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

Evren Technologies, Inc
404 SW 140th Terrace, Suite 50
Gainesville, FL 32669
https://www.evrenvns.com/

Up to $1,069,998.30 in Common Stock at $6.65
Minimum Target Amount: $9,994.95

A crowdfunding investment involves risk. You should not invest any funds in this offering unless you can afford to lose your entire investment.

In making an investment decision, investors must rely on their own examination of the issuer and the terms of the offering, including the merits and risks involved. These securities have not been recommended or approved by any federal or state securities commission or regulatory authority. Furthermore, these authorities have not passed upon the accuracy or adequacy of this document.

The U.S. Securities and Exchange Commission does not pass upon the merits of any securities offered or the terms of the offering, nor does it pass upon the accuracy or completeness of any offering document or literature.

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

## Company:

**Company:** Evren Technologies, Inc
**Address:** 404 SW 140th Terrace, Suite 50, Gainesville, FL 32669
**State of Incorporation:** DE
**Date Incorporated:** December 12, 2018

## Terms:

**Equity**

**Offering Minimum:** $9,994.95 | 1,503 shares of Common Stock
**Offering Maximum:** $1,069,998.30 | 160,902 shares of Common Stock
**Type of Security Offered:** Common Stock
**Purchase Price of Security Offered:** $6.65
**Minimum Investment Amount (per investor):** $399.00

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

**Voting Rights of Securities Sold in this Offering**

Voting Proxy. Each Subscriber shall appoint the Chief Executive Officer of the Company (the "CEO"), or his or her successor, as the Subscriber's true and lawful proxy and attorney, with the power to act alone and with full power of substitution, to, consistent with this instrument and on behalf of the Subscriber, (i) vote all Securities, (ii) give and receive notices and communications, (iii) execute any instrument or document that the CEO determines is necessary or appropriate in the exercise of its authority under this instrument, and (iv) take all actions necessary or appropriate in the judgment of the CEO for the accomplishment of the foregoing. The proxy and power granted by the Subscriber pursuant to this Section are coupled with an interest. Such proxy and power will be irrevocable. The proxy and power, so long as the Subscriber is an individual, will survive the death, incompetency and disability of the Subscriber and, so long as the Subscriber is an entity, will survive the merger or reorganization of the Subscriber or any other entity holding the Securities. However, the Proxy will terminate upon the closing of a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933 covering the offer and sale of Common Stock or the effectiveness of a registration statement under the Securities Exchange Act of 1934 covering the Common Stock.

**Investment Incentives and Bonuses***

**Time-Based**

**Friends and Family Early Birds**

Invest within the first 72 hours and receive 15% bonus shares.

**Early Bird Bonus**

Invest within the first week (7 calendar days) and receive 10% bonus shares.

**Amount-Based**

**Investor | $1,000+**

Invest $1,000+ and receive 50% off device purchase (coupon for use once the product is available on the market).

**Watt | $5,000+**

Invest $5,000+ and receive 5% bonus shares + 50% off device purchase (coupon for use once the product is available on the market).

**Franklin | $10,000+**

Invest $10,000+ and receive 10% bonus shares + 50% off 2 device purchases (coupons for use once the product is available on the market).

**Edison | $25,000+**

Invest $25,000+ and receive 20% bonus shares + 50% off 3 device purchases (coupons for use once the product is available on the market).

**Tesla | $50,000+**

Invest $50,000+ and receive 25% bonus shares + 50% off 4 device purchases (coupons for use once the product is available on the market).

**All perks occur when the offering is completed.*

**The 10% StartEngine Owners' Bonus**

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

This means eligible StartEngine shareholders will receive a 10% bonus for any shares they purchase in this offering. For example, if you buy 100 shares of Common Stock at $6.65 / share, you will receive 110 shares Common Stock, meaning you'll own 110 shares for $665. Fractional shares will not be distributed and share bonuses will be determined by rounding down to the nearest whole share.

This 10% Bonus is only valid during the investors eligibility period. Investors eligible for this bonus will also have priority if they are on a waitlist to invest and the company surpasses its maximum funding goal. They will have the first opportunity to invest should room in the offering become available if prior investments are canceled or fail.

Investors will only receive a single bonus, which will be the highest bonus rate they

are eligible for.

**Insider Investment Notice**

Officers, directors, executives, and existing owners with a controlling stake in the company (or their immediate family members) may make investments in this offering. Any such investments will be included in the raised amount reflected on the campaign page.

## The Company and its Business

*Company Overview*

Evren Technologies is a C-corp organized under the laws of the state of Delaware that is developing a medical device and software platform for the treatment of Post-traumatic Stress. The Company's business model consists of selling the Phoenix® for the treatment of PTSD. The FDA recently named the Phoenix a Breakthrough Device, meaning research indicates that it may provide better treatment and outcomes than the current standard of care. The Phoenix will launch after product refinement focused on industrial design and the completion of an FDA pivotal trial. The Phoenix will be sold via two channels initially: 1. Online purchase with proof of prescription and 2. Sales through the VA health system or military hospitals.

Evren Technologies is one of the only medical device companies dedicated to the treatment of PTSD – providing an easy-to-use and effective treatment for a $22.5B market with a 66% unmet medical need.

The Company has a worldwide, exclusive, all fields license from the University of Florida Research Foundation to an issued patent (US 10,426,956 B2, "System and Method for Monitoring and Controlling Nervous System Behavior Using Autonomic Features," dated October 1, 2019). In addition, the Company has a pending PCT application (published 24 December 2020), WO 2020/257367 A1, "Ear Device and Paired Treatments Involving Nerve Stimulation." The Company has a variety of trademarks in varying stages of trademark registration. the Phoenix was registered with the USPTO on Nov. 10, 2020 (Reg. No 6,196,675). "Stimulating Change" received an International Trademark Registration (No. 1621123) on September 9, 2020), "Evren" and "Rise Above PTSD" both received an international certificate of registration on Sep. 9, 2021.

*Competitors and Industry*

**INDUSTRY**

PTSD is a $22.5B market in the US, with 15 million cases of PTSD each year, however, the rates spiked to an estimated 64 million Americans during the COVID shutdown. Natural disasters, military/political conflict, and pandemics will always cause spikes in PTSD rates in the general population. PTSD causes a variety of symptoms, including depression, anxiety, sleep disturbances and insomnia, social avoidance and

suicidality. In fact, someone with PTSD is 13X more likely to commit suicide. PTSD also comes with multiple serious comorbidities including Major Depressive Disorder and alcohol and substance abuse.

*(1) https://www.census.gov/quickfacts/fact/table/US/PST045219*

*(2) https://www.nimh.nih.gov/health/statistics/post-traumatic-stress-disorder-ptsd*

*(3) https://www.nature.com/articles/s41380-021-01036-x*

*(4) Jason LA, Mileviciute I, Aase DM, et al. How Type of Treatment and Presence of PTSD affect Employment, Self-regulation, and Abstinence. N Am J Psychol. 2011;13(2):175-186.*

*(5) JL G. PTSD and Death from Suicide. National Center for PTSD; 2017.*

*(6) American Psychiatric Association. (2013). Diagnostic and statistical manual of mental disorders (5th ed.). https://doi.org/10.1176/appi.books.9780890425596*

*(7) Brady, et al., 2000. Comorbidity of psychiatric disorders and posttraumatic stress disorder. J Clin. Psychiatry. 61 Suppl. 7: 22-32.*

## COMPETITORS

Compared to the current standard of care:

### (A) Anti-Depressants

We have much lower side effects, larger responder rates, and lower dropouts.

### (B) Therapies (ex: Exposure or Cognitive Processing)

We have lower dropout rates and a higher willingness to try.

### (C) Other PTSD Treatments

Unlike psychedelics, we don't need to be accompanied by exposure therapy, no fears of a bad trip or negative side effects. Unlike EMDR, we don't need to be accompanied by exposure therapy. Unlike Freespira, we don't stick something up your nose; you don't have to spend hours/months doing video therapies.

### (D) Other Wearable Stimulation Devices

No stimulation devices are currently approved for the treatment of PTSD. Existing stimulation devices have poor design and fit or are old technology that were grandfathered and didn't need clinical evidence to get FDA market clearance for use (though not for PTSD). Fisher Wallace and AlphaStim do not stimulate in the proper location for vagal nerve stimulation. Others have poor stimulation waveforms and therefore poor results. Some are disposables that must stick to the side of your head for use.

None includes our patented closed-loop stimulation capability that provides personalized dosing based on the stress levels of the user.

**The above is based on the Company's research in preparing for its designation as an FDA Breakthrough device.*

*Current Stage and Roadmap*

**CURRENT STAGE**

Since Evren started operations in 2019, we have received $232,289 in PPP awards and EIDL loans. In addition, we accumulated $1.774M comprising $814,900 in two series of convertible notes, $170,000 in promissory notes issued to an officer, $10,000 in prize money for a video contest, and $256,581 in an NIH grant. With these funds we have advanced our product development, completed a pilot clinical trial during the COVID shutdown, and received Breakthrough Device Designation from the FDA. (Breakthrough Device Designation means that the FDA believes we may provide better treatment than the current standard of care in a serious, life-threatening and/or chronic condition). This cash supported the following milestones.

We used our "echo" prototype in a pilot trial in PTSD patients to develop clinical evidence that VNS significantly reduces PTSD symptom severity.

Using a Phase I grant from the NIH, we have designed and manufactured prototypes of a programable, portable research device (the Phoenix CR100) for sale to VNS reseachers. We are developing a manufacturing and commercialization plan for the Phoenix CR100, expected to launch in the research market later in 2022.

**FUTURE ROADMAP**

We expect to launch the Phoenix CR-100 later this year to VNS researchers. We will also launch a beta version of our Phoenix PTSD App to PTSD patients that works completely differently from the current market leader, the VA's PTSD Coach apps. (Our PTSD App allows users to document their symptoms on the go, whenever they arise, and provides functionality to help them try to identify their triggers. It also comes with a few quick calming techniques if needed.) Our clinical trial device, the Phoenix P-51, will be derived from the Phoenix CR-100 will remain wired, and will be available for the FDA pivotal trial in 2023. Moving forward we also need to complete industrial design efforts to transition from the P-51 to a fully-miniaturized earbud.

## The Team

### Officers and Directors

**Name:** Weaver Gaines

Weaver Gaines's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

- **Position:** Chairman of the Board & CEO
  **Dates of Service:** February 10, 2022 - Present
  **Responsibilities:** Senior executive officer of the Company. Provides leadership and direction of the Board of Directors. Under the supervision of the Board of Directors, Gaines is responsible for developing, directing, and accomplishing the business objectives of the Company. Gaines has an annual salary of $120,000, currently deferred, and equity compensation of 76,012 ISO options at a strike price of $0.209 per share.

Other business experience in the past three years:

- **Employer:** Evren Technologies
  **Title:** Chairman of the Board and CEO
  **Dates of Service:** January 01, 2019 - March 05, 2020
  **Responsibilities:** Oversee and manage the development and execution of the company's business plans and strategy, and responsible for the successful execution thereof.

Other business experience in the past three years:

- **Employer:** Evren Technologies
  **Title:** Executive Chairman of the Board
  **Dates of Service:** March 06, 2020 - February 09, 2022
  **Responsibilities:** Provides leadership and direction to the Board of Directors.

**Name:** Neil R. Euliano

Neil R. Euliano's current primary role is with Convergent Engineering. Neil R. Euliano currently services 10 hours per week in their role with the Issuer.

Positions and offices currently held with the issuer:

- **Position:** Chief Technology Officer (CTO)
  **Dates of Service:** January 01, 2019 - Present
  **Responsibilities:** Responsible for the development and implementation of technology in line with the Company's strategic goals and oversees research and development. Euliano has no fixed or annual salary, but is paid from time to time from grant funds received per the grant budget, and has equity compensation of 1,250 NQSO options with a strike price of $0.19 per share.

Other business experience in the past three years:

- **Employer:** Convergent Engineering
  **Title:** President
  **Dates of Service:** June 01, 2004 - Present

**Responsibilities:** Head of a biomedical engineering and signal processing R&D company

Other business experience in the past three years:

- **Employer:** eTectRx, Inc.
  **Title:** Senior Science Advisoor
  **Dates of Service:** August 01, 2016 - January 01, 2021
  **Responsibilities:** Provides scientific advice to management.

**Name:** Joshua Kelly

Joshua Kelly's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

- **Position:** Secretary
  **Dates of Service:** December 01, 2021 - Present
  **Responsibilities:** Record notes, minutes, and consent for board meetings. Annual salary is $55,000 per year with 2,500 ISO options.

- **Position:** Associate Product Manager
  **Dates of Service:** August 23, 2021 - Present
  **Responsibilities:** Oversees and manages the Company's digital health business plans and strategy, and is responsible for the successful execution thereof

Other business experience in the past three years:

- **Employer:** Evren Technologies
  **Title:** Marketing Intern
  **Dates of Service:** August 01, 2019 - December 19, 2019
  **Responsibilities:** General marketing and digital marketing support

Other business experience in the past three years:

- **Employer:** In Field Strategies
  **Title:** Deputy State Director
  **Dates of Service:** August 01, 2020 - November 05, 2020
  **Responsibilities:** Managed a team of out of state canvassers

Other business experience in the past three years:

- **Employer:** Xyston Consulting (FKA Asymetric Solutions)
  **Title:** Consultant

**Dates of Service:** November 01, 2020 - January 01, 2021
**Responsibilities:** Consulted on US Senate Special Election.

**Name:** Kimberly A Ramsey

Kimberly A Ramsey's current primary role is with Bio/Med CXO. Kimberly A Ramsey currently services 3.75 hours per week in their role with the Issuer.

Positions and offices currently held with the issuer:

- **Position:** Chief Financial Officer
  **Dates of Service:** September 01, 2021 - Present
  **Responsibilities:** Perform the role of Chief Financial Officer, HR manager, and Risk Officer and to be so identified in Company materials, manage the work of the Company's accountant/bookkeeper as appropriate, review Company's monthly and quarterly interim financial statements, assist with the Company's financial projections, and attend Company board meetings. Prior to becoming a full time employee, Ramsey was a consultant and charged $125 per hour as an independent contractor and had equity compensation of 1,520 NQSO options at a strike price of $0.19 per share. Ms. Ramsey will become an employee in March 2022 at 4 days per week. Her proposed salary will be $120,000 annually.

Other business experience in the past three years:

- **Employer:** Bio/Med CXO
  **Title:** President, CEO, and owner
  **Dates of Service:** January 01, 2019 - Present
  **Responsibilities:** Principal accountant and financial advisor, provides fractional C-level executive services

Other business experience in the past three years:

- **Employer:** Philips North America, LLC
  **Title:** Finance Manager, Senior
  **Dates of Service:** August 24, 2019 - December 31, 2019
  **Responsibilities:** During and after successful buyout of OBMedical Company (of which she was CFO), responsible for managing diligence and transition process.

**Name:** Stephanie Warrington

Stephanie Warrington's current primary role is with sole proprietorship consulting company providing consulting services to the life science industry. Stephanie Warrington currently services 3.75 hours per week in their role with the Issuer.

Positions and offices currently held with the issuer:

- **Position:** Member of the board of directors
  **Dates of Service:** March 04, 2019 - Present
  **Responsibilities:** Directors of Delaware corporations do not directly manage the business of the Company, but are ultimately responsible for the management of the corporation which they discharge by appointing and supervising the officers who run the day-to-day operations. Warrington is not paid a salary and has equity compensation of 5,000 NQSO with a strike price of $0.19 per share.

Other business experience in the past three years:

- **Employer:** sole proprietorship consulting company providing consulting services to the life science industry
  **Title:** Principal consultant
  **Dates of Service:** January 01, 2019 - Present
  **Responsibilities:** Principal consultant

**Name:** Robert V. House

Robert V. House's current primary role is with sole proprietorship consultancy providing consulting services to the life science industry.. Robert V. House currently services 3.75 hours per week in their role with the Issuer.

Positions and offices currently held with the issuer:

- **Position:** Member of Board of Directors
  **Dates of Service:** April 26, 2021 - Present
  **Responsibilities:** Directors of Delaware corporations do not directly manage the business of the Company, but are ultimately responsible for the management of the corporation which they discharge by appointing and supervising the officers. House is not paid a salary but has equity compensation of 14,455 NQSO options with a strike price of $0.19 per share.

Other business experience in the past three years:

- **Employer:** National Resilience (FKA Ology Bioservices, FKA Nanotherapeutics)
  **Title:** Senior Vice President, Government Contracts
  **Dates of Service:** June 01, 2014 - June 01, 2021
  **Responsibilities:** Responsible for managing and leading the contract management and oversight process of major U.S. Government contracts with various agencies including the DoD, NIH, HHS and other federal entities. This position has broad responsibility over contractual and financial matters on all contracts, while also supporting new business opportunities and corporate growth strategies. Additional responsibilities include direct negotiations for large, complex, national and regional contracts, as well as participating in strategic initiatives related to the federal procurement process in evaluating

market conditions, pricing strategies, and partnering approaches.

Other business experience in the past three years:

- **Employer:** sole proprietorship consultancy providing consulting services to the life science industry.
  **Title:** Principal consultant
  **Dates of Service:** June 01, 2021 - Present
  **Responsibilities:** Principal consultant

Other business experience in the past three years:

- **Employer:** Skynet Aerial Services LLC
  **Title:** Co-owner
  **Dates of Service:** May 01, 0007 - Present
  **Responsibilities:** The Company provides aerial photography and videography services via unmanned aircraft (drones) to clients in real estate (residential and commercial), industry and commercial sectors. FAA Remote Pilot Certificate No. 4037946.

Other business experience in the past three years:

- **Employer:** George Mason University
  **Title:** Adjunct Professor
  **Dates of Service:** August 01, 2011 - Present
  **Responsibilities:** Adjunct faculty in the Biodefense Program, Department of Public and International Affairs. Teach graduate-level coursework in biodefense and medical countermeasure development

**Name:** Richard Ferrari

Richard Ferrari's current primary role is with PQ Bypass, Inc.. Richard Ferrari currently services 3.75 hours per week in their role with the Issuer.

Positions and offices currently held with the issuer:

- **Position:** Member of Board of Directors
  **Dates of Service:** June 04, 2020 - Present
  **Responsibilities:** Directors of Delaware corporations do not directly manage the business of the Company, but are ultimately responsible for the management of the corporation which they discharge by appointing and supervising the officers who run the day-to-day operations. Ferrari is not paid a salary and has equity compensation of 5,000 NQSO options with a strike price of $0.19 per share.

Other business experience in the past three years:

- **Employer:** De Novo Ventures
  **Title:** Co-Founder
  **Dates of Service:** January 01, 2004 - Present
  **Responsibilities:** Portfolio Management

Other business experience in the past three years:

- **Employer:** PQ Bypass, Inc.
  **Title:** Chairman of the Board and CEO
  **Dates of Service:** January 01, 2018 - Present
  **Responsibilities:** Chairman and CEO

Other business experience in the past three years:

- **Employer:** PQ Bypass, Inc.
  **Title:** Chairman and CEO
  **Dates of Service:** January 01, 2018 - Present
  **Responsibilities:** Chairman and CEO

**Name:** Suha Jhaveri

Suha Jhaveri's current primary role is with Leyden Labs. Suha Jhaveri currently services 3.75 hours per week in their role with the Issuer.

Positions and offices currently held with the issuer:

- **Position:** Member of the Board of Directors
  **Dates of Service:** May 17, 2019 - Present
  **Responsibilities:** Directors of Delaware corporations do not directly manage the business of the Company, but are ultimately responsible for the management of the corporation which they discharge by appointing and supervising the officers. Jhaveri is not paid a salary and has equity compensation of 5,000 NQSO options with a strike price of $0.19/share.

Other business experience in the past three years:

- **Employer:** Leyden Labs
  **Title:** Chief Commercial Officer and Head of Business Development
  **Dates of Service:** January 11, 2021 - Present
  **Responsibilities:** Set the vision for value-driving business development and M&A, enabling groundbreaking product delivery: guides best-in-class global teams on commercial product development of intranasal medicines to stop viruses before they infect the lungs; leads Leyden's efforts to establish a secure

foundation in support of future fundraising efforts and to increase shareholder value.

Other business experience in the past three years:

- **Employer:** Vir Biotechnology, Inc.
  **Title:** Vice President, Head of Commercial
  **Dates of Service:** January 11, 2017 - January 10, 2021
  **Responsibilities:** Advised the CEO and Board on all aspects of commercial and portfolio decisions including business development, commercial deal structuring, large M&A transactions, and out-licensing activities; counseled the Company on scientific messaging, market development, product pricing, and reimbursement; program team leader on multiple translational assets, including HPV, Malaria, and Rabies.

Other business experience in the past three years:

- **Employer:** Anaveon AG
  **Title:** Advisor
  **Dates of Service:** January 01, 2021 - Present
  **Responsibilities:** Worked with the CEO, leadership team, and board in support of Anaveon's Series B 110M CHF fundraising.

**Name:** Marcus Elliott

Marcus Elliott's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

- **Position:** Vice President, R&D
  **Dates of Service:** September 24, 2021 - Present
  **Responsibilities:** Responsible for executing on the Company's overall technology vision & strategy, driving development execution, and bringing products to market on time and within budget. The VP, R&D will keep abreast of technology trends, standards, and stakeholders, and work with the other members of the executive team, as well as the marketing team, to further define our product roadmap. He will help develop and sustain a culture of passion, hard-work, and innovation and will help recruit world-class talent. He will also work with the management team to define research grant submissions and, in cooperation with the CMO and Clinical Research Coordinator, if any, to design clinical trials. He will act as a Principal Investigator when needed. His annual salary is $75,000, and he holds options for 19,670 shares at $0.19 per share.

- **Position:** Quality Project Manager / Secretary / Head of R&D
  **Dates of Service:** August 05, 2019 - Present

**Responsibilities:** Marcus joined the Company 8/5/19 as Quality Project Manager, was appointed Secretary 12/19/19 - 12/1/21, became Head of R&D 10/2020 - 9/23/21.

Other business experience in the past three years:

- **Employer:** Saint-Gobain Phoenix Coating
  **Title:** Engineering Manager
  **Dates of Service:** July 01, 2014 - July 01, 2018
  **Responsibilities:** Quality manager, process engineer, and production manager.

## Risk Factors

The SEC requires the company to identify risks that are specific to its business and its financial condition. The company is still subject to all the same risks that all companies in its business, and all companies in the economy, are exposed to. These include risks relating to economic downturns, political and economic events and technological developments (such as hacking and the ability to prevent hacking). Additionally, early-stage companies are inherently more risky than more developed companies. You should consider general risks as well as specific risks when deciding whether to invest.

These are the risks that relate to the Company:

***Uncertain Risk***
An investment in the Company (also referred to as "we", "us", "our", or "Company") involves a high degree of risk and should only be considered by those who can afford the loss of their entire investment. Furthermore, the purchase of any of the common stock should only be undertaken by persons whose financial resources are sufficient to enable them to indefinitely retain an illiquid investment. Each investor in the Company should consider all of the information provided to such potential investor regarding the Company as well as the following risk factors, in addition to the other information listed in the Company's Form C. The following risk factors are not intended, and shall not be deemed to be, a complete description of the commercial and other risks inherent in the investment in the Company.

***Our business projections are only projections***
There can be no assurance that the Company will meet our projections. There can be no assurance that the Company will be able to find sufficient demand for our product, that people think it's a better option than a competing product, or that we will able to provide the service at a level that allows the Company to make a profit and still attract business.

***Any valuation at this stage is difficult to assess***
The valuation for the offering was established by the Company. Unlike listed companies that are valued publicly through market-driven stock prices, the valuation

of private companies, especially startups, is difficult to assess and you may risk overpaying for your investment.

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

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

***If the Company cannot raise sufficient funds it will not succeed***
The Company, is offering Common Stock in the amount of up to $1,069,998.30 in this offering, and may close on any investments that are made. Even if the maximum amount is raised, the Company is likely to need additional funds in the future in order to grow, and if it cannot raise those funds for whatever reason, including reasons relating to the Company itself or the broader economy, it may not survive. If the Company manages to raise only the minimum amount of funds, sought, it will have to find other sources of funding for some of the plans outlined in "Use of Proceeds."

***We may not have enough capital as needed and may be required to raise more capital.***
We anticipate needing access to credit in order to support our working capital requirements as we grow. Although interest rates are low, it is still a difficult environment for obtaining credit on favorable terms. If we cannot obtain credit when we need it, we could be forced to raise additional equity capital, modify our growth plans, or take some other action. Issuing more equity may require bringing on additional investors. Securing these additional investors could require pricing our equity below its current price. If so, your investment could lose value as a result of this additional dilution. In addition, even if the equity is not priced lower, your ownership percentage would be decreased with the addition of more investors. If we are unable to find additional investors willing to provide capital, then it is possible that we will choose to cease our sales activity. In that case, the only asset remaining to generate a return on your investment could be our intellectual property. Even if we are not forced to cease our sales activity, the unavailability of credit could result in the Company performing below expectations, which could adversely impact the value of your investment.

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

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

*Projections: Forward Looking Information*
Any projections or forward looking statements regarding our anticipated financial or operational performance are hypothetical and are based on management's best estimate of the probable results of our operations and will not have been reviewed by our independent accountants. These projections will be based on assumptions which management believes are reasonable. Some assumptions invariably will not materialize due to unanticipated events and circumstances beyond management's control. Therefore, actual results of operations will vary from such projections, and such variances may be material. Any projected results cannot be guaranteed.

*We may never have an operational product or service*
It is possible that there may never be an operational Phoenix earbud or that the product may never be used to engage in transactions. It is possible that the failure to release the product is the result of a change in business model upon Company's making a determination that the business model, or some other factor, will not be in the best interest of Company and its stockholders/members/creditors.

*Some of our products are still in prototype phase and might never be operational products*
It is possible that there may never be an operational product or that the product may never be used to engage in transactions. It is possible that the failure to release the product as the result of a change in business model upon the Company's making a determination that the business model, or some other factor, will not be in the best interest of the Company and its stockholders.

*Developing new products and technologies entails significant risks and uncertainties*
We are currently in the research and development stage and have only manufactured a

prototype for our Phoenix earbud. Delays or cost overruns in the development of our Phoenix earbud and failure of the product to meet our performance estimates may be caused by, among other things, unanticipated technological hurdles, difficulties in manufacturing, changes to design and regulatory hurdles. Any of these events could materially and adversely affect our operating performance and results of operations.

***Minority Holder; Securities with Voting Rights***

The Common Stock that an investor is buying has voting rights attached to them. However, you will be part of the minority shareholders of the Company and have agreed to appoint the Chief Executive Officer of the Company (the "CEO"), or his or her successor, as your voting proxy. You are trusting in management discretion in making good business decisions that will grow your investments. Furthermore, in the event of a liquidation of our company, you will only be paid out if there is any cash remaining after all of the creditors of our company have been paid out.

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

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

***Insufficient Funds***

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

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

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

***We face significant market competition***

We will compete with larger, established companies who currently have products on the market and/or various respective product development programs. They may have much better financial means and marketing/sales and human resources than us. They may succeed in developing and marketing competing equivalent products earlier than us, or superior products than those developed by us. There can be no assurance that competitors will not render our technology or products obsolete or that the products developed by us will be preferred to any existing or newly developed technologies. It should further be assumed that competition will intensify.

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

Evren was formed on December 12, 2018. Accordingly, the Company has a limited

history upon which an evaluation of its performance and future prospects can be made. Our current and proposed operations are subject to all business risks associated with new enterprises. These include likely fluctuations in operating results as the Company reacts to developments in its market, managing its growth and the entry of competitors into the market. We will only be able to pay dividends on any shares once our directors determine that we are financially able to do so. We have incurred a net loss and have had limited revenues generated since inception. There is no assurance that we will be profitable in the next three years or generate sufficient revenues to pay dividends to the holders of the shares.

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

One of the Company's most valuable assets is its intellectual property. The Company has an exclusive world-wide license to an issued patent and owns one PCT patent application 18 trademarks, copyrights, Internet domain names, and trade secrets. We believe one of the most valuable components of the Company is our intellectual property portfolio. Due to the value, competitors may misappropriate or violate the rights owned by the Company. The Company intends to continue to protect its intellectual property portfolio from such violations. It is important to note that unforeseeable costs associated with such practices may invade the capital of the Company.

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

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

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

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

the Company could be significantly and adversely affected.

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

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

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

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

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

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

***The Company is vulnerable to hackers and cyber-attacks***

As a company reliant on information technology and telephone networks and systems, including the internet, we may be vulnerable to damage, disruptions, or shutdowns due to computer viruses, attacks by hackers, failures during the process of upgrading or replacing software, or other catastrophic events. Any disruptions of services or cyber-attacks on our technology infrastructure could harm our reputation and materially negatively impact our financial condition and business.

***We will be required to obtain additional funds in the future, and these funds may not be available on acceptable terms or at all, which could impair our ability to continue as a going concern.***

Our operations have consumed substantial amounts of cash since inception, and we anticipate this continuing for at least the next 12 months as we continue seeking to invest in our business. We believe that our growth will depend, in part, on our ability to fund our commercial efforts for our Phoenix therapy for PTSD, and to opportunistically pursue research and development activities for additional indications. Our existing resources will not allow us to conduct all of the activities that we believe could be beneficial for our future growth. As a result, we may need to seek additional funds in the future or curtail or forgo some or all of such activities. If we seek to and are unable to raise funds on favorable terms, or at all, we may not be able to support our commercialization efforts or increase our research and development activities and the growth of our business may be negatively impacted. As a result, we may be unable to compete effectively. Our existing capital resources and cash flow will not fund the operating expenses and capital expenditure requirements of our current operating plan for 12 months, and we could exhaust or significantly diminish our available capital resources sooner than we expect. Changes, including those relating to the payer and competitive landscape, our commercialization strategy, our development activities and regulatory matters, may occur beyond our control that would cause us to consume our available capital more quickly. Our future capital requirements will depend on many factors, including: (1) the outcome, timing of, and costs involved with negotiating, obtaining, maintaining and enhancing payer coverage; (2) the outcome, timing of, and costs involved with our plan to use a direct-to-consumer cash-pay business channel; (3) the costs of commercialization activities including sales, marketing, manufacturing, and distribution; (4) the degree and rate of payer, physician, patient, and market acceptance of our Phoenix therapy; (5) the outcome, timing of, and costs involved in, seeking and obtaining clearances or approvals from the FDA and other regulatory authorities, including the potential for the FDA and other regulatory authorities to require that we perform more studies, clinical trials, or tests on our Phoenix therapy than we currently expect; (6) the research and development activities we may undertake in order to expand our indications and enhancements to our Phoenix therapy; (7) the need for us and third parties, including payers and service providers, to potentially need to implement new or revised policies, infrastructure and internal systems; (8) the costs of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights; (9) our ability to hire additional personnel to support our operations; the emergence and acceptance of competing therapies or other adverse market developments.

***The amount raised in this offering may include investments from officers and directors of the company or their immediate family members.***

Officers, directors, executives, and existing owners with a controlling stake in the Company (or their immediate family members) may make investments in this offering. Any such investments will be included in the raised amount reflected on the campaign page.

***The Company is currently finalizing the end of employment with its former Chief Executive Officer.***
The Company recently transitioned CEOs and is currently in the midst of negotiating the terms, if any, of exit of the former CEO. The Company has a Directors & Officers insurance policy in place. This matter is ongoing and a resolution has not yet been met regarding severance and other matters.

***To finance our activities, we may seek funds through borrowings or through additional rounds of financing, including public equity or debt offerings and collaborative arrangements with corporate partners.***
We may be unable to raise funds on favorable terms, if at all. We do not currently have any agreements or understandings with respect to any potential financing. Our stock price, market capitalization trading volume, and other macro-economic factors may affect our ability to raise funds and the terms on which we will be able to raise funds. Our failure to obtain additional necessary financing could impair our ability to conduct our operations, and any such failure to raise capital as and when needed could have a negative impact on our financial condition and on our ability to pursue our business plans and strategies.

***In addition, our management report for our 2020 financial statements contains a statement concerning our ability to continue as a "going concern."***
Our lack of sufficient liquidity could make it more difficult for us to secure additional financing terms acceptable to us, if at all, and may materially and adversely affect the terms of any financing that we may obtain and our stock price generally. Our continuation as a "going concern" is dependent upon, among other things, our ability to generate or increase revenue, reduce operating expenses, and obtain additional funding through the sale of equity and or debt securities, debt financing, a strategic transaction or otherwise. However, there are significant risks and uncertainties as to our ability to achieve these goals or obtain required funding on commercially reasonable terms or at all, including as a result of the adverse impact on our business from the COVID-19 pandemic. Due to these risks and uncertainties, we may need to reduce our activities significantly more than our current operating plan and cash flow projections assume in order to fund operations for at least the next 12 months. There can be no assurance that we will have sufficient cash flow and liquidity to fund our planned activities, which could force us to significantly reduce or curtail our activities and ultimately, potentially cease operations.

***The sale of additional equity or convertible debt securities could result in additional dilution to our stockholders.***
If we borrow additional funds or issue debt securities, lenders or security holders could have rights superior to holders of our common stock and such indebtedness could contain covenants that will restrict our operations. We might have to obtain funds through arrangements with collaborative partners or others that may require us to relinquish rights to our technologies, therapeutic candidates, or products that we otherwise would not relinquish. If we do not obtain additional resources, our ability to capitalize on business opportunities will be limited, we may be unable to compete effectively, and the growth of our business will be harmed.

***Additional efforts to raise capital could lead to dilution.***
The sale of additional equity or convertible debt securities could result in additional dilution to our stockholders. Issuing more equity may require bringing on additional investors. Securing these additional investors could require pricing our equity below its current price. If so, your investment could lose value as a result of this additional dilution. In addition, even if the equity is not priced lower, your ownership percentage would be decreased with the addition of more investors. If we borrow funds or issue debt securities, lenders or security holders could have rights superior to holders of our Common Stock and such indebtedness could contain covenants that will restrict our operations. We might have to obtain funds through arrangements with collaborative partners or others that may require us to relinquish rights to our technologies, therapeutic candidates, or products that we otherwise would not relinquish. If we do not obtain additional resources, our ability to capitalize on business opportunities will be limited, we may be unable to compete effectively, and the growth of our business will be harmed.

***Our plans to launch in the direct-to-consumer self-pay channel may be unable to generate significant revenues.***
The direct-to-consumer cash-pay business channel will require significant investment in and expansion of our sales and marketing capabilities. If we are unsuccessful in executing our commercialization efforts in this business channel and do not achieve the sales levels that we expect, we may be unable to recover these investments or generate sufficient revenues.

***This Offering involves "rolling closings," which may mean that earlier investors may not have the benefit of information that later investors have.***
Once we meet our target amount for this Offering, we may request that StartEngine instruct the escrow agent to disburse funds to us. At that point, investors whose subscription agreements have been accepted will become our investors. It is not uncommon for material changes to be made to the Offering terms or to our business, plans, or prospects, sometimes on short notice. When changes happen during the course of an Offering, we must file an amendment to the Offering Circular (Form C) with the SEC, and investors whose subscriptions have not yet been accepted will be able to withdraw their subscriptions and get their money back. Investors whose subscriptions have already been accepted, however, will already be our investors and will have no such right.

***We rely upon third-party, single-source, and in certain cases sole-source, suppliers for many of the components and materials used in our products and for critical manufacturing and packaging services, making us vulnerable to supply shortages and problems and price fluctuations, which could harm our business.***
A number of the critical components used in our products are supplied to us from single-source, or in certain cases sole-source, suppliers. Our suppliers may encounter problems during manufacturing for a variety of reasons, including, for example, failure to follow specific protocols and procedures, failure to comply with applicable legal and regulatory requirements, equipment malfunction and environmental factors, failure to properly conduct their own business affairs, and infringement of third-party

intellectual property rights, any of which could delay or impede their ability to meet our requirements. Our ability to supply the Phoenix or CR-100 commercially depends on our ability to obtain a supply of these components that have been manufactured in accordance with regulatory requirements and in sufficient quantities for commercialization and clinical testing. We have not entered into manufacturing, supply, or quality agreements with our single-source and sole-source suppliers, some of which supply components critical to our products. Although we believe that long-term agreements with our suppliers are not necessary as all the components in our products are either high-volume, non-custom commodity components or are readily available from multiple vendors, there can be no assurance that our single-source or sole-source suppliers will be able to meet our demand for their products and services, either because of the informal nature of our arrangements with those suppliers, our limited experience with those suppliers, supply chain problems resulting from the pandemic, or due to our relative importance as a customer to those suppliers. Establishing additional or replacement suppliers for the components or processes used in our products, if required, may not be accomplished quickly. If we are able to find a replacement supplier, such replacement supplier would need to be qualified and may require additional regulatory authority approval, which could result in further delay. While we seek to maintain adequate inventory of the single-source or sole-source components and materials used in our products, any interruption or delay in the supply of components or materials, or our inability to obtain components or materials from alternate sources at acceptable prices in a timely manner, could impair our ability to operate. If our third-party suppliers fail to deliver the required commercial quantities of materials, or the level of services we require, on a timely basis and at commercially reasonable prices, and we are unable to find one or more replacement suppliers capable of production at a substantially equivalent cost in substantially equivalent volumes and quality and on a timely basis, the continued commercialization of the Phoenix and the CR-100 would be impeded, delayed, limited, or prevented, which could harm our business, results of operations, financial condition, and prospects.

***If we are unable to enroll patients in our clinical trials, our research and development efforts could be adversely affected.***
Identifying and qualifying patients to participate in clinical trials for our research too, the CR-100 or for our Phoenix therapy for PTSD in additional areas of indications is critical to our success. Successful and timely completion of clinical trials will require that we enroll a sufficient number of patients who remain in the study until its conclusion. If we are unable to enroll a sufficient number of patients in our clinical trials, our timelines for recruiting patients, conducting clinical trials, and obtaining regulatory clearance or approval of our CR-100 and our Phoenix therapy for PTSD or in additional areas of indication may be delayed. These delays could result in increased costs, delays in advancing our product development, delays in testing the effectiveness of our technology, or termination of clinical trials altogether. We cannot predict how successful we will be at enrolling patients in future clinical trials.

***Clinical trials may be delayed, suspended, or terminated for many reasons, which will increase our expenses and delay the time it takes to develop and expand our Phoenix***

***therapy in additional treatment indications.***
We may experience delays in our planned clinical trials, and we do not know whether future clinical trials will begin on time, need to be redesigned, enroll an adequate number of patients on time, or be completed on schedule, if at all. We could also encounter delays if a clinical trial is suspended, terminated, or paused by us, by the IRBs or ethics committees of the institutions at which such trials are being conducted, by the data safety monitoring board for such trial, or by the FDA or other regulatory authorities. In addition, we may encounter delays if the FDA, or other regulators, conclude that our financial relationships with investigators results in a perceived or actual conflict of interest that may have affected the interpretation of a study, the integrity of the data generated at the applicable clinical trial site or the utility of the clinical trial itself. Principal investigators for our clinical trials may serve as scientific advisors or consultants to us from time to time and receive cash compensation and/or stock options in connection with such services. If these relationships and any related compensation to or ownership interest by the clinical investigator carrying out the study result in perceived or actual conflicts of interest, or if the FDA or other regulators conclude that the financial relationship may have affected interpretation of the study, the integrity of the data generated at the applicable clinical trial site may be questioned and the utility of the clinical trial itself may be jeopardized, which could result in the delay or rejection by the FDA. Any such delay or rejection could prevent us from commercializing our products currently in development. We do not know whether any of our future preclinical studies or clinical trials will begin as planned, will need to be restructured, or will be completed on schedule, or at all. Any delays in completing clinical trials will increase our costs, slow down our product development and approval process, and jeopardize our ability to commence sales and generate associated revenue. Any of these occurrences may significantly harm our business, financial condition, and prospects. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial, suspension, or revocation of expanded regulatory clearance or approval of our products. Significant preclinical study or clinical trial delays also could shorten any periods during which we may have the exclusive right to commercialize our product candidates or allow our competitors to bring products to market before we do and impair our ability to successfully commercialize our product candidates.

***We have a license agreement with the University of Florida Research Foundation. A material default under the license could result in termination of the agreement.***
We are party to a licensing agreement with the University of Florida Research Foundation ("UFRF") pursuant to which UFRF has granted us an exclusive world-wide, all fields license to an issued patent related to our Phoenix earbud and other potential products. This patent is important to our core products and technology. Under the terms of our license, UFRF has the right to terminate if we materially breach obligations under the license. If our arrangement with UFRF were to end, we would no longer be able to use the intellectual property covered by the patent, which could significantly affect our business. Pursuant to the license (and amendment thereto filed as Exhibits 6.8 and 6.14), we must have a run rate of $1,000,000 in commercial sales by

July 1, 2023. If we fail to meet this deadline UFRF would have the right to give us a notice of default, and could ultimately terminate the license, subject to our right to request an extension. While UFRF must consider a request for extension in good faith, there is no assurance that they will grant it, or that they will grant it only with unacceptable conditions. There is no assurance that we will achieve the requisite commercial sales within this timeframe. If we are unsuccessful in doing so, we would be in default, and would be exposed to the risk of UFRF's terminating the agreement. Such a result would materially impact our ability to operate as a going concern.

***Failure to protect our information technology infrastructure against cyber-based attacks, network security breaches, service interruptions, or data corruption could significantly disrupt our operations and adversely affect our business and operating results.***

We will rely on information technology and telephone networks and systems, including the internet, to process and transmit sensitive electronic information and to manage or support a variety of business processes and activities, including eventually sales, billing, customer service, marketing, procurement and supply chain, manufacturing, and distribution. Our information technology systems and the information technology systems of third parties, may be susceptible to damage, disruptions, or shutdowns due to computer viruses, attacks by computer hackers, failures during the process of upgrading or replacing software, databases or components thereof, power outages, hardware failures, telecommunication failures, user errors, or catastrophic events. Despite the precautionary measures we and third parties have taken to prevent breakdowns in information technology and telephone systems, if these systems are breached or suffer severe damage, disruption, or shutdown and we are unable to effectively resolve the issues in a timely manner, our business and operating results may suffer, and we may be subject to related lawsuits.

***We are subject to substantial governmental regulation relating to the manufacturing, labeling, and marketing of our products, and will continue to be for the lifetime of our Company.***

The FDA and other government authorities regulate the manufacturing, labeling, and marketing of our products. The process of obtaining regulatory approvals to market a medical device can be expensive and lengthy, and applications may take a long time to be approved, if they are approved at all. Our compliance with the quality system, medical device reporting regulations, and other laws and regulations applicable to the manufacturing of products within our facilities and those contracted by third parties is subject to periodic inspections by the FDA and other authorities. Complying with regulations, and, if necessary, remedial actions can be expensive. Failure to comply with applicable regulatory requirements may subject us to a range of sanctions, including substantial fines, warning letters that require corrective action, product seizures, recalls, halting product manufacturing, revocation of approvals, exclusion from future participation in government healthcare programs, substantial fines, and criminal prosecution.

***We are subject to federal and state healthcare regulations and laws relating to anti-bribery and anti-corruption, and non-compliance with such laws could lead to***

***significant penalties.***
State and Federal anti-bribery laws, healthcare fraud, and abuse laws dictate how we conduct the relationships that we and others that may market our products have with healthcare professionals, such as therapists, physicians, group practices, and hospitals. We also must comply with a variety of other laws that protect the privacy of individually identifiable healthcare information. These laws and regulations are broad in scope and are subject to evolving interpretation, and we could be required to incur substantial costs to monitor compliance or to alter our practices if we are found not to be in compliance. In addition, violations of these laws may be punishable by criminal or civil sanctions, including substantial fines, imprisonment of current or former employees, and exclusion from participation in governmental healthcare programs.

***We have not yet obtained clearance of our products by the U. S. Food and Drug Administration which is critical to our business plan.***
In order to sell our products, we must obtain market clearance from the FDA under the De Novo regulations of the Federal Food, Drug, and Cosmetic Act. If we are unable to obtain De Novo classification or other market authorization, we will not be able to sell our products, and it is unlikely that we will be able to continue to operate as a going concern. In addition, the FDA is likely to request clinical data with our regulatory submission, and there is no assurance that the clinical data developed will be sufficient to support our regulatory application. In addition, our development timeline is currently dependent on the amount of funds we raise in this Offering. Depending on the amount of proceeds we receive in this Offering, it could take a significant amount of time for us to obtain De Novo classification or other market authorization, and we will be required to raise additional capital from outside sources.

## Ownership and Capital Structure; Rights of the Securities

### Ownership

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

| Stockholder Name | Number of Securities Owned | Type of Security Owned | Percentage |
|---|---|---|---|
| Weaver H. Gaines | 474,934 | Common Stock | 20.9% |
| Blythe Karow | 503,416 | Common Stock | 22.2% |

## The Company's Securities

The Company has authorized Common Stock, Series 2019A, Series 2021 Bridge Convertible Promissory Notes, and Preferred Stock. As part of the Regulation Crowdfunding raise, the Company will be offering up to 160,902 of Common Stock.

*Common Stock*

The amount of security authorized is 10,000,000 with a total of 2,268,672 outstanding.

*Voting Rights*

One vote per share. Please see voting rights applicable to securities sold in this offering below.

*Material Rights*

Voting Rights of Securities Sold in this Offering

Voting Proxy. Each Subscriber shall appoint the Chief Executive Officer of the Company (the "CEO"), or his or her successor, as the Subscriber's true and lawful proxy and attorney, with the power to act alone and with full power of substitution, to, consistent with this instrument and on behalf of the Subscriber, (i) vote all Securities, (ii) give and receive notices and communications, (iii) execute any instrument or document that the CEO determines is necessary or appropriate in the exercise of its authority under this instrument, and (iv) take all actions necessary or appropriate in the judgment of the CEO for the accomplishment of the foregoing. The proxy and power granted by the Subscriber pursuant to this Section are coupled with an interest. Such proxy and power will be irrevocable. The proxy and power, so long as the Subscriber is an individual, will survive the death, incompetency and disability of the Subscriber and, so long as the Subscriber is an entity, will survive the merger or reorganization of the Subscriber or any other entity holding the Securities. However, the Proxy will terminate upon the closing of a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933 covering the offer and sale of Common Stock or the effectiveness of a registration statement under the Securities Exchange Act of 1934 covering the Common Stock.

Stock Options

The total amount outstanding includes 341,323 of shares to be issued pursuant to stock options issued.

*Series 2019A*

The security will convert into Class of securities issued in a qualified transaction (equity securities with total proceeds of not less than $2,000,000), or optional conversion at election of majority holders if preferred stock is sold in a transaction, not constituting a qualified financing into such preferred stock, or if still outstanding at the maturity date, upon the election of majority holders, into shares of a newly created series of the company's preferred stock . and the terms of the Series 2019A are outlined below:

**Amount outstanding:** $514,900.00
**Maturity Date:** May 31, 2022
**Interest Rate:** 8.0%
**Discount Rate:** 30.0%
**Valuation Cap:** $0.00
**Conversion Trigger:** Qualified Financing or other events (see type of security above)

*Material Rights*

Upon a change of control, the Company shall repay the Holder in cash an amount equal to the outstanding principal (and accrued interest) plus a repayment premium equal to 50% of the outstanding principal amount, provided, however, that upon election of the Holder, the outstanding principal and accrued interest shall be converted into shares of the Company's Common Stock at a conversion price equal to the quotient resulting from dividing $5M by the number of outstanding shares of Common Stock on a fully-diluted basis.

*Series 2021 Bridge Convertible Promissory Notes*

The security will convert into Equity securities issued in connection with a qualified financing, or at the election of the majority holders, common stock in the case of a maturity date conversion. and the terms of the Series 2021 Bridge Convertible Promissory Notes are outlined below:

**Amount outstanding:** $350,000.00
**Maturity Date:** December 16, 2022
**Interest Rate:** 8.0%
**Discount Rate:** 20.0%
**Valuation Cap:** $15,000,000.00
**Conversion Trigger:** A Qualified Financing (not less than $3M), or Maturity Date election by the Majority Holders

*Material Rights*

Upon a change of control, a Holder may elect to receive the outstanding principal amount of the Note plus acrued interest plus a repayment premium equal to 100% of the outstanding principal amount, or, at the election of a Holder, conversion into shares of the Company's Common Stock at a conversion price equial to the quotient resulting from dividing $15,000,000 by the number of fully-diluted outstanding Common Stock.

*Preferred Stock*

The amount of security authorized is 1,000,000 with a total of 0 outstanding.

*Voting Rights*

Unless otherwise designated in the Certificate of Incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of capital stock held by such stockholder which has voting power upon the matter in question.

*Material Rights*

There are no material rights associated with Preferred Stock.

## What it means to be a minority holder

As a minority holder of Common Stock of this offering, you have granted your votes by proxy to the CEO of the Company. Even if you were to receive control of your voting rights, as a minority holder, you will have limited rights in regards to the corporate actions of the Company, including additional issuances of securities, Company repurchases of securities, a sale of the Company or its significant assets, or Company transactions with related parties. Further, investors in this offering may have rights less than those of other investors, and will have limited influence on the corporate actions of the Company.

## Dilution

Investors should understand the potential for dilution. The investor's stake in a company could be diluted due to the company's issuing additional shares. In other words, when the company issues more shares, the percentage of the company that you own will go down, even though the value of the company may go up. You will own a smaller piece of a larger company. This increase in number of shares outstanding could result from a stock offering (such as an initial public offering, another crowdfunding round, a venture capital round, angel investment), employees exercising stock options, or by conversion of certain instruments (e.g., convertible bonds, preferred shares or warrants) into stock.
If the Company decides to issue more shares, an investor could experience value dilution, with each share being worth less than before, and control dilution, with the total percentage an investor owns being less than before. There may also be earnings dilution, with a reduction in the amount earned per share (though this typically occurs

only if the company offers dividends, and most early stage companies are unlikely to offer dividends, preferring to invest any earnings into the company).

## Transferability of securities

For a year, the securities can only be resold:

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

## Recent Offerings of Securities

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

- **Type of security sold:** Convertible Note
  **Final amount sold:** $514,900.00
  **Use of proceeds:** Product development & pilot trial
  **Date:** July 01, 2019
  **Offering exemption relied upon:** Section 4(a)(2)

- **Type of security sold:** Convertible Note
  **Final amount sold:** $350,000.00
  **Use of proceeds:** Further product development
  **Date:** July 01, 2021
  **Offering exemption relied upon:** Section 4(a)(2)

- **Name:** Common Stock
  **Type of security sold:** Equity
  **Final amount sold:** $17,600.00
  **Number of Securities Sold:** 1,706,001
  **Use of proceeds:** Startup activities
  **Date:** September 15, 2019
  **Offering exemption relied upon:** Section 4(a)(2)

- **Name:** Common Stock
  **Type of security sold:** Equity
  **Final amount sold:** $300.00
  **Number of Securities Sold:** 30,000
  **Use of proceeds:** Startup activities
  **Date:** February 19, 2020

**Offering exemption relied upon:** Section 4(a)(2)

# Financial Condition and Results of Operations

## Financial Condition

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

## Results of Operations

**Circumstances which led to the performance of financial statements:**

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion of our financial condition and results of operations for the fiscal years ended December 31, 2020 and December 31, 2019, should be read in conjunction with our financial statements and the related notes included in this Offering Circular. This section generally discusses 2019 and 2020 items and year-to-year comparisons between 2020 and 2019. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements.

**Overview**

The Company was incorporated in Delaware in December of 2018, but did not formally start operations until the first quarter of 2019. Accordingly, the first year of operations was 2019. The Covid-19 pandemic has had, and continues to have, a significant impact around the world. Pandemic measures taken by many countries have affected and could in the future materially impact our results of operations and financial condition. The extent of the continuing impact of the pandemic on the Company's operational and financial performance is uncertain and will depend on may factors outside the Company's control. See Risk Factors for more information.

**Results of Operations**

*Year ended December 31, 2020 compared to year ended December 31, 2019*

**Revenues:**

The Company is a clinical stage company and is focused on research and development. There are important stages we must successfully pass through before we receive FDA clearance to manufacture and sell our Phoenix PTSD treatment. Therefore, we did not generate product revenues for the years ended December 31, 2020 and 2019 and will not generate any in 2021. The Company has a research product, the Phoenix CR-100, that is expected to launch in 2022, which should generate revenue in 2022. The Phoenix earbud will not be launched until 2023.

**Other Income**

The Company had no Other Income in 2019. In 2020, the Company recognized $59,549 in Other Income, arising from a Paycheck Protection Program (PPP) loan of $51,549 and a $7,000 grant under the Economic Injury Disaster Loan (EIDL) program. The PPP loan was forgiven during 2021. We expect Other Income to increase in 2021 as a result of a second $30,741 PPP loan (which was also forgiven in 2021) and the successful award and funding of a $256,581 Small Business Innovation Research (SBIR) grant during 2021. We anticipate that other successful applications for SBIR and other intermural funds during 2022 will generate an increase in Other Income in 2022 and subsequent years. We do not anticipate that the Other Income in 2021 or 2022 will be sufficient fully to offset our expected Operating Expenses for those years.

**Costs and Expenses:**

The Company's operating expenses increased 29% from $338,511 in 2019 to $435,522 in 2020. Operating expenses are classified as Research and Development (R&D) and Selling, General, and Administrative (SG&A). R&D expenses include labor, research and development, clinical, quality, and regulatory. R&D costs increased 91% from $179,857 in 2019 to $343,801 in 2020, driven primarily by increases in headcount-related R&D expenses. SG&A expenses are composed of non-R&D compensation, legal, financing, travel, and other general and administrative expenses. Because there have been no sales of product, SG&A does not include any selling expenses in either 2019 or 2020, and none will be recognized in 2021. General and Administrative expenses decreased 42% from $158,654 in 2019 to $91,722 in 2020. This decrease resulted from the increase in the scale of research and development and the consequent allocation of additional salaries from G&A to R&D. Both R&D and SG&A are expected to increae in 2021 and 2022. With the launch of the Phoenix CR-100 in 2022, we expect sales and marketing expenses to be incurred for the first time in 2022.

Interest expense increased 233% from $12,792 in 2019 to $42,643 in 2020, primarily as a result of the issuance of $90,000 in outstanding promissory notes due to an officer (see Note 13 "Related Party" in the financial statements), the sale of $99,900 of a new convertible note in early 2020, and the fact that a total of $514,900 in convertible notes were outstanding for the entire year of 2020 compared to only a portion of 2019. In addition, the Company obtained an EIDL loan from the SBA in the amount of $150,000 which bears interest at 3.75%. The issuance of an additional $350,000 of convertible notes and an additional $50,000 of promissory notes due to an officer (see Note 13 "Related Party), both in 2021, will likely result in an increase in interest

charges in 2021 and 2022. The Company may elect to devote a portion of the proceeds of this Offering to repaying promissory notes (see Use of Proceeds).

Substantially all the interest reported in 2020 or 2019 was non-cash interest accruals, and that is expected to continue in 2021.

**Net Loss:**

Net loss before income taxes increased 19% from $351,304 in 2019 to $418,616 in 2020, primarily as a result of an increase in the scale of the Company's operations. Since the end of the period covered by our financial statements, our legal and professional, research and development expenses, marketing, and advertising expenses are expected to increase in connection with this Offering. In addition, our expenses related to wages and payroll taxes have temporarily decreased due to employee voluntarily deferring wages.

**Historical results and cash flows:**

The Company is currently in clinical development stage and is pre-revenue. Historical cash flows will not be indicative of the revenue and cash flows expected for the future because as Evren executes its business plan toward specific milestone achievements including clinical trials as well as the commercial launch of the Phoenix CR-100, working capital requirements will increase. Past cash flow was generated primarily through sales of equity, issuance of convertible notes, and loans. In 2021, cash flow will be positively impacted by the award of an SBIR grant in the amount of $256,581, and negatively impacted by the continued increase in the scale of operations. Our goal is to generate positive net revenue thorough the sale of the CR-100 device during 2022, the execution of a successful Offering, and the continued targeting of early-stage venture capital institutions and angel groups for additional equity or convertible notes.

## Liquidity and Capital Resources

**What capital resources are currently available to the Company? (Cash on hand, existing lines of credit, shareholder loans, etc...)**

As of January 31, 2022, the Company has capital resources available in the form of cash on hand of $32,022.35, a credit line under the Company's business credit card of $14,000, and a line of credit from an officer in the amount of $25,000.

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

We believe the funds of this Offering are critical to our operations; however, we also have been competitively selected for an award by the US Army of a Phase 1, Small Business Technology Transfer grant in the amount of approximately $172,992.52

expected in 2022. In addition, we have on-going efforts to raise capital from venture capital, high net worth individuals, and angel groups, as well as multiple opportunities for non-dilutive funding through grants from the NIH, the Defense Department, and via the Medical Technology Enterprise Consortium, of which we are a member. MTEC is biomedical technology consortium collaborating under an Other Transaction Agreement (OTA) with the U.S. Army Medical Research and Development Command (USAMRDC).

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

We believe the funds from this Offering are necessary to the viability of the Company. Of the total funds that our Company has, the majority will be made up of funds raised from the Offering, if it raises its maximum funding goal.

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

The minimum offering amount of $9,994.95 (together with cash on hand and the anticipated STTR from the US Army) will allow the Company to operate for at least four months. This is based on a current monthly burn rate of $40,000 for expenses related to R&D, rent, and salaries. Depending on sales uptake of the CR-100, at the anticipated gross margin, additional runway is expected. In addition, some management salaries can be deferred for short periods.

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

If the Company raises the maximum of $1,069,998.30, and assuming a net to the Company of approximately $800,000 (net of StartEngine fees, and raise dollars reinvested back into marketing), the Company will be able to operate for 14 months through at least March of 2023. This is based on a current monthly burn rate of $40,000 (expected to increase to $60,000) for expenses related to salaries, manufacturing costs, inventory, continued product development of the Phoenix earbud, audit fees, and sales and marketing expenses.

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

Currently, if the Company achieves the $1,070,000 Offering goal, the Company intends to increase the Regulation CF offering to $5,000,000. In addition, the Company will continue to seek institutional investment from venture capitalists and

angel groups.

## Indebtedness

- **Creditor:** Creditor: Small Business Administration (via BBVA Bank, now PNC Bank) EIDL Loan
  **Amount Owed:** $150,000.00
  **Interest Rate:** 3.75%
  **Maturity Date:** June 03, 2050
  Secured. Principal payments will be repaid monthly after an 18-month deferral period over the remaining 28 years and six months. The loan may be prepaid without penalty.

- **Creditor:** Weaver H. Gaines
  **Amount Owed:** $140,000.00
  **Interest Rate:** 8.0%
  **Maturity Date:** December 31, 2022
  The notes are payable upon written demand or at the election of the Holder upon receipt by the Company of a financing in the aggregate amount of $500,000.

## Related Party Transactions

- **Name of Entity:** Weaver H Gaines
  **Relationship to Company:** Officer
  **Nature / amount of interest in the transaction:** $250,000.00
  **Material Terms:** Series 2019A Convertible Note: Automatic conversion into the securities received upon a Qualified Financing of at least $2 million at a 30% discount; optional conversion (at the election of the Majority Holders) upon an equity financing of less than $2 million into the securities received upon such financing at a 30% discount, optional conversion (at the election of the Majority Holders) at Maturity Date into a new series of preferred stock at a conversion price equal to the quotient resulting from dividing $5 million by the number of fully-diluted outstanding shares of common stock of the Company as of the Maturity Date; if the Company consummates a change of control prior to the Qualified Financing, then at each Investor's option, either (i) such Investor shall receive a cash repayment equal to the outstanding principal and unpaid accrued interest, plus an additional payment equal to 50% of the principal amount of such Investor's Note, or (ii) such Investor's Note shall be converted into shares of common stock at a conversion price equal to the quotient resulting from dividing $5,000,000 by the number of outstanding shares of common stock of the Company immediately prior to the acquisition (assuming conversion of all securities convertible into common stock and exercise of all outstanding options and warrants, but excluding the shares of equity securities of the Company issuable upon the conversion of the Notes or other indebtedness).

- **Name of Entity:** Weaver H Gaines
  **Relationship to Company:** Director
  **Nature / amount of interest in the transaction:** $50,000.00
  **Material Terms:** 2021 Convertible Note: Conversion at Qualified Financing: In the event the Company consummates, while the Note is outstanding, an equity financing pursuant to which it sells shares of its equity securities ("Next Round Securities"), with an aggregate sales price of not less than $3,000,000, excluding any and all indebtedness under the Notes that is converted into Next Round Securities, and with the principal purpose of raising capital (a "Qualified Financing"), then all principal, together with all unpaid accrued interest under the Notes, shall automatically convert into shares of Next Round Securities at the lesser of (i) 80% of the cash price per share paid by the other purchasers of Next Round Securities in the Qualified Financing and (ii) the price obtained by dividing $15,000,000 by the number of outstanding shares of common stock of the Company immediately prior to the Qualified Financing (assuming conversion of all securities convertible into common stock and exercise of all outstanding options and warrants, including all shares of common stock reserved and available for future grant under any equity incentive or similar plan of the Company, and/or any equity incentive or similar plan to be created or increased in connection with the Qualified Financing, but excluding the shares of equity securities of the Company issuable upon the conversion of the Notes or other indebtedness); Conversion at Maturity: In the event that the Note remains outstanding on the Maturity Date, then the outstanding principal balance of the Investor's Note and any unpaid accrued interest shall upon the election of the Majority Holders convert into shares of the Company's common stock at a conversion price equal to the quotient resulting from dividing $15,000,000 by the number of outstanding shares of common stock of the Company as of the Maturity Date (assuming conversion of all securities convertible into common stock and exercise of all outstanding options and warrants, including all shares of common stock reserved and available for future grant under any equity incentive or similar plan of the Company, but excluding the shares of equity securities of the Company issuable upon the conversion of the Notes or other indebtedness). Change of Control: If the Company is acquired prior to the Qualified Financing, then at each Investor's option, either (i) such Investor shall receive a cash repayment equal to the outstanding principal and unpaid accrued interest, plus an additional payment equal to 100% of the principal amount of such Investor's Note, or (ii) such Investor's Note shall be converted into shares of common stock at a conversion price equal to the quotient resulting from dividing $15,000,000 by the number of outstanding shares of common stock of the Company immediately prior to the acquisition (assuming conversion of all securities convertible into common stock and exercise of all outstanding options and warrants, but excluding the shares of equity securities of the Company issuable upon the conversion of the Notes or other indebtedness).

- **Name of Entity:** Weaver H Gaines

**Relationship to Company:** Director
**Nature / amount of interest in the transaction:** $170,000 demand promissory notes (which may be increased on the same terms during this offering if necessary to pay certain outstanding accounts payable).
**Material Terms:** 8% simple interest: The notes are payable upon written demand or at the election of the Holder upon receipt by the Company of a financing in the aggregate amount of $500,000.

- **Name of Entity:** Neil Euliano
  **Relationship to Company:** Officer
  **Nature / amount of interest in the transaction:** $50,000 2019 A Convertible Note
  **Material Terms:** 8% interest. Automatic conversion into the securities received upon a Qualified Financing of at least $2 million at a 30% discount; optional conversion (at the election of the Majority Holders) upon an equity financing of less than $2 million into the securities received upon such financing at a 30% discount, optional conversion (at the election of the Majority Holders) at Maturity Date into a new series of preferred stock at a conversion price equal to the quotient resulting from dividing $5 million by the number of fully-diluted outstanding shares of common stock of the Company as of the Maturity Date; if the Company consummates a change of control prior to the Qualified Financing, then at each Investor's option, either (i) such Investor shall receive a cash repayment equal to the outstanding principal and unpaid accrued interest, plus an additional payment equal to 50% of the principal amount of such Investor's Note, or (ii) such Investor's Note shall be converted into shares of common stock at a conversion price equal to the quotient resulting from dividing $5,000,000 by the number of outstanding shares of common stock of the Company immediately prior to the acquisition (assuming conversion of all securities convertible into common stock and exercise of all outstanding options and warrants, but excluding the shares of equity securities of the Company issuable upon the conversion of the Notes or other indebtedness). Notes were funded through technical services in kind.

- **Name of Entity:** Convergent Engineering
  **Names of 20% owners:** Neil Euliano
  **Relationship to Company:** Convergent is a subcontractor under an awarded SBIR grant.
  **Nature / amount of interest in the transaction:** $64,981.83
  **Material Terms:** Convergent was issued a subcontract to carry out software development and hardware development of the Phoenix CR-100, pursuant to the budget submitted to the NIH.

## Valuation

**Pre-Money Valuation:** $15,086,668.80

**Valuation Details:**

*StartEngine has requested we supply a basis for our proposed pre-money valuation. We are proposing a PMV of $15,085,870.80 and an offering price per share of $6.65.*

*Our valuation analysis is intended solely for the use by the Company and StartEngine in connection with the crowdfunding campaign under Reg CF. We do not intend to update this analysis for events and circumstances occurring after the date of this Memorandum.*

Evren has always been a closely held company whose ownership interests have never been traded on a recognized exchange or in the over-the-counter market. In addition, Evren is a pre-revenue, clinical-stage company, whose products have not been launched or sold. In the absence of any public market, we have estimated the pre-money valuation in accordance with the following definition:

The price at which Evren would change hands between a willing buyer and willing seller, neither being under compulsion to buy or sell and both having reasonable knowledge of all relevant facts as of the date of this valuation.

Startup valuation is more art than science. That said, in valuing Evren as a going concern, we considered prior arms-length securities sales by the Company, a market approach (relative value using comparable company analyses), and an analysis of assets and management.

**1. Securities sales by the Company:** Evren sold $350,000 of its convertible notes in June 2021. The 2021 Notes included a market cap of $15,000,000. (Notes sold in 2019 did not have a market cap and are disregarded for this analysis). At that time, we estimated the enterprise value at $16,003,000 and deducted approximately $1.2 million in liabilities for an equity value for a marketable control basis of the Company of approximately $15,000,000. $300,000 of these Notes were sold to arms-length investors; $50,000 were sold to an insider on the same terms.

**2. Comparables:** For the comparables analysis, we have accumulated approximately $1.4M from all sources to date, hence we regard Evren's stage to be between Seed and Series A. The best normative information (other than PitchBook, which we do not have access to) is the Entrepreneurs' Report, capturing actual early-stage investment transactions from Wilson Sonsini Goodrich & Rosati, one of California's best-known entrepreneurial law firms.

According to the 3Q21 Wilson Sonsini Entrepreneurs' Report – Private Financing Trends (https://www.wsgr.com/en/insights/the-entrepreneurs-report-q3-2021.html) median pre-money valuations "were down for all financing rounds when compared to the prior quarter . . Even so, rounds maintained a five-year high in Q3 2021, demonstrating continued stability in the market." Valuations over the three quarters ending 3Q2021 were as follows: Seed Round median values ranged from $10.2M to $10.7M and Series A median values ranged from 21.6M to $32M.

The mean value between Seed and Series A is $16.15 M as of 3Q 2021. Later Entrepreneurs' Report data is not yet available.

Cooley likewise saw significant median pre-money numbers in 2021 (Cooley shows data by month – we have chosen quarter-end data). In the Cooley report for quarters ended December 2020, March 2021, and June 2021, Seed round median values ranged from $11.0M to $15.0M, and Series A median values ranged from $38.8M to $48.6M.

We don't have later data from Cooley.

According to the Wall Street Journal, January 2, 2022 (https://www.wsj.com/articles/a-booming-startup-market-prompts-an-investment-rush-for-ever-younger-companies-11641119403), median valuations of U.S. "seed-and early-stage startups" was $26M, up from $16 million in 2020.

**3. Assets and Management:**

Management: The management of the Company, including the Chairman & CEO, the CTO, and the CFO have successfully founded and sold prior companies, the most recent of which was OBMedical Company, a medical device company sold to Philips Healthcare in 2018 with returns to investors up to 3X. We expect Evren to be positioned for acquisition within a four-year period. The directors are all startup and business experts with diverse expertise and good diversity. We also have an excellent Scientific Advisory Board, including Steven Porges, Ph.D., the developer of the Polyvagal Theory, the underlying basis for our technology.

Intangible Assets: The Company's intangible assets include a worldwide, all fields, exclusive license from the University of Florida Research Foundation (US Patent 10,426,956 B2, dated Oct. 1, 2019, "System and Method for Monitoring and Controlling Nervous System Behaviour Using Autonomic Features") covering the unique features of the proposed product, the Phoenix®

PCT patent application WO 2020/257367 A1, published Dec. 24, 2020 ("Ear Device and Paired Treatments Involving Nerve Stimulation").

Registered trademarks including Phoenix®, Rise Above PTSD®, Stimulating Change®, and the Evren Logo.

The algorithm central to the dynamic function of the Phoenix and the Company's research tool, the CR-100, is a trade secret.

R&D: The Company's Clinical and R&D programs include

A successful pilot trial with a prototype of the Phoenix in a PTSD population in which a substantial reduction in PTSD symptoms was demonstrated.

A Breakthrough Device Designation from the FDA based on the Phoenix and the pilot trial results.

An SBIR-supported development grant of the CR-100 research tool is scheduled for

completion in January 2022. The Company will apply for a Phase II grant for this program in April of 2022.

The Department of the Army notified the Company that its STTR application entitled "Transcutaneous Vagal Nerve Stimulation for Acute Stress Reactions" had been competitively selected for a Phase I award in the amount of $172,992.52, contingent upon successful negotiations with an assigned Contracting Officer and the availability of funding. Proven efficacy in PTSD population

Confirmed Regulatory Pathway: We have held our initial pre-submission meeting with the FDA and confirmed that we are eligible for a De Novo Classification.

**Conclusion:** For these reasons, we think a PMV of $15,085,870.80 is justified.

***Disclaimers***

*The Company set its valuation internally, without a formal-third party independent evaluation. The pre-money valuation has been calculated on a fully diluted basis. In making this calculation, we have assumed: (i) all preferred stock is converted to common stock; (ii) all outstanding options, warrants, and other securities with a right to acquire shares are exercised; and (iii) any shares reserved for issuance under a stock plan are issued. The pre-money valuation does not take into account any convertible securities currently outstanding. The Company currently has $864,900 in Convertible Notes outstanding (not including accrued interest). Please refer to the Company Securities section of the Offering Memorandum for further details regarding current outstanding convertible securities which may affect your ownership in the future.*

## Use of Proceeds

If we raise the Target Offering Amount of $9,994.95 we plan to use these proceeds as follows:

- *StartEngine Platform Fees*
  3.5%

- *Working Capital*
  96.5%
  We will use 96.5% of the funds raised for marketing spend, general & administrative, and StartEngine expenses.

If we raise the over allotment amount of $1,069,998.30, we plan to use these proceeds as follows:

- *StartEngine Platform Fees*
  3.5%

- *Research & Development*
  40.0%
  We will use 40% of funds raised for human-centered industrial design on

earpiece comfort and durability, controller interface improvements, product safety and biocompatibility testing.

- *Company Employment*
  30.0%
  We will use 30% of funds raised for wages and benefits for the Evren team during this time of operation.

- *Inventory*
  10.0%
  We will use 10% of the funds raised for creation of 100 Phoenix research units. These units will be used by Evren as well as sold to the research community for clinical trials.

- *Working Capital*
  16.5%
  We will use 16.5% of the funds raised for marketing spend, general & administrative, and StartEngine expenses.

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

# Regulatory Information

## Disqualification

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

## Compliance Failure

The company has not previously failed to comply with the requirements of Regulation Crowdfunding.

## Ongoing Reporting

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

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

(1) it is required to file reports under Section 13(a) or Section 15(d) of the Exchange Act;

(2) it has filed at least one (1) annual report pursuant to Regulation Crowdfunding and

has fewer than three hundred (300) holders of record and has total assets that do not exceed $10,000,000;

(3) it has filed at least three (3) annual reports pursuant to Regulation Crowdfunding;

(4) it or another party repurchases all of the securities issued in reliance on Section 4(a)(6) of the Securities Act, including any payment in full of debt securities or any complete redemption of redeemable securities; or

(5) it liquidates or dissolves its business in accordance with state law.

## Updates

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

## Investing Process

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

EXHIBIT B TO FORM C

FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANT'S REVIEW FOR Evren Technologies, Inc

*[See attached]*

# EVREN TECHNOLOGIES, INC.

## FINANCIAL STATEMENTS
## YEARS ENDED DECEMBER 31, 2020 AND 2019
*(Unaudited)*

## INDEX TO FINANCIAL STATEMENTS

(UNAUDITED)


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# INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Evren Technologies, Inc.
Gainesville, Florida

We have reviewed the accompanying financial statements of Evren Technologies, Inc. (the "Company,"), which comprise the balance sheet as of December 31, 2020 and December 31, 2019, and the related statement of operations, statement of shareholders' equity (deficit), and cash flows for the year ending December 31, 2020 and December 31, 2019, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Accountant's Responsibility**

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

**Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

**Going Concern**

As discussed in Note 17, certain conditions indicate that the Company may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

SetApart FS

January 17, 2022
Los Angeles, California

**EVREN TECHNOLOGIES INC.**
**BALANCE SHEET**
**(UNAUDITED)**

| As of December 31, | 2020 | 2019 |
|---|---|---|
| (USD $ in Dollars) | | |
| **ASSETS** | | |
| Current Assets: | | |
| Cash & cash equivalents | $ 13,388 | $ 82,161 |
| Prepaids and other current assets | 45,314 | 66,439 |
| **Total current assets** | **58,703** | **148,600** |
| | | |
| Intangible assets | 59,805 | 12,625 |
| Accumulated amortization | (1,634) | - |
| **Total assets** | **$ 116,875** | **$ 161,224** |
| | | |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| Current Liabilities: | | |
| Convertible Note | $ 514,900 | $ 415,000 |
| Accured Interest Payable | 54,997 | 10,966 |
| Account payables | 41,732 | 3,775 |
| Notes Payable | 90,000 | - |
| Accrued expenses | 15,415 | 66,991 |
| **Total current liabilities** | **717,044** | **496,732** |
| | | |
| Long-Term Bank Debt | 150,000 | - |
| Accured Interest Payable | 478 | - |
| **Total liabilities** | **867,521** | **496,732** |
| | | |
| **STOCKHOLDERS EQUITY** | | |
| Common Stock | 19,573 | 17,600 |
| Treasury Stock | (300) | (1,000) |
| Shareholder receivable | - | (804) |
| Retained earnings/(Accumulated Deficit) | (769,920) | (351,304) |
| | | |
| **Total stockholders' equity** | **(750,647)** | **(335,508)** |
| | | |
| **Total liabilities and stockholders' equity** | **$ 116,875** | **$ 161,224** |

*See accompanying notes to financial statements.*

**EVREN TECHNOLOGIES INC.**
**STATEMENTS OF OPERATIONS**
**(UNAUDITED)**

| For Fiscal Year Ended December 31, | 2020 | 2019 |
|---|---|---|
| (USD $ in Dollars) | | |
| Net revenue | $ - | $ - |
| Cost of goods sold | - | - |
| Gross profit | - | - |
| | | |
| Operating expenses | | |
| Selling, general and administrative | 91,722 | 158,654 |
| Research and Development | 343,801 | 179,857 |
| Total operating expenses | 435,522 | 338,511 |
| | | |
| Operating income/(loss) | (435,522) | (338,511) |
| | | |
| Interest expense | 42,643 | 12,792 |
| Other Loss/(Income) | (59,549) | - |
| Income/(Loss) before provision for income taxes | (418,616) | (351,304) |
| Provision/(Benefit) for income taxes | - | - |
| | | |
| **Net income/(Net Loss)** | **$ (418,616)** | **$ (351,304)** |

*See accompanying notes to financial statements.*

# EVREN TECHNOLOGIES INC.
## STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
## (UNAUDITED)

| (In , $US) | Common Stocks | | Treasury Stocks | | Shareholder | Retained earnings/ | Total Shareholder |
|---|---|---|---|---|---|---|---|
| | Shares | Amount | Shares | Amount | receivable | (Accumulated Deficit) | Equity |
| **Balance—December 31, 2018** | | | | | | $ - | $ - |
| Issuance of Stocks | 1,760,001 | $ 17,600 | | | $ (804) | | 16,796 |
| Repurchase of shares | | | (100,000) | $ (1,000) | | | (1,000) |
| Net income/(loss) | | | | | | (351,304) | (351,304) |
| **Balance—December 31, 2019** | **1,760,001** | **17,600** | **(100,000)** | **(1,000)** | (804) | **$ (351,304)** | **$ (335,508)** |
| Issuance of Stocks | 30,000 | 300 | | | | | 300 |
| Common Stock awarded to employees | 167,348 | 1,673 | | | | | 1,673 |
| Sale of common stock | | | 223,302 | 2,233 | | | 2,233 |
| Shareholder receivable | | | | | 804 | | 804 |
| Purchase common stock | | | (153,302) | (1,533) | | | (1,533) |
| Net income/(loss) | | | | | | (418,616) | (418,616) |
| **Balance—December 31, 2020** | **1,957,349** | **$ 19,573** | **- 30,000** | **- 300** | **$ -** | **$ (769,920)** | **$ (750,647)** |

*See accompanying notes to financial statements.*

**EVREN TECHNOLOGIES INC.**
**STATEMENTS OF CASH FLOWS**
**(UNAUDITED)**

| For Fiscal Year Ended December 31, | 2020 | 2019 |
|---|---|---|
| (USD $ in Dollars) | | |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Net income/(loss) | $ (418,616) | $ (351,304) |
| *Adjustments to reconcile net income to net cash provided/(used) by operating activities:* | | |
| Amortization of intangibles | 1,634 | - |
| Shared-based Compensation | 1,673 | |
| Changes in operating assets and liabilities: | | |
| Non-cash interest | 44,508 | 10,966 |
| Prepaid expenses and other current assets | 121,024 | (1,439) |
| Account payables | (13,618) | 70,766 |
| Other current liabilities | | |
| Accured Interest on Convertible Notes | | |
| **Net cash provided/(used) by operating activities** | **(263,396)** | **(271,010)** |
| | | |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Purchases of intangible assets | (47,181) | (12,625) |
| **Net cash provided/(used) in investing activities** | **(47,181)** | **(12,625)** |
| | | |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Issuance of Stocks | 300 | 16,796 |
| Proceeds from long-term debt | 150,000 | - |
| Proceeds from Convertible Notes | | 350,000 |
| Proceeds from sale of treasury stock | 2,233 | |
| Payments for purchase of treasury stock | (1,533) | (1,000) |
| Proceeds from bridge notes | 90,000 | |
| Proceeds from shareholder receivable | 804 | |
| **Net cash provided/(used) by financing activities** | **241,804** | **365,796** |
| | | |
| Change in cash | (68,773) | 82,161 |
| Cash—beginning of year | 82,161 | - |
| **Cash—end of year** | **$ 13,388** | **$ 82,161** |
| | | |
| **SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION** | | |
| Cash paid during the year for interest | $ 1,168 | $ 313 |
| Cash paid during the year for income taxes | $ - | $ - |
| | | |
| **OTHER NONCASH INVESTING AND FINANCING ACTIVITIES AND SUPPLEMENTAL DISCLOSURES** | | |
| Purchase of property and equipment not yet paid for | $ - | $ - |
| Issuance of equity in return for note | - | |
| Issuance of equity in return for accrued payroll and other liabilities | | |

*See accompanying notes to financial statements.*

## 1. BASIS OF PRESENTATION

The accompanying financial statements include the accounts of Evren Technologies, Inc. (the "Company" or "Evren") as of December 31, 2020, and December 31, 2019, and for the two years ended December 31, 2020. The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America

## 2. ORGANIZATION AND BUSINESS

Founded on December 12, 2018 ("Inception") with technology developed by the Company's scientific co-founders, Evren is a clinical stage medical device company developing a closed-loop transcutaneous auricular vagal nerve stimulation (taVNS) device to treat Post-traumatic Stress Disorder (PTSD) and other neuropsychological conditions. The Company's lead products under development include a PTSD smartphone symptom tracker, a clinician portal, and the Phoenix®, a discrete, wearable, earbud designed to stimulate the auricular branch of the vagus nerve while adjusting the stimulation based on biological signals.

The Company believes that its products will provide a clinically proven, effective, safe, non-pharmacological solution to the treatment of PTSD.

## 3. SIGNIFICANT RISKS AND UNCERTAINTIES

*Liquidity and Going Concern* - The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company has generated net losses of $768,247 during the period from December 12, 2018 (inception) to December 31, 2020, and, as of December 31, 2020, has a shareholders' deficit. This condition raises substantial doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to meet its obligations, obtain additional financing and ultimately to attain profitability. The financial statements do not contain any adjustments that might result from the outcome of this uncertainty.

The Company's activities are subject to significant risks and uncertainties, including failing to secure additional funding, failing to obtain de Novo classification from the FDA and failing to achieve commercialization of the Phoenix. The Company has generated no product revenue to date, and its activities have consisted primarily of research and development, clinical studies, seeking FDA De Novo classification and Breakthrough Device Designation, exploring strategic alternatives for further development and commercialization of the Phoenix and other products, and raising capital.

The business plan of the Company is to develop a commercial application of the intellectual property licensed from the University of Florida Research Foundation ("UFRF") (see Notes 4 and 6), which is being used to develop the Phoenix®, a closed-loop transcutaneous auricular vagal nerve stimulation device. The Company intends to manufacture and market the Phoenix upon U.S. Food and Drug Administration's granting of De Novo classification and/or seek third party entities interested in licensing the rights to manufacture and market the Phoenix. The Phoenix will be preceded by a symptom tracker app for PTSD patients and a clinician's portal for clinicians to monitor progress of their PTSD patients utilizing the symptom tracker and the Phoenix digital therapeutic.

As the Company currently has not yet commenced revenue-producing activities, the Company has historically funded its operations through the sale of equity securities and issuance of convertible notes payable (see Note 7). The Company intends to finance its current and future research and development, commercialization, and working capital needs from existing cash, new sources of debt and equity financing, and potential new licensing and commercial partnership agreements.

*COVID 19 Risks and Concerns* - The Company monitors the potential impact of the COVID-19 pandemic on all aspects of the business, including the ability to raise funds, commence the clinical trials and attract new employees, among others. While the Company did not experience operating disruptions during the year ended December 31, 2020, it is impossible to predict the impact COVID-19 may have on future operations and cash flows due to numerous uncertainties. Depending on the duration and severity of the COVID-19 pandemic and the new Delta variant, the continuing effect on Company results and outlook over the long term remains uncertain.

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Cash and Cash Equivalents* - Cash and cash equivalents include all highly-liquid investments with original maturity of three months or less at the date of acquisition in the accompanying financial statements. The Company has not experienced losses related to these balances and has no restricted cash balances as of December 31, 2019, or December 31, 2020.

*Derivative Instruments* - The Company analyzes all financial instruments with features under Accounting Standards Codification ("ASC") 480, "Distinguishing Liabilities from Equity" and ASC 815, "Derivatives and Hedging." The Company also reviews debt agreements for embedded features. If these features are not clearly and closely related to the debt host, they meet the definition of a derivative and require bifurcation from the host. All derivative instruments are recorded on the balance sheet at their respective fair values. The Company will adjust the carrying value of the derivative liability to fair value at each subsequent report date. The changes in the value of the derivatives are recorded in the statement of operations in the period in which they occur.

*Fair Value Measurements* - The Company records assets and liabilities at fair value, defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) as opposed to the price that would be paid to acquire the asset or received to assume the liability (an entry price). The guidance requires the fair value measurement to maximize the use of "observable inputs". The three-level hierarchy of inputs to measure fair value are as follows:

Level 1 - quoted prices in active markets for identical assets or liabilities.
Level 2 - quoted prices for similar assets and liabilities in active markets or inputs that are observable.
Level 3 - inputs that are unobservable (for example cash flow modeling inputs based on assumptions).

The Company did not have any transfers between the different levels during the reporting period.

*Research and Development ("R&D") Costs* - R&D costs are expensed as incurred and include, but are not limited to, labor, research and development, clinical, quality, and regulatory costs and were $343,801 and $179,857 for the years ended December 31, 2020, and 2019, respectively.

*Selling, General and Administrative ("SG&A") Costs* - G&A costs consist primarily of non-R&D salaries, legal, financing, travel, and other general and administrative expenses and were $91,772 and $158,654 for the years ended December 31, 2020, and 2019, respectively. Sales activities have not yet begun.

*Prepaid Expenses* - Prepaid expenses on the balance sheet consist of prepaid insurance premiums and advance payments in the form of a convertible promissory note for development services to be received in the future and are expensed over time as they are amortized (see Note 7).

*Property and Equipment* - Property and equipment with a cost over $5,000 is stated at cost less accumulated depreciation and amortization. Depreciation of property and equipment uses the straight-line method over the estimated useful lives of the various assets, ranging from three to seven years. There were no capital purchases in the years ended December 31, 2020, or December 31, 2019.

*Intangible Assets* - Intangible assets are recorded at cost and include the cost to obtain and support patents and patent application costs, licenses, and trademarks. Intangible assets are amortized on a straight-line basis over the estimated useful lives. Trademarks are indefinite-lived intangible assets.

*Impairment of Long-Lived Assets* – The Company reviews its long-lived assets, if any, for impairment whenever changes in circumstances indicate that the carrying amount of the assets may be less than booked or not recoverable at all. There have been no impairment losses during the years ended December 31, 2020, or 2019.

*Stock-Based Compensation* - We account for stock-based compensation in accordance with ASC Topic 718, Compensation – Stock Compensation. ASC 718 requires all stock-based payments including grants of stock options and restricted stock and modifications to existing stock options to be recognized in the statements of operations based on their fair value. The Company estimates the fair value of stock option awards using the Black-Scholes option-pricing model on the date of the grant. The determination of fair value is affected by the Company's stock price as well as subjective values such as volatility. The Company believes stock-based compensation was not material during the years ended December 31, 2020, and December 31, 2019.

*Leases* - The Company leases office and research space. Leases with an initial term of 12 months or less are not recorded on the balance sheet, but the Company recognizes lease expense for these leases on a straight-line basis over the lease term.

*Use of Estimates* - The preparation of financial statements in conformity with U.S. GAAP requires the use of estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Significant judgement is applied to the process. Actual results could differ materially from those estimates.

*Income Taxes* - Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amount of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Valuation allowances are recognized with regards to net deferred tax assets if such assets are not more likely than not to be recoverable. The Company booked no deferred tax assets or liabilities in the years ended December 31, 2020, or December 31, 2019.

Management has determined the Company had no uncertain income tax positions that could have a significant effect on the financial statements as of December 31, 2020, or December 31, 2019. The Company's federal income tax returns since the Company's inception are subject to examination by the Internal Revenue Service, generally for three years after the federal income tax returns were filed.

*Net loss Per Share-* Basic net loss per share is calculated by dividing net loss by the weighted average number of common shares outstanding during the period. Diluted net loss per share is calculated by dividing net loss by the weighted average number of common shares outstanding during including any dilutive effect from outstanding stock options or other equity-based awards. Potential dilutive common share equivalents consist of the incremental common shares issuable upon the exercise of vested share options and the incremental shares issuable upon conversion of the convertible notes. Potential dilutive common share equivalents consist of restricted stock units (RSU's). Due to net losses for the years ended December 31, 2020, and December 31, 2019, basic and diluted net loss per share is the same, as the effect of potentially dilutive securities would have been anti-dilutive.

## *Recently Issued and Adopted Accounting Pronouncements*

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-13, Financial Instruments - Credit Losses: Measurement of Credit Losses on Financial Instruments. ASU 2016-13 requires an entity to measure and recognize expected credit losses for certain financial instruments, including trade receivables, as an allowance that reflects the entity's current estimate of credit losses expected to be incurred. For available-for-sale debt securities with unrealized losses, the standard requires allowances to be recorded through net income instead of directly reducing the amortized cost of the investment under the current other-than-temporary impairment model. For smaller reporting companies, the standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2022. The Company does not expect the adoption of ASU 2016-13 to have on the Company's financial statements.

In December 2019, the FASB issued ASU No. 2019-12, Income Taxes (Topic 740) ("ASU 2019-12"), simplifying the Accounting for Income Taxes. This amendment simplifies the accounting for income taxes by removing certain exceptions to the general principles and improve consistent application or and simplify accordance with accounting principles generally accepted in the United States for other areas of Topic 740 by clarifying and amending existing guidance. This update is effective for annual and interim reporting periods beginning after December 15, 2020. Early adoption is permitted but requires simultaneous adoption of all provisions of ASU 2019-12. The Company does not expect the adoption of ASU 2019-12 to have a material impact on the Company's financial statements.

On January 1, 2020, the Company adopted ASU 2018-13, Fair Value Measurements (Topic 820) Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement. ASU 2018-13 changes the fair value measurement disclosure requirements of ASC 820, "Fair Value Measurement" by adding, eliminating, and modifying certain disclosure requirements. The adoption of ASU 2018-13 did not have a material impact on the Company's financial statements.

In August 2020, the FASB issued ASU 2020-06, Debt-Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging-Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity. Under ASU 2020-06, the embedded conversion features are no longer separated from the host contract for convertible instruments with conversion features that are not required to be accounted for as derivatives under Topic 815, or that do not result in substantial premiums accounted for as paid-in capital. Consequently, a convertible debt instrument will be accounted for as a single liability measured at its amortized cost, as long as no other features require bifurcation and recognition as derivatives. The new guidance also requires the if-converted method to be applied for all convertible instruments. ASU 2020-06 is effective for fiscal years beginning after December 15, 2021, with early adoption permitted. Adoption of the standard requires using either a modified retrospective or a full retrospective approach. The Company is currently evaluating what, if any, impact, the adoption of ASU 2020-06 may have on the Company's financial statements.

In May 2021, the FASB issued ASU 2021-04, Earnings Per Share (Topic 260), Debt-Modifications and Extinguishments (Subtopic 470-50), Compensation-Stock Compensation (Topic 718), and Derivatives and Hedging-Contracts in Entity's Own Equity (Subtopic 815-40): Issuer's Accounting for Certain Modifications or Exchanges of Freestanding Equity-Classified Written Call Options. ASU 2021-04 provides clarification and reduces diversity in an issuer's accounting for modifications or exchanges of freestanding equity-classified written call options (such as warrants) that remain equity classified after modification or exchange. An issuer measures the effect of a modification or exchange as the difference between the fair value of the modified or exchanged warrant and the fair value of that warrant immediately before modification or exchange. ASU 2021-04 introduces a recognition model that comprises four categories of transactions and the corresponding accounting treatment for each category (equity issuance, debt origination, debt modification, and modifications unrelated to equity issuance and debt origination or modification). ASU 2021-04 is effective for all entities for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. An entity should apply the guidance provided in ASU 2021-04 prospectively to modifications or exchanges occurring on or after the effective date. Early adoption is permitted for all entities, including adoption in an interim period. If an entity elects to early adopt ASU 2021-04 in an interim period, the guidance should be applied as of the beginning of the fiscal year

that includes that interim period. The adoption of ASU 2021-04 is not expected to have a material impact on the Company's financial statements or disclosures.

Other recent accounting pronouncements issued by the FASB, including its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the Securities and Exchange Commission (the "SEC") did not or are not believed by management to have a material impact on the Company's present or future consolidated financial statements.

## 5. LICENSE AGREEMENTS

*University of Florida Research Foundation ("UFRF")* - On January 23, 2020, the Company entered into ("License") with the University of Florida Research Foundation, Inc. ("UFRF") to US patent 10,426,956 B 2 "System and Method for Monitoring and Controlling Nervous System Behavior Using Autonomic Features," filed December 14, 2015 ("Patent"). Under the License, the Company acquired exclusive worldwide rights, title, and interest in the Patent from UFRF in exchange for royalties and an exit fee equal to 1.0% of either the aggregate consideration for a liquidation event or the pre-money valuation for an initial public offering. In addition, the License required payment of $20,607 by June 1, 2020, as reimbursement for all expenses associated with preparation, filing, prosecution, issuance, maintenance, defense, and reporting of the licensed prior to the effective date of the license agreement. The License has been amended twice during 2020, primarily to extend the time to meet certain milestones and to lengthen the time to pay the balance of the $20,607Both amendments carried with them a payment toward the balance of $4,000 each, leaving a balance due of $12,607 on March 1, 2021, according to the second amendment executed November 13, 2020.

The Patent supports the technology underlying development of the Phoenix and any related products making use of Patent claims. The effective term of the License is through the term of the Patent and may be terminated by the Company with 60-days written notice. Additionally, in case of default, UFRF may terminate the License upon written notice. The License contains the following key elements:
Royalty fees of 1.5% of net sales of licensed products and processes.
Allowed and unrestricted sublicensing any covered product or processes. Sublicenses in good standing survive the termination of the License and require the Company to pay an amount equal (e.g., 1.5%) of what the Company would have required to pay if the sublicensed product or process had been sold directly. If the Company receives any consideration for a sublicense, then it must pay UFRF 20% of such consideration
The Company reimburses UFRF for certain legal expenses related to patent prosecution and defense of the covered technologies.
Minimum royalties of $2,000, $4,000, and $6,000 are due during the first, second, and third commercial year.

Other than minimum payments due, there were no royalty payments made during the years ended December 31, 2020, or December 31, 2019.

## 6. PROPERTY AND EQUIPMENT

The Company has no capitalized property or equipment for the years ended December 31, 2020, and December 31, 2019.

## 7. CONVERTIBLE NOTES PAYABLE

In 2019, the Company received proceeds of $415,000 in exchange for convertible promissory notes payable. The notes bear interest at 8% per annum and mature on various dates from July through December of 2020, each maturity date being 12 months following issuance of each note, individually, subject to extension.

In July of 2019 the Company issued a convertible note for principal amount of $15,000 in exchange for services to be rendered by a software service provider. In February of 2020, the Company issued a convertible

note for principal amount of $99,900 in exchange for services to be rendered by a product development service provider. Both these notes bear interest at 8% per annum and mature 12 months from the issue date.

Also, In July of 2019 the Company issued a convertible note for principal amount of $50,000 in exchange for development services to be rendered by an officer of the Company (see Note 12 – related party).

All convertible notes include an embedded conversion option in which the holder of the note must convert the principal and unpaid interest into shares of the Company's equity securities issued by the Company in a qualified financing, at a price equal to 80% of the price per share paid by investors for such equity securities. If a qualified financing event does not occur by the note's maturity date, then the holder shall, upon the election of a majority of the then outstanding holders, convert the outstanding principal balance and any unpaid accrued interest into shares of a newly created series of the Company's preferred stock at a designated pre-money valuation.

Under GAAP, the embedded conversion option contained in the conversion price adjustment feature requires that the fair value of the conversion option be bifurcated from the proceeds received from the convertible notes and classified as a derivative instrument required to be recorded at fair value (see Note 8 – Long term debt). As such, the 2019 Series convertible notes should be recorded at a discount, which will be amortized to interest expense through the maturity date of the convertible notes payable. The Company has elected to defer this accounting treatment until 2021 and has not recorded the convertible notes at a discount.

## 8. NOTES PAYABLE

On May 6, 2020, the Company received proceeds of $51,549 in connection with a promissory note (the "Note"), entered into with BBVA USA (the "Lender"), evidencing an unsecured loan (the "Loan") under the Small Business Administration's ("SBA") Paycheck Protection Program ("PPP") and issued as part of the CARES Act. The loan was obtained pursuant to the guidance of the SBA to preserve jobs in the Company by providing necessary economic relief because of the negative business effects of COVID-19. The Company utilized the entire Loan amount for qualifying expenses of payroll and rent. Hence the PPP loan is eligible for forgiveness upon proper application. The interest rate on the Loan is 1% per annum and matures on May 6, 2022.

In October 2020, the SBA extended the deferral period under the Flexibility Act, for borrower payments of principal, interest, and fees on all PPP loans to the date that the SBA remits the borrower's loan forgiveness amount to the lender (or, if the borrower does not apply for loan forgiveness, 10 months after the end of the borrower's loan forgiveness covered period). The SBA does not require a formal modification to the promissory note. Accordingly, the first date that payment may become due on this note is March 6, 2021 (See Note 13 – subsequent events).

The Company follows IAS 20 Accounting for Government Grants and Disclosure of Government Assistance (("IAS 20") to account for government grants. For consistency, the Company has also accounted for the Loan under IAS 20. Accordingly, the Loan is reflected in other income on the Income Statement to match associated expenses, since the Company believes it has complied with all conditions attached to the grant and that there's a reasonable probably that the Loan will be forgiven. The Company applied for, and subsequently received, forgiveness in 2021. (See Note 13 – subsequent events).

On June 4, 2020, the Company received proceeds of $150,000 in connection with the SBA's Secured Economic Injury Disaster Loan ("EIDL") in the amount of $150,000 to be used as working capital to alleviate economic injury caused by the COVID-19 disaster in 2020. The term of the EIDL loan is 30 years, the interest rate is 3.75%, and the note is secured by a continuing security interest in all tangible and intangible personal property, including after-acquired property. Installment payments of principal and interest of $731 monthly are deferred until June 4, 2021, at the earliest. (See Note 13 – subsequent events).

Throughout 2020, the Company received proceeds of $90,000 in connection with unsecured demand promissory notes issued to an officer in the Company to cover working capital cash flow deficits. The promissory notes bear simple interest at 8% (See Note 12 —related party) and (Note 13 – subsequent events).

## 9. DERIVATIVE LIABILITY

The Company analyzes all financial instruments with features under Accounting Standards Codification ("ASC") 480, "Distinguishing Liabilities from Equity" and ASC 815, "Derivatives and Hedging". The Company also reviews debt agreements for embedded features. If these features are not clearly and closely related to the debt host, they meet the definition of a derivative and require bifurcation from the host. All derivative instruments are recorded on the balance sheet at their respective fair values. The Company will adjust the carrying value of the derivative liability to fair value at each subsequent reporting date. The changes in the value of the derivatives are recorded in the statements of operations in the period in which they occur.

In connection with the issuance of issued convertible notes payable (see in Note 7 – Convertible notes payable), the Company. The Company deemed the effect of ASC 480 to be immaterial for the years ended December 31, 2020 and December 31, 2019, respectively and therefore any related adjustments are not included in the financial statements.

As of December 31, 2020, none of the convertible note holders exercised their rights under the embedded conversion options.

## 10. CAPITALIZATION AND EQUITY TRANSACTIONS

*Common Stock* - The Company has authorized 10 million shares of common stock at a par value of $0.01 per share. The Company issued a total of 1,957,349 shares of common stock through the year ended December 31, 2020. During December of 2019, 100,000 unvested shares were forfeited and immediately repurchased pursuant to the terms of a subscription agreement with a former founder, at a price of $0.01 per share by the Company. In May of 2020, an additional 153,302 shares were subsequently purchased by the Company from the same former founder in a mutually agreed-upon transaction, at a price of $0.01 per share by the Company. Of the 253,302 total shares that were placed in treasury, 223,302 were subsequently sold to current shareholders leaving 30,000 shares in treasury as of December 31, 2020.

Preferred Stock - The Company has authorized 1 million shares of preferred stock. No preferred shares have been issued as of December 31, 2020.

Stock Options - During the years ended December 31, 2020, and December 31, 2019, the Company issued no stock options to employees under an equity incentive plan approved by the board of directors and stockholders.

## 11. INCOME TAXES

The Company made no provision for income tax benefit (expense) for the years ended December 31, 2020, and 2019.

The Company has federal and state net operating loss carryforwards of approximately $770,857 as of December 31, 2020, which are available to offset payroll taxes and future taxable income. These carryforwards will expire in 2026. Under Section 382 and 383 of the Internal Revenue Code, if an ownership change occurs with respect to a "loss corporation", as defined, there are annual limitations on the amount of the net operating loss and other deductions which are available to the Company.

## 12. RELATED PARTY

During 2019, the Company issued convertible notes for $250,000 to an officer of the Company, partially through conversion of principal and interest of unsecured promissory notes previously issued for cash loans provided as bridge loans to the Company. In addition, $50,000 convertible note was issued in 2019 to another officer of the Company for services to be rendered. $0 and $50,000 remain unearned as of December 31, 2020, and December 31, 2019.

All convertible notes were issued on the same arms-length terms and conditions accepted by independent third-party convertible note purchasers.

During the years ended December 31, 2020, and December 31, 2019, an officer of the Company provided bridge loans in the amount of $90,000 and $30,000, respectively. Prior to the end of 2019, $30,000 was repaid by the Company by issuing a Convertible Note. $90,000 and $0 are due under the unsecured promissory notes as of December 31, 2020, and December 31, 2019, respectively.

## 13. COMMITMENTS AND CONTINGENCIES

**Operating Leases**

On April 1, 2019, the company entered into a lease agreement with Milmar Enterprise LLC, for renting of medical device business office. The term of the agreement is month-to-month, and the gross rate is agreed at $700 per month.

Rent expense was in the amount of $ 8,400 and $ 5,850 as of December 31, 2020, and December 31, 2019, respectively.

**Contingencies**

The Company's operations are subject to a variety of local and state regulation. Failure to comply with one or more of those regulations could result in fines, restrictions on its operations, or losses of permits that could result in the Company ceasing operations.

**Litigation and Claims**

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. As of December 31, 2020, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of the Company's operations.

## 14. RECLASSIFICATION AND COMPARATIVE FIGURES

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements. As a result, certain line items have been amended in the prior year's statement of financial position, statement of profit and loss, statement of changes in equity and statements of cash flow, statements of shareholders' equity and the related notes to the financial statements.

## 15. SUBSEQUENT EVENTS

The Company has evaluated subsequent events for the period from December 31, 2020, through January 17, 2022, the date the financial statements were available to be issued.
On May 12, 2021, the Company was issued a PPP Forgiveness Notification related to its first draw of $51,549 under the Small Business Administration (SBA) PPP Loan.

On April 21, 2021, the Company was awarded an additional $30,740.78 under the SBA PPP program. On November 29, 2021, the Company's bank, PNC Bank, N.A. approved the loan forgiveness and forwarded the application to the SBA, which fully forgave the loan on December 17, 2021.

In March 2021, the Federal Government issued a notice of an increase in the deferral period for the Company's EIDL loan payments to June 14, 2022 (from 12 months to 24 months from the date of the loan). Interest continues to accrue.

In 2021, the $350,000 of series 2021 8% Convertible Notes were issued. The 2021 Notes have similar terms to those of the notes issued during 2019-2020, except: the maturity date is December 16, 2022, there is an investment cap of $15,000,000, the discount is 20%, and in the event of a change of control, the note holder has the option to receive (a) the outstanding principal amount of the note and accrued interest plus a repayment premium equal to 100% of the outstanding principal or (b) conversion of the note into common stock at a favorable rate. One series 2021 Note in the amount of $50,000 was issued to an officer of the Company in exchange for the cancellation of $50,000 in outstanding demand promissory notes and the remaining $300,000 in series 2021 Convertible Notes were issued to other investors.

On June 11, 2021, the maturity dates of Notes issued in 2019 – 2020 were amended to May 31, 2022, and discount upon conversion was increased from 80% to 70%.

At the Company's annual meeting on September 29, 2021, the stockholders approved an increase in the number of shares reserved for the grant of options or restricted stock under the 2019 stock incentive plan (the plan) from 300,000 shares to 800,000 shares. Thereafter the compensation committee approved the award 229,139 incentive stock options and 112,184 non-qualified stock options for a total of 341,323 options to purchase Common Stock at a price per share ranging from $0.19 to $02.09 (for certain large shareholder recipients). The exercise price was based on an independent external valuation of the value of a fully diluted, illiquid, non-controlling share of Common Stock for IRC section 409A purposes. Option terms range from 5 to 10 years, and unexercised awards are forfeited under the terms of the Plan 90 days after service with the Company is terminated. The Company uses the fair value method to determine compensation for all arrangements under which employees and others receive shares of stock or equity instruments (stock options and common stock purchase warrants). The fair value of each stock option award is estimated on the date of grant using the Black-Scholes valuation model that uses assumptions for expected volatility, expected dividends, expected term, and the risk-free interest rate. Expected volatilities are based on historical volatility of peer companies and other factors estimated over the expected term of the stock options. The expected term of options granted is derived using the "simplified method" which computes expected term as the average of the sum of the vesting term plus the contract term. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant for the period of the expected term.
During 2021, the Company earned approximately substantially a total of $256,581 awarded in 2020 for an SBIR project to produce a research device for transcutaneous vague nerve stimulation.
On December 21, 2021, the Department of the Army notified the Company that its STTR application entitled "Transcutaneous Vagal Nerve Stimulation for Acute Stress Reactions" had been competitively selected for a phase I award in the amount of $172,992.52, contingent upon successful negotiations with an assigned Contracting Officer and the availability of funding. While an award is usually the outcome of the negotiations, only the Contracting Officer

can commit the funds. Approximately $165,000 of the potential award would be paid to the Company's subcontractor, Emory University, and the remaining amount paid to the Company as overhead and profit. The Company has not yet been contacted to commence negotiations.
In July 2021, the Company received Breakthrough Device Designation for the Phoenix for the treatment of PTSD from the FDA.
The Company successfully completed a pilot trial using a take-home prototype stimulator under the auspices of the WIRB on patients with a confirmed diagnosis of PTSD. The trial resulted in a mean 22-point reduction in CAPS-5 scores (the diagnostic measure for PTSD symptom severity) and a 38% improvement in Quality-of-Life Scores.
On September 9, 2021, the International Bureau of the World Intellectual Property Organization certified that we received an International Trademark Registrations for "Rise Above PTSD," "Stimulating Change," and the Evren Logo. The registration designated Australia, Brazil, Canada, the EU, India, Israel, Mexico, and the UK.

## 16. GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has a net operating loss of $435,813, an operating cash flow loss of $265,069 and liquid assets in cash of $13,388, which is less than a year worth of cash reserves as of December 31, 2020. The Company's situation raises a substantial doubt on whether the entity can continue as a going concern in the next twelve months.

The Company's ability to continue as a going concern in the next twelve months following the date the financial statements were available to be issued is dependent upon its ability to produce revenues and/or obtain financing sufficient to meet current and future obligations and deploy such to produce profitable operating results.

Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs. During the next twelve months, the Company intends to fund its operations through debt and/or equity financing.

There are no assurances that management will be able to raise capital on terms acceptable to the Company. If it is unable to obtain sufficient amounts of additional capital, it may be required to reduce the scope of its planned development, which could harm its business, financial condition, and operating results. The accompanying financial statements do not include any adjustments that might result from these uncertainties.

**EXHIBIT C TO FORM C**

**PROFILE SCREENSHOTS**

*[See attached]*

Home > Evren Technologies, Inc.

# Evren Technologies, Inc.

Developing Breakthrough Treatments for Rare Medical PTSD

$0.00 USD

| | |
|---|---|
| Open | $0.00 |
| Bid | $0.00 x 0 |
| Ask | $0.00 x 0 |
| Volume | 0 |
| Day's Range | - - |
| 52 Wk Range | - - |
| Market Cap | - - |

Add to Watchlist

Sector: Medical Devices
Industry: Medical Instruments & Supplies
Employees: 3
Headquarters: Boulder, United States

EXHIBIT D TO FORM C

VIDEO TRANSCRIPT

Campaign Video Script (1:29)

*My names Andy, I joined the military when I was 17-years-old.*

*I was diagnosed with PTSD in 2015. PTSD absolutely changed my life forever.*

*It's estimated that 60 million Americans suffered from PTSD just last year.*

*We typically think of veterans, but first responders and health care workers get PTSD at the same rates, and 1 in 9 women will have it at some point in their lives.*

*So for those seeking treatment, 66% still have significant symptoms that they need help with.*

*Evren's Phoenix earbud is a breakthrough in the treatment of PTSD.*

*The Phoenix delivers a personalized level of electrical stimulation through the skin of the ear and targets the vagus nerve.*

*This technology promises to be a game changer.*

*I've seen patients who go from severe and debilitating PTSD to significant symptom reduction and in some cases, complete remission.*

*What Evren provides is a comprehensive solution for both treating and monitoring the progress of my patients with PTSD.*

*I mean I realized, like I needed change, I needed something. My wife would say that she got her husband back and my kids would say that they got their father back.*

STARTENGINE SUBSCRIPTION PROCESS (Exhibit E)

Platform Compensation

- As compensation for the services provided by StartEngine Capital, the issuer is required to pay to StartEngine Capital a fee consisting of a 7-13% (seven to thirteen percent) commission based on the dollar amount of securities sold in the Offering and paid upon disbursement of funds from escrow at the time of a closing. The commission is paid in cash and in securities of the Issuer identical to those offered to the public in the Offering at the sole discretion of StartEngine Capital. Additionally, the issuer must reimburse certain expenses related to the Offering. The securities issued to StartEngine Capital, if any, will be of the same class and have the same terms, conditions and rights as the securities beingoffered and sold by the issuer on StartEngine Capital's website.

Information Regarding Length of Time of Offering

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

Hitting The Target Goal Early & Oversubscriptions

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

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

Minimum and Maximum Investment Amounts

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

**EXHIBIT F TO FORM C**

**ADDITIONAL CORPORATE DOCUMENTS**

*[See attached]*

# Delaware

The First State



*I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "EVREN TECHNOLOGIES, INC.", FILED IN THIS OFFICE ON THE TWELFTH DAY OF DECEMBER, A.D. 2018, AT 5:02 O`CLOCK P.M.*

*A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.*

7190936 8100
SR# 20188118609

Authentication: 204095811
Date: 12-13-18

You may verify this certificate online at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 05:02 PM 12/12/2018
FILED 05:02 PM 12/12/2018
SR 20188118609 - File Number 7190936

# CERTIFICATE OF INCORPORATION

FIRST: The name of this corporation shall be EVREN TECHNOLOGIES, INC.

SECOND: Its registered office in the State of Delaware is to be located at 251 Little Falls Drive, in the City of Wilmington, County of New Castle 19808 and its registered agent at such address is CORPORATION SERVICE COMPANY.

THIRD: The purpose or purposes of the corporation shall be:

> To engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH: The total number of shares of stock, which this corporation is authorized to issue is Ten million (10,000,000) shares of common stock with par value of .01 and One Million (1,000,000) shares of preferred stock with par value of .01.

FIFTH: The name and address of the incorporator is as follows:

Weaver Gaines
9922 SW 41st Road
Gainesville FL, 32608

SIXTH: The Board of Directors shall have the power to adopt, amend or repeal the by-laws.

SEVENTH: No director shall be personally liable to the Corporation or its stockholders for monetary damages for any breach of fiduciary duty by such director as a director. Notwithstanding the foregoing sentence, a director shall be liable to the extent provided by applicable law, (i) for breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the Delaware General Corporation Law or (iv) for any transaction from which the director derived an improper personal benefit. No amendment to or repeal of this Article Seventh shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment.

EIGHTH: The Corporation shall indemnify, advance expenses, and hold harmless, to the fullest extent permissible by the laws of the State of Delaware, any person made or threatened to be made a party to an action or proceeding, whether civil or criminal, by reason of the fact that he, his testator or intestate, then, is, or was a Director or Officer of the Corporation, or then serves or has served on behalf of the Corporation in such capacity at the request of the Corporation, against reasonable expenses, judgments, fines and amounts actually and necessarily incurred in connection with the defense of such action or proceeding or in connection with an appeal therein. Such right of indemnification shall not be deemed exclusive of any other rights to which such person may be

entitled.

IN WITNESS WHEREOF, the undersigned, being the incorporator herein before named, has executed signed and acknowledged this certificate of incorporation this 12th day of December, A.D. 2018.

/s/Weaver Gaines
Weaver Gaines
Incorporator