

Hotel Club Systems Inc. (the “Company”) a Delaware  
Corporation

Financial Statements

For the fiscal year ended December 31, 2021 and 2022

*Unaudited*

# Hotel Club Systems

## Balance Sheet

As of December 31, 2022

|                                    | Total           |
|------------------------------------|-----------------|
| <b>ASSETS</b>                      |                 |
| Current Assets                     |                 |
| Bank Accounts                      |                 |
| 100000 Current Assets              |                 |
| 101000 Wise USD Account (1260)     | 9,839.18        |
| 102000 Mercury Savings (8749)      | 1,088,741.00    |
| 104000 Mercury Checking (8976)     | 12,222.20       |
| Total 100000 Current Assets        | \$ 1,110,802.38 |
| 103000 Wise GBP Account (9917)     | 9,589.63        |
| Total Bank Accounts                | \$ 1,120,392.01 |
| Accounts Receivable                |                 |
| 120000 Accounts Receivable         | 25.77           |
| Total Accounts Receivable          | \$ 25.77        |
| Other Current Assets               |                 |
| 130000 Other Current Assets        |                 |
| 131000 Prepays                     |                 |
| 131100 Prepaid Expenses            | 0.00            |
| 131200 Prepaid Rent                | 0.00            |
| Total 131000 Prepays               | \$ 0.00         |
| 133000 Clearing Account            |                 |
| 133100 Stripe Clearing             | 41,757.22       |
| Total 133000 Clearing Account      | \$ 41,757.22    |
| Total 130000 Other Current Assets  | \$ 41,757.22    |
| Total Other Current Assets         | \$ 41,757.22    |
| Total Current Assets               | \$ 1,162,175.00 |
| Fixed Assets                       |                 |
| 150000 Fixed Assets                |                 |
| 151000 Furniture & Fixtures        | 56,805.70       |
| 153000 Office Equipment            | 12,079.67       |
| 158000 Leasehold Improvements      | 260,821.58      |
| 159000 Accumulated Depreciation    | -25,237.87      |
| Total 150000 Fixed Assets          | \$ 304,469.08   |
| Total Fixed Assets                 | \$ 304,469.08   |
| Other Assets                       |                 |
| 170000 Other Assets                |                 |
| 171000 Security Deposit            | 85,008.00       |
| 173000 Due To/From Commons Club    | 63,379.38       |
| 174000 Stripe Deferred Advance Fee | 11,947.00       |
| 174001 Stripe Fee Amortization     | -7,933.90       |
| 175000 ARC Deferred Advance Fee    | 9,130.24        |
| 175001 ARC Fee Amortization        | -2,282.55       |

|   |                               |
|---|-------------------------------|
| 176000 Pipe Advance Fee                 | 14,050.00                     |
| 176001 PIPE Fee Amortizaion             | -3,512.49                     |
| Total 170000 Other Assets               | <u>\$ 169,785.68</u>          |
| Total Other Assets                      | <u>\$ 169,785.68</u>          |
| <b>TOTAL ASSETS</b>                     | <b><u>\$ 1,636,429.76</u></b> |
| <b>LIABILITIES AND EQUITY</b>           |                               |
| <b>Liabilities</b>                      |                               |
| <b>Current Liabilities</b>              |                               |
| <b>Accounts Payable</b>                 |                               |
| 210000 Accounts Payable                 | 900.00                        |
| Total Accounts Payable                  | <u>\$ 900.00</u>              |
| <b>Credit Cards</b>                     |                               |
| <b>220000 Credit Cards</b>              |                               |
| 221000 Brex Credit Card (USD)           | 2,089.49                      |
| 222000 Ramp                             | 362.41                        |
| Total 220000 Credit Cards               | <u>\$ 2,451.90</u>            |
| 223000 Amex                             | 27,995.17                     |
| Total Credit Cards                      | <u>\$ 30,447.07</u>           |
| <b>Other Current Liabilities</b>        |                               |
| <b>230000 Other Current Liabilities</b> |                               |
| 231000 401(k) Payable                   | 212.50                        |
| 234000 Payroll Tax Liabilities          | 105.00                        |
| <b>235000 Accruals</b>                  |                               |
| 235100 Accrued Expenses                 | 8,298.91                      |
| Total 235000 Accruals                   | <u>\$ 8,298.91</u>            |
| 236000 Taxes Payable                    |                               |
| 236100 Sales Tax Payable                | 703.31                        |
| Total 236000 Taxes Payable              | <u>\$ 703.31</u>              |
| Total 230000 Other Current Liabilities  | <u>\$ 9,319.72</u>            |
| Total Other Current Liabilities         | <u>\$ 9,319.72</u>            |
| Total Current Liabilities               | <u>\$ 40,666.79</u>           |
| <b>Long-Term Liabilities</b>            |                               |
| <b>240000 Long Term Liabilities</b>     |                               |
| <b>241000 Notes / Bonds Payable</b>     |                               |
| 241001 Stripe Merchant Advance          | 157,647.00                    |
| 241002 Stripe Contra (Paid)             | -104,684.48                   |
| 241003 ARC Merchant Advance             | 97,130.24                     |
| 241004 ARC Contra (Paid)                | -24,282.57                    |
| 241005 Pipe                             | 154,050.00                    |
| 241006 Pipe Contra (Paid)               | -38,512.50                    |
| Total 241000 Notes / Bonds Payable      | <u>\$ 241,347.69</u>          |
| Total 240000 Long Term Liabilities      | <u>\$ 241,347.69</u>          |
| Total Long-Term Liabilities             | <u>\$ 241,347.69</u>          |
| Total Liabilities                       | <u>\$ 282,014.48</u>          |
| <b>Equity</b>                           |                               |
| <b>300000 Equity</b>                    |                               |
| <b>310000 Common Stock</b>              |                               |

|                                     |                        |
|-------------------------------------|------------------------|
| 310001 Common Stock - Par Value     | 4,685.90               |
| Total 310000 Common Stock           | <b>\$ 4,685.90</b>     |
| 340000 SAFE Notes                   | 1,934,590.01           |
| Total 300000 Equity                 | <b>\$ 1,939,275.91</b> |
| Retained Earnings                   | -150,981.65            |
| Net Income                          | -433,878.98            |
| Total Equity                        | <b>\$ 1,354,415.28</b> |
| <b>TOTAL LIABILITIES AND EQUITY</b> | <b>\$ 1,636,429.76</b> |

Friday, Dec 22, 2023 05:22:44 PM GMT-8 - Accrual Basis

# Hotel Club Systems

## Balance Sheet

As of December 31, 2021

|                                   | Total                |
|-----------------------------------|----------------------|
| <b>ASSETS</b>                     |                      |
| Current Assets                    |                      |
| Bank Accounts                     |                      |
| 100000 Current Assets             |                      |
| 101000 Wise USD Account (1260)    | 9,353.87             |
| 102000 Mercury Savings (8749)     | 325,000.46           |
| 104000 Mercury Checking (8976)    | 35,302.86            |
| Total 100000 Current Assets       | \$ 369,657.19        |
| 103000 Wise GBP Account (9917)    | 347,924.89           |
| Total Bank Accounts               | \$ 717,582.08        |
| Other Current Assets              |                      |
| 130000 Other Current Assets       |                      |
| 131000 Prepays                    |                      |
| 131100 Prepaid Expenses           | 5,865.87             |
| Total 131000 Prepays              | \$ 5,865.87          |
| 133000 Clearing Account           |                      |
| 133100 Stripe Clearing            | 2,218.24             |
| Total 133000 Clearing Account     | \$ 2,218.24          |
| Total 130000 Other Current Assets | \$ 8,084.11          |
| Total Other Current Assets        | \$ 8,084.11          |
| Total Current Assets              | \$ 725,666.19        |
| Fixed Assets                      |                      |
| 150000 Fixed Assets               |                      |
| 151000 Furniture & Fixtures       | 4,103.58             |
| 158000 Leasehold Improvements     | 14,279.21            |
| 159000 Accumulated Depreciation   | -48.85               |
| Total 150000 Fixed Assets         | \$ 18,333.94         |
| Total Fixed Assets                | \$ 18,333.94         |
| Other Assets                      |                      |
| 170000 Other Assets               |                      |
| 171000 Security Deposit           | 20,000.00            |
| 173000 Due To/From Commons Club   | 28,536.42            |
| Total 170000 Other Assets         | \$ 48,536.42         |
| Total Other Assets                | \$ 48,536.42         |
| <b>TOTAL ASSETS</b>               | <b>\$ 792,536.55</b> |
| <b>LIABILITIES AND EQUITY</b>     |                      |
| Liabilities                       |                      |
| Current Liabilities               |                      |
| Credit Cards                      |                      |
| 220000 Credit Cards               |                      |
| 221000 Brex Credit Card (USD)     | 17,381.19            |

|  |    |             |
|--|----|-------------|
| Total 220000 Credit Cards              | \$ | 17,381.19   |
| Total Credit Cards                     | \$ | 17,381.19   |
| Other Current Liabilities              |    |             |
| 230000 Other Current Liabilities       |    |             |
| 235000 Accruals                        |    |             |
| 235100 Accrued Expenses                |    | 33,225.00   |
| Total 235000 Accruals                  | \$ | 33,225.00   |
| Total 230000 Other Current Liabilities | \$ | 33,225.00   |
| Total Other Current Liabilities        | \$ | 33,225.00   |
| Total Current Liabilities              | \$ | 50,606.19   |
| Total Liabilities                      | \$ | 50,606.19   |
| Equity                                 |    |             |
| 300000 Equity                          |    |             |
| 310000 Common Stock                    |    |             |
| 310001 Common Stock - Par Value        |    | 90.00       |
| Total 310000 Common Stock              | \$ | 90.00       |
| 340000 SAFE Notes                      |    | 893,800.01  |
| Total 300000 Equity                    | \$ | 893,890.01  |
| Retained Earnings                      |    |             |
| Net Income                             |    | -151,959.65 |
| Total Equity                           | \$ | 741,930.36  |
| TOTAL LIABILITIES AND EQUITY           | \$ | 792,536.55  |

Friday, Dec 22, 2023 05:22:14 PM GMT-8 - Accrual Basis

# Hotel Club Systems

## Profit and Loss

January - December 2022

|  | Total                |
|--|----------------------|
| Income   |                      |
| 400000 Sales                                       |                      |
| 401000 Memberships                                 | 506,001.95           |
| 402000 Event Services                              | 2,000.00             |
| 403000 Food & Drink                                | 9,845.90             |
| 405000 Refunds                                     | -12,490.97           |
| Total 400000 Sales                                 | <b>\$ 505,356.88</b> |
| Uncategorized Income                               | 4,570.00             |
| Total Income                                       | <b>\$ 509,926.88</b> |
| Cost of Goods Sold                                 |                      |
| 500000 Cost of goods sold                          |                      |
| 505000 Hosting Fees                                | 1,673.85             |
| 506000 Stripe Fees                                 | 15,238.63            |
| 507000 Square Fees                                 | 727.27               |
| 508000 Square (Addmi Inc) fees                     | 442.80               |
| Total 500000 Cost of goods sold                    | <b>\$ 18,082.55</b>  |
| Total Cost of Goods Sold                           | <b>\$ 18,082.55</b>  |
| Gross Profit                                       | <b>\$ 491,844.33</b> |
| Expenses   |                      |
| 600000 Sales, General, and Administrative Expenses |                      |
| 601000 Sales & Marketing                           |                      |
| 601001 Paid Ads                                    | 28,713.60            |
| 601002 Promotional Items                           | 2,706.48             |
| Total 601000 Sales & Marketing                     | <b>\$ 31,420.08</b>  |
| 602000 Payroll Expense                             |                      |
| 602001 Wages                                       | 235,283.86           |
| 602004 Payroll Taxes                               | 17,337.80            |
| 602005 Employee Benefits                           | -161.19              |
| 602006 Workers' Compensation                       | 4,644.97             |
| 602007 Payroll Processing Fees                     | 271.92               |
| Total 602000 Payroll Expense                       | <b>\$ 257,377.36</b> |
| 603000 Software & Web Services                     | 34,203.10            |
| 604000 Professional Fees                           |                      |
| 604100 Legal                                       | 12,430.57            |
| 604200 Accounting                                  | 14,723.74            |
| 604300 Recruiting                                  | 722.11               |
| 604400 Contractors & Consultants                   | 175,438.73           |
| Total 604000 Professional Fees                     | <b>\$ 203,315.15</b> |
| 605000 Travel Expenses                             | 16,065.28            |
| 606000 Meals                                       | 45,639.97            |
| 607000 Entertainment / Team Events                 | 636.02               |

|  |                       |
|--|-----------------------|
| 608000 Insurance Expense                                 | 10,971.00             |
| 609000 Office Furniture / Equipment                      | 37,412.83             |
| 610000 Office Supplies & General Expense                 | 97,756.27             |
| 612000 Utilities Expense                                 | 21,803.71             |
| 613000 Bank Charges                                      | 2,482.71              |
| 614000 Rent Expense                                      | 113,790.44            |
| Total 600000 Sales, General, and Administrative Expenses | <u>\$ 872,873.92</u>  |
| 800000 Other Operating Expenses                          |                       |
| 810000 Depreciation Expense                              | 25,189.02             |
| Total 800000 Other Operating Expenses                    | <u>\$ 25,189.02</u>   |
| Total Expenses   | <u>\$ 898,062.94</u>  |
| Net Operating Income                                     | <u>-\$ 406,218.61</u> |
| Other Income   |                       |
| 908000 Other Miscellaneous Income                        | 4,800.00              |
| Total Other Income                                       | <u>\$ 4,800.00</u>    |
| Other Expenses   |                       |
| Unrealized Gain or Loss                                  | 0.00                  |
| 900000 Other (Income) / Expenses                         |                       |
| 901000 Interest (Income) / Expense                       | 960.77                |
| 902000 Taxes & Licenses                                  | 1,595.77              |
| Total 900000 Other (Income) / Expenses                   | <u>\$ 2,556.54</u>    |
| 905000 Exchange Gain or Loss                             | 15,896.95             |
| 906000 Amortization of Advance Fees                      | 14,006.88             |
| Total Other Expenses                                     | <u>\$ 32,460.37</u>   |
| Net Other Income   | <u>-\$ 27,660.37</u>  |
| Net Income   | <u>-\$ 433,878.98</u> |

Friday, Dec 22, 2023 05:24:29 PM GMT-8 - Accrual Basis

# Hotel Club Systems

## Profit and Loss

July - December 2021

|  | Total                 |
|--|-----------------------|
| Income   |                       |
| 400000 Sales   |                       |
| 401000 Memberships                                       | 2,361.00              |
| 405000 Refunds   | -40.00                |
| Total 400000 Sales                                       | <u>\$ 2,321.00</u>    |
| Total Income   | <u>\$ 2,321.00</u>    |
| Cost of Goods Sold                                       |                       |
| 500000 Cost of goods sold                                |                       |
| 505000 Hosting Fees                                      | 56.13                 |
| 506000 Stripe Fees                                       | 1.76                  |
| Total 500000 Cost of goods sold                          | <u>\$ 57.89</u>       |
| Total Cost of Goods Sold                                 | <u>\$ 57.89</u>       |
| Gross Profit   | <u>\$ 2,263.11</u>    |
| Expenses   |                       |
| 600000 Sales, General, and Administrative Expenses       |                       |
| 601000 Sales & Marketing                                 |                       |
| 601001 Paid Ads  | 12.69                 |
| 601002 Promotional Items                                 | 276.93                |
| Total 601000 Sales & Marketing                           | <u>\$ 289.62</u>      |
| 603000 Software & Web Services                           | 2,026.77              |
| 604000 Professional Fees                                 |                       |
| 604100 Legal   | 36,398.50             |
| 604300 Recruiting  | 0.00                  |
| 604400 Contractors & Consultants                         | 103,792.43            |
| Total 604000 Professional Fees                           | <u>\$ 140,190.93</u>  |
| 605000 Travel Expenses                                   | 2,484.63              |
| 606000 Meals   | 272.72                |
| 608000 Insurance Expense                                 | 1,415.96              |
| 610000 Office Supplies & General Expense                 | 449.37                |
| 613000 Bank Charges                                      | 120.12                |
| 614000 Rent Expense                                      | 6,082.05              |
| Total 600000 Sales, General, and Administrative Expenses | <u>\$ 153,332.17</u>  |
| 800000 Other Operating Expenses                          |                       |
| 810000 Depreciation Expense                              | 48.85                 |
| Total 800000 Other Operating Expenses                    | <u>\$ 48.85</u>       |
| Total Expenses   | <u>\$ 153,381.02</u>  |
| Net Operating Income                                     | <u>-\$ 151,117.91</u> |
| Other Expenses   |                       |
| Unrealized Gain or Loss                                  | 0.00                  |
| 900000 Other (Income) / Expenses                         |                       |
| 901000 Interest (Income) / Expense                       | -0.46                 |

|  |    |    |            |
|--|----|----|------------|
| Total 900000 Other (Income) / Expenses | -  | \$ | 0.46       |
| 905000 Exchange Gain or Loss           |    |    | 842.20     |
| Total Other Expenses                   | \$ |    | 841.74     |
| Net Other Income                       | -  | \$ | 841.74     |
| Net Income                             | -  | \$ | 151,959.65 |

Friday, Dec 22, 2023 05:24:01 PM GMT-8 - Accrual Basis

# Hotel Club Systems

## Statement of Cash Flows

January - December 2022

|   | Total          |
|---|----------------|
| <b>OPERATING ACTIVITIES</b>   |                |
| Net Income  | -433,878.98    |
| Adjustments to reconcile Net Income to Net Cash provided by operations:       |                |
| 120000 Accounts Receivable  | -25.77         |
| 131100 Other Current Assets:Prepays:Prepaid Expenses                          | 5,865.87       |
| 131200 Other Current Assets:Prepays:Prepaid Rent                              | 0.00           |
| 133100 Other Current Assets:Clearing Account:Stripe Clearing                  | -39,538.98     |
| 159000 Fixed Assets:Accumulated Depreciation                                  | 25,189.02      |
| 210000 Accounts Payable   | 900.00         |
| 221000 Credit Cards:Brex Credit Card (USD)                                    | -15,291.70     |
| 222000 Credit Cards:Ramp  | 362.41         |
| 223000 Amex   | 27,995.17      |
| 231000 Other Current Liabilities:401(k) Payable                               | 212.50         |
| 234000 Other Current Liabilities:Payroll Tax Liabilities                      | 105.00         |
| 235100 Other Current Liabilities:Accruals:Accrued Expenses                    | -24,926.09     |
| 236100 Other Current Liabilities:Taxes Payable:Sales Tax Payable              | 703.31         |
| Total Adjustments to reconcile Net Income to Net Cash provided by operations: | -\$ 18,449.26  |
| Net cash provided by operating activities                                     | -\$ 452,328.24 |
| <b>INVESTING ACTIVITIES</b>   |                |
| 151000 Fixed Assets:Furniture & Fixtures                                      | -52,702.12     |
| 153000 Fixed Assets:Office Equipment  | -12,079.67     |
| 158000 Fixed Assets:Leasehold Improvements                                    | -246,542.37    |
| 171000 Other Assets:Security Deposit  | -65,008.00     |
| 173000 Other Assets:Due To/From Commons Club                                  | -34,842.96     |
| 174000 Other Assets:Stripe Deferred Advance Fee                               | -11,947.00     |
| 174001 Other Assets:Stripe Fee Amortization                                   | 7,933.90       |
| 175000 Other Assets:ARC Deferred Advance Fee                                  | -9,130.24      |
| 175001 Other Assets:ARC Fee Amortization                                      | 2,282.55       |
| 176000 Other Assets:Pipe Advance Fee  | -14,050.00     |
| 176001 Other Assets:PIPE Fee Amortizaion                                      | 3,512.49       |
| Net cash provided by investing activities                                     | -\$ 432,573.42 |
| <b>FINANCING ACTIVITIES</b>   |                |
| 241001 Long Term Liabilities:Notes / Bonds Payable:Stripe Merchant Advance    | 157,647.00     |
| 241002 Long Term Liabilities:Notes / Bonds Payable:Stripe Contra (Paid)       | -104,684.48    |
| 241003 Long Term Liabilities:Notes / Bonds Payable:ARC Merchant Advance       | 97,130.24      |
| 241004 Long Term Liabilities:Notes / Bonds Payable:ARC Contra (Paid)          | -24,282.57     |
| 241005 Long Term Liabilities:Notes / Bonds Payable:Pipe                       | 154,050.00     |
| 241006 Long Term Liabilities:Notes / Bonds Payable:Pipe Contra (Paid)         | -38,512.50     |
| 310001 Equity:Common Stock:Common Stock - Par Value                           | 4,595.90       |
| 340000 Equity:SAFE Notes  | 1,040,790.00   |
| Retained Earnings   | 978.00         |

|   |    |              |
|---|----|--------------|
| Net cash provided by financing activities | \$ | 1,287,711.59 |
| Net cash increase for period              | \$ | 402,809.93   |
| Cash at beginning of period               |    | 717,582.08   |
| Cash at end of period                     | \$ | 1,120,392.01 |

Friday, Dec 22, 2023 05:27:15 PM GMT-8

# Hotel Club Systems

## Statement of Cash Flows

July - December 2021

|   | Total                 |
|---|-----------------------|
| <b>OPERATING ACTIVITIES</b>   |                       |
| Net Income  | -151,959.65           |
| Adjustments to reconcile Net Income to Net Cash provided by operations:       |                       |
| 131100 Other Current Assets:Prepays:Prepaid Expenses                          | -5,865.87             |
| 133100 Other Current Assets:Clearing Account:Stripe Clearing                  | -2,218.24             |
| 159000 Fixed Assets:Accumulated Depreciation                                  | 48.85                 |
| 221000 Credit Cards:Brex Credit Card (USD)                                    | 17,381.19             |
| 235100 Other Current Liabilities:Accruals:Accrued Expenses                    | 33,225.00             |
| Total Adjustments to reconcile Net Income to Net Cash provided by operations: | <b>\$ 42,570.93</b>   |
| Net cash provided by operating activities                                     | <b>-\$ 109,388.72</b> |
| <b>INVESTING ACTIVITIES</b>   |                       |
| 151000 Fixed Assets:Furniture & Fixtures                                      | -4,103.58             |
| 158000 Fixed Assets:Leasehold Improvements                                    | -14,279.21            |
| 171000 Other Assets:Security Deposit  | -20,000.00            |
| 173000 Other Assets:Due To/From Commons Club                                  | -28,536.42            |
| Net cash provided by investing activities                                     | <b>-\$ 66,919.21</b>  |
| <b>FINANCING ACTIVITIES</b>   |                       |
| 310001 Equity:Common Stock:Common Stock - Par Value                           | 90.00                 |
| 340000 Equity:SAFE Notes  | 893,800.01            |
| Net cash provided by financing activities                                     | <b>\$ 893,890.01</b>  |
| Net cash increase for period  | <b>\$ 717,582.08</b>  |
| Cash at end of period   | <b>\$ 717,582.08</b>  |

Friday, Dec 22, 2023 05:26:46 PM GMT-8

Hotel Club Systems Inc.  
Statement of Changes in Equity

|                          | Year Ended 2022 | Year Ended 2021 |
|--------------------------|-----------------|-----------------|
| Beginning Equity Balance | \$741,930       | \$0             |
| Issuance of Common Stock | \$4,596         | \$90            |
| Issuance of SAFE Notes   | \$1,040,790     | \$893,800       |
| Net Income               | \$(433,879)     | \$(151,960)     |
| Retained Earnings        | \$978           | \$0             |
| Ending Equity Balance    | \$1,354,415     | \$741,930       |

*Unaudited*

Hotel Club Systems Inc.  
Notes to the Financial Statements  
For the fiscal year ended December 31, 2021 and 2022  
\$USD

## **1. ORGANIZATION AND PURPOSE**

Hotel Club Systems Inc. (the “Company”) is a corporation organized in July 12, 2021 under the laws of Delaware.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the Company’s significant accounting policies applied in the preparation of the accompanying financial statements follows:

### **a) Basis of Accounting**

The Company prepares its financial statements on an accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP). Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

### **b) Use of Estimates and Assumptions**

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

### **c) Cash and Cash Equivalents**

Cash and cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

### **d) Legal Fees**

Legal fees consist of legal services provided for the creation of the Company and equity financing.

### **e) Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### **3. COMMITMENTS, CONTINGENCIES, COMPLIANCE WITH LAWS AND REGULATIONS**

We are currently not involved with or know of any pending or threatening litigation against the Company or any of its officers. Further, the Company is currently complying with all relevant laws and regulations.

### **4. SUBSEQUENT EVENT**

The Company has evaluated events and transactions subsequent to the period. No events require recognition in the financial statements or disclosures of the Company per the definitions and requirements of ASC Section 855-10, Subsequent Events.