our products. We may be unable to achieve our growth and profitability objectives if we cannot secure acceptable third-party manufacturers or existing third-party manufacturer relationships dissolve.

We do not know whether our current or future manufacturing arrangements will be able to develop efficient, low-cost manufacturing capabilities and processes that will enable us to meet the quality, price, engineering, design and production standards, or production volumes required to successfully mass market such products. Even if we are successful in developing manufacturing capabilities and processes, we do not know whether we will do so in time to meet market demand. Our failure to develop these manufacturing processes and capabilities, if necessary, in a timely manner could prevent us from achieving our growth and profitability objectives.

We are, or in the future may be, subject to substantial regulation related to quality standards applicable to our quality processes. Our failure to comply with applicable quality standards could have an adverse effect on our business, financial condition, or results of operations.

The Environmental Protection Agency regulates manufacturers and products needed in our Mor Patch, and those of our distributors and partners, in the United States. Significant government regulation also exists in overseas markets. Compliance with applicable regulatory requirements is subject to continual review and is monitored through periodic inspections and other review and reporting mechanisms.

Failure by us or our partners to comply with current or future governmental regulations and quality assurance guidelines could lead to product recalls or related field actions, or product shortages. Efficacy or safety concerns with respect to our products or those of our partners could lead to product recalls, fines, withdrawals, declining sales, and/or our failure to successfully commercialize new products or otherwise achieve revenue growth.

The success of our businesses will depend on our ability to effectively develop and implement strategic business initiatives.

We are currently implementing various strategic business initiatives. In connection with the development and implementation of these initiatives, we will incur additional expenses and capital expenditures to implement the initiatives. The development and implementation of these initiatives also requires management to divert a portion of its time from day-to-day operations. These expenses and diversions could have a significant impact on our operations and profitability, particularly if the initiatives prove to be unsuccessful. Moreover, if we are unable to implement an initiative in a timely manner, or if those initiatives turn out to be ineffective or are executed improperly, our business and operating results would be adversely affected.

Failure to successfully reduce our current or future production costs may adversely affect our financial results.

A significant portion of our strategy will rely upon our ability to successfully rationalize and improve the efficiency of our operations. In particular, our strategy relies on our ability to reduce our production costs in order to remain competitive. If we are unable to continue to successfully implement cost reduction measures, especially in a time of a worldwide economic downturn, or if these efforts do not generate the level of cost savings that we expect going forward or result in higher than expected costs, there could be a material adverse effect on our business, financial condition, results of operations, or cash flows.

If we are unable to make necessary capital investments or respond to pricing pressures, our business may be harmed.

In order to remain competitive, we need to invest in research and development, customer service and support, and marketing. From time to time, we may have to adjust the prices of our products and services to remain competitive. We may not have available sufficient financial or other resources to continue to make

investments necessary to maintain our competitive position.

New products or “knock offs” of our products may cause market confusion and limit our ability to generate revenue.

There is a risk that there will be new entrants to this market that will make claims that their products can do what the Mor Patch will do without the rigorous work required to develop and program a device to delay the body's natural signals. Further, there is a risk that competitors will create “knock-offs” of the Mor Patch that may claim to do what the Mor Patch can do or claim to be the Mor Patch itself, which could cause market confusion and reduce revenue for the Company.

We have limited product distribution experience and we expect to rely on third parties who may not successfully sell our products.

We have limited product distribution experience and currently rely, and plan to rely primarily, on product distribution arrangements with third parties. We may also license our technology to certain third parties for commercialization of certain applications. We expect to enter into distribution agreements and/or licensing agreements in the future, and we may not be able to enter into these agreements on terms that are favorable to us, if at all. In addition, we may have limited or no control over the distribution activities of these third parties. These third parties could sell competing products and may devote insufficient sales efforts to our products. As a result, our future revenues from sales of our products, if any, will depend on the success of the efforts of these third parties.

We could face significant liabilities in connection with our technology, products, and business operations, which if incurred beyond any insurance limits, would adversely affect our business and financial condition.

We are subject to a variety of potential liabilities connected to our technology development and business operations, such as potential liabilities related to environmental risks for component parts of the Mor Patch, manufacturing liability associated with the product or its component parts, improper use or use outside of the directed use of the Mor Patch, or products liability related to the use of the Mor Patch. As a business which markets products for use by consumers and institutions, we may become liable for any damage caused by our products, whether used in the manner intended or not. Any such claim of liability, whether meritorious or not, could be time-consuming and/or result in costly litigation. Although we intend to obtain insurance against certain of these risks, no assurance can be given that such insurance will be adequate to cover related liabilities or will be available in the future or, if available, that premiums will be commercially justifiable. If we were to incur any substantial liability and related damages were not covered by our insurance or exceeded policy limits, or if we were to incur such liability at a time when we are not able to obtain liability insurance, our business, financial conditions, and results of operations could be materially adversely affected.

Our inability to protect our intellectual property, or our involvement in damaging and disruptive intellectual property litigation, could adversely affect our business, results of operations and financial condition or result in the loss of use of the product or service.

We attempt to protect our intellectual property rights through a combination of patent, trademark, copyright and trade secret laws, as well as third-party nondisclosure and assignment agreements. Our failure to obtain or maintain adequate protection of our intellectual property rights for any reason could have a material adverse effect on our business, results of operations and financial condition.

We own United States and international patents and patent applications for our technologies. We offer no assurance about the degree of protection which existing or future patents may afford us. Likewise, we offer no assurance that our patent applications will result in issued patents, that our patents will be upheld if challenged, that competitors will not develop similar or superior business methods or products outside the protection of our patents, that competitors will not infringe our patents, or that we will have adequate resources to enforce our patents.

To protect our trade secrets and other proprietary information, we generally require employees, consultants, advisors and collaborators to enter into confidentiality agreements. We cannot assure you that these agreements will provide meaningful protection for our trade secrets, know-how or other proprietary information in the event of any unauthorized use, misappropriation or disclosure of such trade secrets, know-how or other proprietary information. If we are unable to maintain the proprietary nature of our technologies, our business could be materially adversely affected.

We rely on our trademarks, trade names, and brand names to distinguish our company and our products and services from our competitors.

Some of our trademarks may conflict with trademarks of other companies. Failure to obtain trademark registrations could limit our ability to protect our trademarks and impede our sales and marketing efforts. Further, we cannot assure you that competitors will not infringe our trademarks, or that we will have adequate resources to enforce our trademarks.

In addition, third parties may bring infringement and other claims that could be time-consuming and expensive to defend. In addition, parties making infringement and other claims may be able to obtain injunctive or other equitable relief that could effectively block our ability to provide our products, services or business methods and could cause us to pay substantial damages. In the event of a successful claim of infringement, we may need to obtain one or more licenses from third parties, which may not be available at a reasonable cost, or at all. It is possible that our intellectual property rights may not be valid or that we may infringe existing or future proprietary rights of others. Any successful infringement claims could subject us to significant liabilities, require us to seek licenses on unfavorable terms, prevent us selling products, services and business methods and require us to redesign or, in the case of trademark claims, rebrand our company or products, any of which could have a material adverse effect on our business, financial condition or results of operations.

The expiration or loss of patent protection and licenses may affect our future revenues and operating income.

Much of our business relies on patent and trademark and other intellectual property protection. Although most of the challenges to our intellectual property would likely come from other businesses, governments may also challenge intellectual property protections. To the extent our intellectual property is successfully challenged, invalidated, or circumvented, or to the extent it does not allow us to compete effectively, our business will suffer. To the extent that countries do not enforce our intellectual property rights or to the extent that countries require compulsory licensing of our intellectual property, our future revenues and operating income will be reduced.

Our research and development efforts may not succeed in developing commercially successful products and technologies, which may cause our revenue and profitability to decline or be eliminated.

To remain competitive, we must continue to launch new products and technology, and enhance our current products and technology. To accomplish this, we must commit substantial efforts, funds, and other resources to research and development. A high rate of failure is inherent in the research and development of new products and technology. We must make ongoing substantial expenditures without any assurance that its efforts will be commercially successful. Failure can occur at any point in the process, including after significant funds have been

invested. We cannot state with certainty when or whether any of our products or technology under development will be launched or whether any products or technologies will be commercially successful. Failure to launch successful new products or technology or enhance existing products or technology may cause our products or technology to become obsolete, causing our revenues and operating results to suffer.

New products and technological advances by our competitors may negatively affect our results of operations.

Our products and technology face intense competition from our competitors' products and technology. Competitors' products and technology may be more effective, more effectively marketed or sold, or have lower prices or superior performance features than our products or technology. We cannot predict with certainty the timing or impact of the introduction of competitors' products or technology.

Our costs may grow more quickly than our revenue, harming our business and profitability.

Providing our products or technology to our customers is costly and we expect our expenses to continue to increase in the future. We expect to continue to invest in our infrastructure in order to provide our products and technology rapidly and reliably to all customers. Our expenses may be greater than we anticipate, and our investments to make our business and our infrastructure more efficient may not be successful. In addition, we may increase marketing, sales, and other operating expenses in order to grow and expand our operations and to remain competitive. Increases in our costs may adversely affect our business and profitability.

Our marketing success relies heavily on social media marketing.

Our marketing relies heavily on social media marketing campaigns and social media platform use. The Mor Patch is designed to improve sexual performance, and historically, social media outlets have restricted sexual language and imagery use in advertising on these sites. Social media could limit the marketing and promotion effectiveness of the Mor Patch to targeted segments or we could be prohibited from using certain social media platforms altogether. The inability to market this product in this manner, or through any platform, will severely and negatively impact revenue potential for the Company.

Negative publicity associated with the Mor Patch or its use could adversely impact the Company and its financial status.

In the event of negative publicity, misuse of the products, including use by or inadvertent sale to minors, could adversely impact the Company in a variety of ways, including but not limited to, harm to the brand, legal claims or costs, or other unanticipated expenses, all of which could harm the financial status of the Company or its ability to sell the product.

Other factors can have a material adverse effect on our future profitability and financial condition.

Many other factors can affect our profitability and financial condition, including:

changes in, or interpretations of, laws and regulations including changes in accounting standards and taxation requirements;  
changes in the rate of inflation and interest rates;  
changes in the creditworthiness of counterparties that transact business with;  
changes in business, economic, and political conditions, including: war, political instability, terrorist attacks in the U.S. and other parts of the world, the threat of future terrorist activity in the U.S. and other parts of the world and related military action; natural disasters; the cost and availability of insurance due to any of the foregoing events; labor disputes, strikes, slow-downs, or other forms of labor or union activity; and, pressure from third-party interest groups;  
difficulties related to our information technology systems, any of which could adversely affect business operations, including any significant breakdown, invasion, destruction, or interruption of these systems;  
changes in credit markets impacting our ability to obtain financing for our business operations; or  
legal difficulties, any of which could preclude or delay commercialization of products or technology or adversely affect profitability, including claims asserting statutory or regulatory violations, adverse litigation decisions, and issues regarding compliance with any governmental consent decree.

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

Our business and prospects have been and could be materially adversely affected by the COVID-19 pandemic or recurrences of COVID-19, or any other similar diseases in the future. Material adverse effects from COVID-19 and similar diseases could result in numerous known and currently unknown ways including from quarantines and lockdowns which impair our development, manufacturing, marketing, and sales efforts to our targeted sales channels. During the COVID-19 pandemic, businesses throughout the U.S. and Canada shut down for extended periods of time (and may be shut down again due to recurrences of COVID-19), thus negatively impacting our product revenues. The pandemic and reactions to the pandemic or future outbreaks of COVID-19 could also impair the timing of obtaining future and applicable industry and or any related approvals. In addition, we purchase materials for our products from suppliers located in affected areas, and we may not be able to procure required components or secure manufacturing capability. The effects of the COVID-19 pandemic have also placed travel restrictions on us and our associated businesspersons, as well as temporary closures of the facilities of our suppliers, which could also adversely impact our business. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could reduce the demand for our products and impair our business prospects including as a result of being unable to raise additional capital on acceptable terms to us, if at all.

We can provide no assurances as to our future financial performance or the investment result of a purchase of our Series Seed Preferred Stock.

Any projected results of operations involve significant risks and uncertainty, should be considered speculative, and depend on various assumptions which may not be correct. The future performance of our Company and the return on our Series Seed Preferred Stock depends on a complex series of events that are beyond our control and that may or may not occur. Actual results for any period may or may not approximate any assumptions that are made and may differ significantly from such assumptions. We can provide no assurance or prediction as to our future profitability or to the ultimate success of an investment in our Series Seed Preferred Stock.

Future issuances of our Series Seed Preferred Stock could dilute current stockholders or adversely affect the market.

Future issuances of our stock, particularly in connection with outstanding options, warrants and shares of Series A Convertible Preferred Stock exercisable or convertible into shares of our common stock, could be at values substantially below the price paid by the current holders of our Series Seed Preferred Stock. Sales of substantial amounts of our Series Seed Preferred Stock, or even just the prospect of such sales, could depress the prevailing price of our Series Seed Preferred Stock and our ability to raise equity capital in the future.

An active market may not develop, and investors may not be able to resell their shares of Series Seed Preferred Stock.

If you purchase shares of our Series Seed Preferred Stock, you may not be able to

resell them. There is no public trading market for shares of our Series Seed Preferred Stock. Therefore, outstanding shares of our Series Seed Preferred Stock cannot be offered, sold, pledged or otherwise transferred except in privately arranged transactions and then only if the transaction is registered pursuant to, or exempt from registration under, the Securities Act and any other applicable federal or state securities laws or regulations. We can provide no assurance that an active trading market will develop in the future. We cannot predict the extent to which investor interest in our Company could ultimately lead to the development of an active trading market, and we can provide no assurance that an active trading market will develop in the future. The lack of an active market may reduce the value of your shares of Series Seed Preferred Stock and impair your ability to sell your shares at the time or price at which you wish to sell them. An active or liquid market in shares of our Series Seed Preferred Stock may not develop and, if it does develop, it may not be sustainable. You may not be able to liquidate your shares of our Series Seed Preferred Stock quickly or at the market price if trading in shares of our Series Seed Preferred Stock is not active.

In addition, the price of the shares of our Series Seed Preferred Stock sold in this Offering may vary from the future market price of shares of our Series Seed Preferred Stock. The market price of our Series Seed Preferred Stock could fluctuate significantly as a result of a number of business, financial and external factors, some of which are beyond the Company's control. We cannot assure you as to the liquidity of your investment, or the future market prices of shares of our Series Seed Preferred Stock.

Terms of subsequent financings may adversely impact your investment.

We may have to raise equity, debt financing in the future. Your rights and the value of your investment in our Series Seed Preferred Stock could be reduced. For example, if we issue secured debt securities, the holders of the debt would have a claim against our assets that would be prior to the rights of stockholders until the debt is paid. Interest on these debt securities would increase costs and negatively impact operating results.

It is not likely that we will pay dividends on our Series Seed Preferred Stock or any other class of stock.

We intend to retain any future earnings for the operation and expansion of our business. We do not anticipate paying cash dividends on our Series Seed Preferred Stock, or any other class of stock, in the foreseeable future. Stockholders should look solely to appreciation in the market price of our common shares to obtain a return on investment.

Limited voting rights.

The Series Seed Preferred Stock has limited voting and economic rights. The decisions impacting the Company will be made largely by the Board of Directors of the Company and the shareholders may have little or no say in management of the Company or its strategies.

Mark Payne is a part-time officer. As such, it is likely that the company will not make the same progress as it would if that were not the case.

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.

*INSTRUCTION TO QUESTION 3: Avoid generalized statements and include only those factors that are unique to the issuer. Discussion should be tailored to the issuer's business and the offering and should not repeat the factors addressed in the legends set forth above. No specific number of risk factors is required to be identified.*

## Ownership and Capital Structure

### DESCRIPTION OF ISSUER'S SECURITIES

17. What other securities or classes of securities of the issuer are outstanding? Describe the material terms of any other outstanding securities or classes of securities of the issuer.

Class of Security	Securities (or Amount) Authorized	Securities (or Amount) Outstanding	Voting Rights
Series Seed 2	1,086,956	1,086,956	Yes <input type="button" value="v"/>
Common	10,000,000	5,000,000	Yes <input type="button" value="v"/>
Series Seed 1	565,218	565,218	Yes <input type="button" value="v"/>
Series Seed 3a	458,652	458,652	Yes <input type="button" value="v"/>
Series Seed 3b	176,730	176,730	Yes <input type="button" value="v"/>
Series Seed 4	909,091	643,636	Yes <input type="button" value="v"/>

Class of Security	Securities Reserved for Issuance upon Exercise or Conversion
Warrants:	0
Options:	0

24. Describe the material terms of any indebtedness of the issuer:

None.

*INSTRUCTION TO QUESTION 24: state the maturity, amount owed, interest rate, maturity date, and any other material terms.*

25. What other exempt offerings has the issuer conducted within the past three years?

Offering Date	Exemption	Security Type	Amount Sold	Use of Proceeds
5/2020	Section 4(a)(2)	Common stock	\$50	General operations
5/2020	Section 4(a)(2)	Preferred stock	\$8,452	General operations
6/2020	Section 4(a)(2)	Preferred stock	\$650,000	General operations
6/2022	Section 4(a)(2)	SAFE	\$1,000,000	General operations
11/2022	Regulation D, 506(c)	Priced Round	\$250,000	General operations
4/2023	Regulation Crowdfunding	Priced Round	\$402,512	General operations
12/2023	Section 4(a)(2)	Preferred stock	\$708,000	General operations



26. Was or is the issuer or any entities controlled by or under common control with the issuer a party to any transaction since the beginning of the issuer's last fiscal year, or any currently proposed transaction, where the amount involved exceeds five percent of the aggregate amount of capital raised by the issuer in reliance on Section 4(a)(6) of the Securities Act during the preceding 12- month period, including the amount the issuer seeks to raise in the current offering, in which any of the following persons had or is to have a direct or indirect material interest:

- 1. any director or officer of the issuer;
- 2. any person who is, as of the most recent practicable date, the beneficial owner of 20 percent or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power;
- 3. If the issuer was incorporated or organized within the past three years, any promoter of the issuer;
- 4. or any immediate family member of any of the foregoing persons.

☒ Yes  
☐ No

For each transaction specify the person, relationship to issuer, nature of interest in transaction, and amount of interest.

Name	Jeff Bennett
Amount Invested	\$100,000.00
Transaction type	Loan
Issue date	10/20/23
Outstanding principal plus interest	\$101,764.53 as of 02/27/24
Interest rate	6.0% per annum
Maturity date	10/31/27
Outstanding	Yes
Current with payments	Yes
Relationship	CEO
Payments begin 12 months after receiving FDA Clearance and will be 24 equal payments from that time. FDA Clearance is anticipated in October 2024.	

Name	BGI Ventures, LLC
Amount Invested	\$8,452.00
Transaction type	Priced round
Issue date	05/13/20
Relationship	Holding company

INSTRUCTIONS TO QUESTION 26: The term transaction includes, but is not limited to, any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangements or relationships.

Beneficial ownership for purposes of paragraph (2) shall be determined as of a date that is no more than 120 days prior to the date of filing of this offering statement and using the same calculation described in Question 5 of this Question and Answer form.

The term "member of the family" includes any child, stepchild, grandchild, parent, stepparent, grandparent, spouse or spouse equivalent, affine, uncle or aunt, sister-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of the person, and includes adoptive relationships. The term "spouse equivalent" means a relationship generally equivalent to that of a spouse.

Compute the amount of a related party's interest in any transaction without regard to the amount of the profit or loss involved in the transaction. Where it is not practicable to state the approximate amount of the interest, disclose the approximate amount involved in the transaction.

## FINANCIAL CONDITION OF THE ISSUER

27. Does the issuer have an operating history?

☒ Yes  
☐ No

28. Describe the financial condition of the issuer, including, to the extent material, liquidity, capital resources and historical results of operations.

### 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

The Company is pre-revenue and our only source of funding current operations is through various funding instruments. In 2023 we completed our Wefunder crowdfunding campaign, receiving over \$208,000 in 2023 of the total of over \$650,000 raised, with the balance of approximately \$442,000 being funded in 2022. In addition, we raised approximately \$708,000 of Series Seed - 4 equity funding from private investors and \$100,000 long-term loan at 6% from a founder. These financings helped to continue funding of research and development of the MOR product throughout 2023 and into 2024.

#### Liquidity & Capital Resources

As noted above, the Company is pre-revenue and funding operations through various instruments, which successfully resulted in approximately \$1,016,000 in new cash provided in 2023. These financings funded continued research and development and the Company ended 2023 with approximately \$650,000 cash available. In addition, the Company has secured favorable payment terms with a key vendor to provide for deferred payments, to allow for commercialization of the product in late 2024. In February 2024, the Company secured a \$141,600 unsecured 1% annual interest loan from the Minnesota Department of Employment and Economic Development. In addition to the low interest rate, it also provides for 36 months of interest only payments and 47 months of reasonable principal and interest payments with a balloon in the 84th month. These funds will not only assist with research and development but also be used for initial inventory for commercialization.

We will likely require additional financing in excess of the proceeds noted above in order to perform operations over the lifetime of the Company. Although capital may be available for early-stage companies, there is no guarantee that the Company will receive any future investments from investors.

#### FDA Clearance and Commercialization

The Company is well positioned in 2024 to complete the steps necessary obtain FDA clearance to begin shipping product before the end of the year. The current plan is to complete all necessary product testing to meet FDA requirements and file for clearance with the FDA in approximately June 2024. The FDA must reply in 90 days, subject to periods when the time is paused for questions from the FDA and responses from the Company. Based on prior meetings with the FDA and the current results of testing, the Company anticipates obtaining FDA clearance and be in a position to begin shipping product by Q4 of 2024. The initial strategy will continue to be focused on the



Minneapolis/St. Paul markets and expanding to other markets in 2025. There are no guarantees that these timelines and FDA clearance will be achieved.

*INSTRUCTIONS TO QUESTION 28: The discussion must cover each year for which financial statements are provided. For issuers with no prior operating history, the discussion should focus on financial milestones and operational, liquidity, and other challenges. For issuers with an operating history, the discussion should focus on whether historical results and cash flows are representative of what investors should expect in the future. Take into account the proceeds of the offering and any other known or pending sources of capital. Discuss how the proceeds from the offering will affect liquidity, whether exercising these funds and any other additional funds is necessary to the viability of the business, and how quickly the issuer anticipates using its available cash. Describe the other available sources of capital to the business, such as lines of credit or required contributions by shareholders. References to the issuer in this Question 28 and these instructions refer to the issuer and its predecessor(s), if any.*

## FINANCIAL INFORMATION

29. Include financial statements covering the two most recently completed fiscal years or the period(s) since inception, if shorter:

Refer to Appendix C, Financial Statements

I, Jeffrey Bennett, certify that:

- (1) the financial statements of Morari, Inc. included in this Form are true and complete in all material respects; and
- (2) the financial information of Morari, Inc. included in this Form reflects accurately the information reported on the tax return for Morari, Inc. filed for the most recently completed fiscal year.

*Jeffrey Bennett*  
CEO

## OTHER MATERIAL INFORMATION

31. In addition to the information expressly required to be included in this Form, include:

- (1) any other material information presented to investors; and
- (2) such further material information, if any, as may be necessary to make the required statements, in the light of the circumstances under which they are made, not misleading.

The Lead Investor. As described above, each Investor that has entered into the Investor Agreement will grant a power of attorney to make voting decisions on behalf of that Investor to the Lead Investor (the "Proxy"). The Proxy is irrevocable unless and until a Successor Lead Investor takes the place of the Lead Investor, in which case, the Investor has a five (5) calendar day period to revoke the Proxy. Pursuant to the Proxy, the Lead Investor or his or her successor will make voting decisions and take any other actions in connection with the voting on Investors' behalf.

The Lead Investor is an experienced investor that is chosen to act in the role of Lead Investor on behalf of Investors that have a Proxy in effect. The Lead Investor will be chosen by the Company and approved by Wefunder Inc. and the identity of the initial Lead Investor will be disclosed to investors before investors make a final investment decision to purchase the securities related to the Company.

The Lead Investor can quit at any time or can be removed by Wefunder Inc. for cause or pursuant to a vote of investors as detailed in the Lead Investor Agreement. In the event the Lead Investor quits or is removed, the Company will choose a Successor Lead Investor who must be approved by Wefunder Inc. The identity of the Successor Lead Investor will be disclosed to Investors, and those that have a Proxy in effect can choose to either leave such Proxy in place or revoke such Proxy during a 5-day period beginning with notice of the replacement of the Lead Investor.

The Lead Investor will not receive any compensation for his or her services to the SPV. The Lead Investor may receive compensation if, in the future, Wefunder Advisors LLC forms a fund ("Fund") for accredited investors for the purpose of investing in a non-Regulation Crowdfunding offering of the Company. In such as circumstance, the Lead Investor may act as a portfolio manager for that Fund (and as a supervised person of Wefunder Advisors) and may be compensated through that role.

Although the Lead Investor may act in multiple roles with respect to the Company's offerings and may potentially be compensated for some of its services, the Lead Investor's goal is to maximize the value of the Company and therefore maximize the value of securities issued by or related to the Company. As a result, the Lead Investor's interests should always be aligned with those of investors. It is, however, possible that in some limited circumstances the Lead Investor's interests could diverge from the interests of investors, as discussed in section 8 above.

Investors that wish to purchase securities related to the Company through Wefunder Portal must agree to give the Proxy described above to the Lead Investor, provided that if the Lead Investor is replaced, the Investor will have a 5-day period during which he or she may revoke the Proxy. If the Proxy is not revoked during this 5-day period, it will remain in effect.

Tax Filings. In order to complete necessary tax filings, the SPV is required to include information about each investor who holds an interest in the SPV, including each investor's taxpayer identification number ("TIN") (e.g., social security number or employer identification number). To the extent they have not already done so, each investor will be required to provide their TIN within the earlier of (i) two (2) years of making their investment or (ii) twenty (20) days prior to the date of any distribution from the SPV. If an investor does not provide their TIN within this time, the SPV reserves the right to withhold from any proceeds otherwise payable to the Investor an amount necessary for the SPV to satisfy its tax withholding obligations as well as the SPV's reasonable estimation of any penalties that may be charged by the IRS or other relevant authority as a result of the investor's failure to provide their TIN. Investors should carefully review the terms of the SPV Subscription Agreement for additional information about tax filings.

*INSTRUCTIONS TO QUESTION 30: If information is presented to investors in a format, media or other means not able to be reflected in text or printable document format, the issuer should include:*

- (a) a description of the material content of such information;
- (b) a description of the format in which such disclosure is presented; and
- (c) in the case of disclosure in video, audio or other dynamic media or format, a transcript or description of such disclosure.

## ONGOING REPORTING

32. The issuer will file a report electronically with the Securities & Exchange Commission annually and post the report on its website, no later than:

120 days after the end of each fiscal year covered by the report.

33. Once posted, the annual report may be found on the issuer's website at:

<http://www.morariomedical.com/invest>

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

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

## APPENDICES

[Appendix A: Business Description & Plan](#)

[Appendix C: Financial Statements](#)

[Financials 1](#)

[Financials 2](#)

[Appendix D: Director & Officer Work History](#)

[Jeffrey Bennett](#)

[Jeffrey Bennett](#)

[John Barbella](#)

[Mark Payne](#)

[Michael Hoey](#)

[Timothy Allen](#)

[Appendix E: Supporting Documents](#)

[ttw\\_communications\\_112924\\_203623.pdf](#)

## Signatures

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

The following documents will be filed with the SEC:

[Cover Page XML](#)

[Offering Statement \(this page\)](#)

[Appendix A: Business Description & Plan](#)

[Appendix B: Investor Contracts](#)

[SPV Subscription Agreement - Early Bird](#)

[Early Bird Morari Subscription Agreement](#)

[SPV Subscription Agreement](#)

[Morari Subscription Agreement](#)

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[ttw\\_communications\\_112924\\_203623.pdf](#)

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

Morari, Inc.

By

*Jeff Bennett*

CEO and Founder

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

*Jeff Bennett*

CEO and Founder  
3/19/2024

*Mark Payne*

CFO  
3/19/2024

*Timothy Allen*

Board Member  
3/19/2024

*Jeff Bennett*  
CEO and Founder  
3/25/2024

*Michael Hoey*  
Board Director  
3/26/2024

*John Barbella*  
Board Member  
3/26/2024

*The Annual Report must be signed by the treasurer, its principal executive officer or officers, its principal financial officer, its controller or principal accounting officer and at least a majority of the board of directors or persons performing similar functions.*

I authorize Wefunder Portal to submit a Annual Report to the SEC based on the information I provided through this online form and my company's Wefunder profile.

As an authorized representative of the company, I appoint Wefunder Portal as the company's true and lawful representative and attorney-in-fact, in the company's name, place and stead to make, execute, sign, acknowledge, swear to and file a Annual Report on the company's behalf. This power of attorney is coupled with an interest and is irrevocable. The company hereby waives any and all defenses that may be available to contest, negate or disaffirm the actions of Wefunder Portal taken in good faith under or in reliance upon this power of attorney.