

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM C**

**UNDER THE SECURITIES ACT OF 1933**

(Mark one.)

- ☒ Form C: Offering Statement
- ☐ Form C-U: Progress Update
- ☐ Form C/A: Amendment to Offering Statement
  - ☐ Check box if Amendment is material and investors must reconfirm within five business days.
- ☐ Form C-AR: Annual Report
- ☐ Form C-AR/A: Amendment to Annual Report
- ☐ Form C-TR: Termination of Reporting

***Name of issuer***

Oscilla Power, Inc.

***Legal status of issuer***

***Form***

Corporation

***Jurisdiction of Incorporation/Organization***

Delaware

***Date of organization***

August 6, 2009

***Physical address of issuer***

4240 Gilman Place West, Unit C, Seattle, Washington 98199

***Website of issuer***

www.oscillapower.com

***Address of counsel to the issuer for copies of notices***

BEVILACQUA PLLC  
1050 Connecticut Avenue, NW  
Suite 500  
Washington, DC 20036  
Attention: Louis A. Bevilacqua, Esq.  
Email: lou@bevilacquapllc.com

***Name of intermediary through which the Offering will be conducted***

MicroVenture Marketplace, Inc.

***CIK number of intermediary***

0001478147

***SEC file number of intermediary***

008-68458

***CRD number, if applicable, of intermediary***

152513

***Amount of compensation to be paid to the intermediary, whether as a dollar amount or a percentage of the Offering amount, or a good faith estimate if the exact amount is not available at the time of the filing, for conducting the Offering, including the amount of referral and any other fees associated with the Offering***

The issuer shall pay to the intermediary a fee consisting of five percent (5%) commission based on the amount raised in the Offering and paid upon disbursement of funds from escrow after the conclusion of the Offering.

***Any other direct or indirect interest in the issuer held by the intermediary, or any arrangement for the intermediary to acquire such an interest***

The intermediary will receive a number of Crowd Notes of the issuer that is equal to two percent (2%) of the total number of Crowd Notes sold by the issuer in the Offering.

***Name of qualified third party "Escrow Agent" which the Offering will utilize***

Evolve Bank & Trust

***Type of security offered***

Crowd Note

***Target number of Securities to be offered***

50,000

*Affiliates of the issuer may invest in the offering and their investment would be counted toward achieving the target amount.*

***Price (or method for determining price)***

\$1.00

***Target offering amount***

\$50,000.00

***Oversubscriptions accepted:***

☒ Yes

☐ No



***Oversubscriptions will be allocated:***

- ☐ Pro-rata basis  
☐ First-come, first-served basis  
☒ Other: At the Company's discretion

***Maximum offering amount (if different from target offering amount)***

\$139,505.00

***Deadline to reach the target offering amount***

March 22, 2021

**NOTE: 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.**

***Current number of employees***

9

	<b>Fiscal Year Ended December 2019</b>	<b>Fiscal Year Ended December 2018</b>
<b>Total Assets</b>	\$396,648	\$488,402
<b>Cash &amp; Cash Equivalents</b>	\$145,279	\$290
<b>Accounts Receivable</b>	\$85,167	\$229,194
<b>Short-term Debt</b>	\$831,186	\$831,472
<b>Long-term Debt</b>	\$1,503,080	\$1,459,100
<b>Revenues/Sales</b>	\$0	\$0
<b>Cost of Goods Sold</b>	\$0	\$0
<b>Taxes Paid</b>	\$0.00	\$0.00
<b>Net Income</b>	-\$86,485	-\$444,635

***The jurisdictions in which the issuer intends to offer the Securities:***

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District Of Columbia, Florida, Georgia, Guam, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virgin Islands, U.S., Virginia, Washington, West Virginia, Wisconsin, Wyoming, American Samoa, and Northern Mariana Islands

**December 23, 2020**

**FORM C**

**Up to \$139,505.00**

**Oscilla Power, Inc.**



**Crowd Note**

This Form C (including the cover page and all exhibits attached hereto, the "Form C") is being furnished by Oscilla Power Inc., a Delaware Corporation (the "Company," "Oscilla Power," as well as references to "we," "us," or "our"), to prospective investors for the sole purpose of providing certain information about a potential investment in Crowd Note of the Company (the "Securities"). Investors in Securities are sometimes referred to herein as "Purchasers." The Company intends to raise at least \$50,000.00 and up to \$139,505.00 from Purchasers in the offering of Securities described in this Form C (this "Offering"). The minimum amount of Securities that can be purchased is \$100.00 per Investor (which may be waived by the Company, in its sole and absolute discretion). The offer made hereby is subject to modification, prior sale and withdrawal at any time.

The rights and obligations of the holders of Securities of the Company are set forth below in the section entitled "*The Offering and the Securities--The Securities*". In order to purchase Securities, a prospective investor must complete the subscription process through the Intermediary's platform, which may be accepted or rejected by the Company, in its sole and absolute discretion. The Company has the right to cancel or rescind its offer to sell the Securities at any time and for any reason.

The Offering is being made through MicroVenture Marketplace Inc. (the "Intermediary"). At the conclusion of the Offering, the Issuer shall pay to the Intermediary a fee consisting of five percent (5%) commission based on the amount of investments raised in the Offering and paid upon distribution of funds from escrow at the time of closing. The intermediary will receive a number

of Crowd Notes of the issuer that is equal to two percent (2%) of the total number of Crowd Notes sold by the issuer in the Offering, related to the purchase and sale of the Securities.

	Price to Investors	Service Fees and Commissions <sup>(1)(2)</sup>	Net Proceeds
<b>Minimum Individual Purchase Amount</b>	\$100.00	\$5.00	\$95.00
<b>Aggregate Minimum Offering Amount</b>	\$50,000.00	\$2,500.00	\$47,500
<b>Aggregate Maximum Offering Amount</b>	\$139,505.00	\$6,975.25	\$132,529.75

(1) This excludes fees to Company's advisors, such as attorneys and accountants.

(2) The issuer will pay a commission equal to five percent (5%) of the amount raised in the Offering to the Intermediary at the conclusion of the Offering.

**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 other materials. These Securities are offered under an exemption from registration; however, neither the U.S. Securities and Exchange Commission nor any state securities authority has made an independent determination that these Securities are exempt from registration. The Company filing this Form C for an offering in reliance on Section 4(a)(6) of the Securities Act and pursuant to Regulation CF (§ 227.100 et seq.) must file a report with the Commission annually and post the report on its website at [www.oscillapower.com](http://www.oscillapower.com) no later than 120 days after the end of the company's fiscal year. The Company may terminate its reporting obligations in the future in accordance with Rule 202(b) of Regulation CF (§ 227.202(b)) by 1) being required to file reports under Section 13(a) or Section 15(d) of the Exchange Act of 1934, as amended, 2) filing at least one annual report pursuant to Regulation CF and having fewer than 300 holders of record, 3) filing annual reports for three years pursuant to Regulation CF and having assets equal to or less than \$10,000,000, 4) the repurchase of all the Securities sold in this Offering by the Company or another party, or 5) the liquidation or dissolution of the Company.**

The date of this Form C is December 23, 2020.

The Company has certified that all of the following statements are TRUE for the Company in connection with this Offering:

- 1) Is organized under, and subject to, the laws of a State or territory of the United States or

the District of Columbia;

- 2) Is not subject to the requirement to file reports pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d));
- 3) Is not an investment company, as defined in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a-3), or excluded from the definition of investment company by section 3(b) or section 3(c) of that Act (15 U.S.C. 80a-3(b) or 80a-3(c));
- 4) Is not ineligible to offer or sell securities in reliance on section 4(a)(6) of the Securities Act (15 U.S.C. 77d(a)(6)) as a result of a disqualification as specified in § 227.503(a);
- 5) Has filed with the Commission and provided to investors, to the extent required, any ongoing annual reports required by law during the two years immediately preceding the filing of this Form C; and
- 6) Has a specific business plan, which is not to engage in a merger or acquisition with an unidentified company or companies.

THERE ARE SIGNIFICANT RISKS AND UNCERTAINTIES ASSOCIATED WITH AN INVESTMENT IN THE COMPANY AND THE SECURITIES. THE SECURITIES OFFERED HEREBY ARE NOT PUBLICLY-TRADED AND ARE SUBJECT TO TRANSFER RESTRICTIONS. THERE IS NO PUBLIC MARKET FOR THE SECURITIES AND ONE MAY NEVER DEVELOP. AN INVESTMENT IN THE COMPANY IS HIGHLY SPECULATIVE. THE SECURITIES SHOULD NOT BE PURCHASED BY ANYONE WHO CANNOT BEAR THE FINANCIAL RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME AND WHO CANNOT AFFORD THE LOSS OF THEIR ENTIRE INVESTMENT. SEE THE SECTION OF THIS FORM C ENTITLED "RISK FACTORS."

THESE SECURITIES INVOLVE A HIGH DEGREE OF RISK THAT MAY NOT BE APPROPRIATE FOR ALL INVESTORS.

THIS FORM C DOES NOT CONSTITUTE AN OFFER IN ANY JURISDICTION IN WHICH AN OFFER IS NOT PERMITTED.

PRIOR TO CONSUMMATION OF THE PURCHASE AND SALE OF ANY SECURITY THE COMPANY WILL AFFORD PROSPECTIVE INVESTORS AN OPPORTUNITY TO ASK QUESTIONS OF AND RECEIVE ANSWERS FROM THE COMPANY AND ITS MANAGEMENT CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING AND THE COMPANY. NO SOURCE OTHER THAN THE INTERMEDIARY HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS FORM C, AND IF GIVEN OR MADE BY ANY OTHER SUCH PERSON OR ENTITY, SUCH INFORMATION MUST NOT BE RELIED ON AS HAVING BEEN AUTHORIZED BY THE COMPANY.

PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS FORM C AS LEGAL, ACCOUNTING OR TAX ADVICE OR AS INFORMATION NECESSARILY APPLICABLE TO EACH PROSPECTIVE INVESTOR'S PARTICULAR FINANCIAL SITUATION. EACH INVESTOR SHOULD CONSULT HIS OR HER OWN FINANCIAL ADVISER, COUNSEL AND ACCOUNTANT AS TO LEGAL, TAX AND RELATED MATTERS CONCERNING HIS OR HER INVESTMENT.

THE SECURITIES OFFERED HEREBY WILL HAVE TRANSFER RESTRICTIONS. NO SECURITIES MAY BE PLEDGED, TRANSFERRED, RESOLD OR OTHERWISE DISPOSED OF BY ANY INVESTOR EXCEPT PURSUANT TO RULE 501 OF REGULATION CF. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

### **NASAA UNIFORM LEGEND**

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY ISSUING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

### **SPECIAL NOTICE TO FOREIGN INVESTORS**

IF THE INVESTOR LIVES OUTSIDE THE UNITED STATES, IT IS THE INVESTOR'S RESPONSIBILITY TO FULLY OBSERVE THE LAWS OF ANY RELEVANT TERRITORY OR JURISDICTION OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY PURCHASE OF THE SECURITIES, INCLUDING OBTAINING REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER REQUIRED LEGAL OR OTHER FORMALITIES. THE COMPANY RESERVES THE RIGHT TO DENY THE PURCHASE OF THE SECURITIES BY ANY FOREIGN INVESTOR.

### **SPECIAL NOTICE TO CANADIAN INVESTORS**

IF THE INVESTOR LIVES WITHIN CANADA, IT IS THE INVESTOR'S RESPONSIBILITY TO FULLY OBSERVE THE LAWS OF A CANADA, SPECIFICALLY WITH REGARD TO THE TRANSFER AND RESALE OF ANY SECURITIES ACQUIRED IN THIS OFFERING.

### **NOTICE REGARDING ESCROW AGENT**

EVOLVE BANK & TRUST, THE ESCROW AGENT SERVICING THE OFFERING, HAS NOT INVESTIGATED THE DESIRABILITY OR ADVISABILITY OF AN INVESTMENT IN THIS OFFERING OR THE SECURITIES OFFERED HEREIN. THE ESCROW AGENT MAKES NO REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGEMENT ON THE MERITS OF THE OFFERING OR THE SECURITIES OFFERED HEREIN. THE ESCROW AGENT'S CONNECTION TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSES OF ACTING AS A SERVICE PROVIDER.

### ***Forward Looking Statement Disclosure***

*This Form C and any documents incorporated by reference herein or therein contain forward-looking statements and are subject to risks and uncertainties. All statements other than statements of historical fact or relating to present facts or current conditions included in this Form*

*C are forward-looking statements. Forward-looking statements give the Company's current reasonable expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "estimate," "expect," "project," "plan," "intend," "believe," "may," "should," "can have," "likely" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.*

*The forward-looking statements contained in this Form C and any documents incorporated by reference herein or therein are based on reasonable assumptions the Company has made in light of its industry experience, perceptions of historical trends, current conditions, expected future developments and other factors it believes are appropriate under the circumstances. As you read and consider this Form C, you should understand that these statements are not guarantees of performance or results. They involve risks, uncertainties (many of which are beyond the Company's control) and assumptions. Although the Company believes that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect its actual operating and financial performance and cause its performance to differ materially from the performance anticipated in the forward-looking statements. Should one or more of these risks or uncertainties materialize, or should any of these assumptions prove incorrect or change, the Company's actual operating and financial performance may vary in material respects from the performance projected in these forward-looking statements.*

*Any forward-looking statement made by the Company in this Form C or any documents incorporated by reference herein or therein speaks only as of the date of this Form C. Factors or events that could cause our actual operating and financial performance to differ may emerge from time to time, and it is not possible for the Company to predict all of them. The Company undertakes no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.*

## **ONGOING REPORTING**

The Company will file a report electronically with the Securities & Exchange Commission annually and post the report on its website, no later than 120 days after the end of the Company's fiscal year.

Once posted, the annual report may be found on the Company's website at [www.oscillapower.com](http://www.oscillapower.com).

- 1) The Company must continue to comply with the ongoing reporting requirements until:
- 2) the Company is required to file reports under Section 13(a) or Section 15(d) of the Exchange Act;
- 3) the Company has filed at least three annual reports pursuant to Regulation CF and has total assets that do not exceed \$10,000,000;
- 4) the Company has filed at least one annual report pursuant to Regulation CF and has fewer than 300 holders of record;

- 5) the Company 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
- 6) the Company liquidates or dissolves its business in accordance with state law.

### **About this Form C**

You should rely only on the information contained in this Form C. We have not authorized anyone to provide you with information different from that contained in this Form C. We are offering to sell, and seeking offers to buy, the Securities only in jurisdictions where offers and sales are permitted. You should assume that the information contained in this Form C is accurate only as of the date of this Form C, regardless of the time of delivery of this Form C or of any sale of Securities. Our business, financial condition, results of operations, and prospects may have changed since that date.

Statements contained herein as to the content of any agreements or other document are summaries and, therefore, are necessarily selective and incomplete and are qualified in their entirety by the actual agreements or other documents. The Company will provide the opportunity to ask questions of and receive answers from the Company's management concerning terms and conditions of the Offering, the Company or any other relevant matters and any additional reasonable information to any prospective Investor prior to the consummation of the sale of the Securities.

This Form C does not purport to contain all of the information that may be required to evaluate the Offering and any recipient hereof should conduct its own independent analysis. The statements of the Company contained herein are based on information believed to be reliable. No warranty can be made as to the accuracy of such information or that circumstances have not changed since the date of this Form C. The Company does not expect to update or otherwise revise this Form C or other materials supplied herewith. The delivery of this Form C at any time does not imply that the information contained herein is correct as of any time subsequent to the date of this Form C. This Form C is submitted in connection with the Offering described herein and may not be reproduced or used for any other purpose.

### **SUMMARY**

The following summary is qualified in its entirety by more detailed information that may appear elsewhere in this Form C and the Exhibits hereto. Each prospective Investor is urged to read this Form C and the Exhibits hereto in their entirety.

Oscilla Power, Inc. (the "Company") is a Delaware corporation, formed on August 6, 2009. The Company was originally incorporated as HSR, Inc. and changed its name to "Oscilla Power, Inc." on September 22, 2009.

The Company is located at 4240 Gilman Place West, Unit C, Seattle, Washington 98199.

The Company's website is [www.oscillapower.com](http://www.oscillapower.com).

The information available on or through our website is not a part of this Form C. In making an investment decision with respect to our Securities, you should only consider the information contained in this Form C.

## The Business

Oscilla Power is a commercial-scale ocean wave energy device developer. The Company's mission is focused on developing a low cost wave energy converter to unlock the renewable energy potential of the world's oceans. The Company is currently completing product development activities for two commercial ocean wave energy devices, the utility-scale 1MW (1 megawatt) rated Triton system, and a community-scale 100kW (100 kilowatt) rated Triton-C system. After product development is completed and these systems are demonstrated in ocean testing, Oscilla Power aims to transition into an equipment manufacturer to supply wave energy converters to energy project developers, utilities or independent power projects.

**Exhibit B** to this Form C contains a detailed description of the Company's business and the industry within which it operates. Such description is incorporated herein by reference. Purchasers are encouraged to carefully review **Exhibit B** to this Form C.

## The Offering

<b>Minimum amount of Crowd Note being offered</b>	\$50,000.00 Principal Amount
<b>Total Crowd Note outstanding after Offering (if minimum amount reached)</b>	\$50,000.00 Principal Amount
<b>Maximum amount of Crowd Note</b>	\$139,505.00 Principal Amount
<b>Total Crowd Note outstanding after Offering (if maximum amount reached)</b>	\$139,505.00 Principal Amount
<b>Purchase price per Security</b>	\$1.00
<b>Minimum investment amount per investor</b>	\$100.00
<b>Offering deadline</b>	March 22, 2021
<b>Use of proceeds</b>	See the description of the use of proceeds on page 37 hereof.
<b>Voting Rights</b>	See the description of the voting rights on page 54 hereof.

The price of the Securities has been determined by the Company and does not necessarily bear any relationship to the assets, book value, or potential earnings of the Company or any other recognized criteria or value.

## RISK FACTORS

### Risks Related to the Company's Business and Industry



***We are an early stage company, with limited operating history.***

We are an early stage company. We were formed as a corporation in Delaware on August 6, 2009. We have a limited operating history with which you can evaluate our business and prospects. Our prospects must be considered in light of the risks encountered by companies in the early stages of development in highly competitive markets, particularly the markets for food services and food service solutions. You should consider the frequency with which early-stage businesses encounter unforeseen expenses, difficulties, complications, delays and other adverse factors. These risks are described in more detail below.

***We have a history of losses. If we do not become profitable or maintain profitability in the future, we may not be able to continue to operate.***

We have not been profitable in the past. We have not generated any significant revenues to date. Before we are able to generate any material level of revenues, we will incur significant additional losses. We expect to substantially increase our research and development and sales and marketing and general and administrative expenses. As a result, we will need to generate significant revenues to achieve and maintain profitability in the future. We cannot assure you that we will achieve profitable operations or maintain them if achieved. Failure to achieve or maintain profitability will materially and adversely affect our business.

***We may not be able to manage future growth effectively.***

If our business plan is successful, we may experience significant growth in a short period of time and potential scaling issues. Should we grow rapidly, our financial, management and operating resources may not expand sufficiently to adequately manage our growth. If we are unable to manage our growth, our costs may increase disproportionately, our future revenues may stop growing or decline and we may face dissatisfied customers. Our failure to manage our growth may adversely impact our business and the value of your investment.

***The amount of capital the Company is attempting to raise in this Offering is not enough to sustain the Company's current business plan.***

In order to achieve the Company's near and long-term goals, the Company will need to procure funds in addition to the amount raised in the Offering. There is no guarantee the Company will be able to raise such funds on acceptable terms or at all. If we are not able to raise sufficient capital in the future, we will not be able to execute our business plan, our continued operations will be in jeopardy and we may be forced to cease operations and sell or otherwise transfer all or substantially all of our remaining assets, which could cause an Investor to lose all or a portion of his or her investment.

***We plan to transition to an equipment manufacturing entity after our initial product development phase is completed.***

There are substantial risks and uncertainties associated with these efforts, particularly in instances where the markets are not fully developed. In developing and marketing new lines of business and/or new products and services, we may invest significant time and resources. Initial timetables for the introduction and development of new lines of business and/or new products or services may not be achieved and price and profitability targets may not prove feasible. We may not be successful in introducing new products and services in response to industry trends or developments in technology, or those new products may not achieve market acceptance. As a result, we could lose business, be forced to price products and services on less advantageous terms to retain or attract clients, or be subject to cost increases. As a result, our business, financial condition or results of operations may be adversely affected.

***Once we transition to an equipment manufacturing entity, we intend to operate in many countries, including but not limited to the United States, India, the United Kingdom, Canada, Australia, New Zealand, South Africa, Chile, Western European Countries, Indonesia, and the Pacific Islands.***

Our operations are expected to be subject to the effects of global competition and geopolitical risks. They are also affected by local demand for energy in general and renewable energy in particular, economic environments, including inflation, recession, currency volatility and actual or anticipated default on sovereign debt. Political changes, some of which may be disruptive, can interfere with our supply chain, our customers and all of our activities in a particular location. While some of these global economic and political risks can be hedged using derivatives or other financial instruments and some are insurable, such attempts to mitigate these risks are costly and not always successful, and our ability to engage in such mitigation may decrease or become even more costly as a result of more volatile market conditions.

***In order for the Company to compete, grow and transition to a manufacturing entity, it must attract, recruit, retain and develop the necessary personnel who have the needed experience.***

Recruiting and retaining highly qualified personnel is critical to our success. These demands may require us to hire additional personnel with new skills and may require our existing management personnel to develop additional expertise. We face intense competition for personnel. The failure to attract and retain personnel or to develop such expertise could delay or halt the development and commercialization of our product candidates. If we experience difficulties in hiring and retaining personnel in key positions, we could suffer from delays in product development, loss of or inability to attract customers and sales, and diversion of management resources, which could adversely affect operating results. Our consultants and advisors may be employed by third parties and may have commitments under consulting or advisory contracts with third parties that may limit their availability to us.

***The development and commercialization of our wave energy converters is highly competitive.***

We face competition with respect to any products that we may seek to develop or commercialize in the future. Our competitors include both small focused developers of wave energy converters, primarily in Europe and the US, such as Carnegie Clean Energy, Wello, CorPower Ocean, OceanEnergy, and Calwave. Our assessment is that we are similarly funded and have similar resources to our major competitors. These competitors also compete with us in recruiting and retaining qualified personnel and acquiring technologies. Accordingly, if one or more of our competitors commercialize products more rapidly or effectively than we are able to, that would adversely affect our competitive position, and give those entities a first mover advantage.

***We rely on other companies to provide major components and subsystems for our products.***

We depend on these suppliers and subcontractors to meet our contractual obligations to our customers and conduct our operations both during our current product development phase, as well as after we transition to becoming an equipment manufacturer. Our ability to meet our obligations to our customers may be adversely affected if suppliers or subcontractors do not provide the agreed-upon supplies or perform the agreed-upon services in compliance with our requirements and in a timely and cost-effective manner. Likewise, the quality of our products may be adversely impacted if companies to whom we delegate manufacture of major components or subsystems for our products, or from whom we acquire such items, do not provide major components and subsystems which meet required specifications and perform to our and our customers' expectations. Our suppliers may be less likely than us to be able to quickly recover from natural disasters and other events beyond their control and may be subject to additional risks such as financial problems that limit their ability to conduct their operations. The risk of these adverse

effects may be greater in circumstances where we rely on only one or two subcontractors or suppliers for a particular components and subsystems.

***We depend on third-party service providers and outsource providers for a variety of services and we outsource a number of our non-core functions and operations.***

In certain instances, we rely on single or limited service providers and outsourcing vendors around the world because the relationship is advantageous due to quality, price, or lack of alternative sources. If production or service was interrupted and we were not able to find alternate third-party providers, we could experience disruptions in manufacturing and operations including product shortages, higher freight costs and re-engineering costs. If outsourcing services are interrupted or not performed or the performance is poor, this could impact our ability to process, record and report transactions with our customers and other constituents. Such interruptions in the provision of supplies and/or services could result in our inability to meet customer demand, damage our reputation and customer relationships and adversely affect our business.

***Once we start equipment sales, we expect that customers will likely finance purchases of our products, namely wave energy converters.***

Declines in the lending environment including fewer lenders, tighter underwriting and loan approval criteria, greater down payment requirements and, in some cases, higher interest rates may impair customers' ability to finance and purchase our products. If credit conditions worsen, and adversely affect the ability of customers to finance potential purchases at acceptable terms and interest rates, it could result in a decrease in sales of our products or delay any improvement in our sales.

***In general, demand for our products and services is expected to be highly correlated with general economic conditions.***

A substantial portion of our revenue will be tied to overall growth of the energy industry in general and the renewable energy industry in particular, which typically falls during times of economic instability. Declines in economic conditions in the U.S. or in other countries in which we operate may adversely impact our consolidated financial results. Because such declines in demand are difficult to predict, we or the industry may have increased excess capacity as a result. An increase in excess capacity may result in declines in prices for our products and services.

***We are subject to the risk of substantial environmental liability and limitations on our operations due to environmental laws and regulations.***

We are subject to extensive federal, state, local and foreign environmental, health and safety laws and regulations concerning matters such as environmental permitting. The risks of substantial costs and liabilities related to compliance with these laws and regulations are an inherent part of our business, and future conditions may develop, arise or be discovered that create substantial environmental compliance or remediation liabilities and costs. Compliance with environmental, health and safety legislation and regulatory requirements may prove to be more limiting and costly than we anticipate. We may be subject to legal proceedings brought by private parties or governmental authorities with respect to environmental matters, including matters involving alleged property damage or personal injury. New laws and regulations, stricter enforcement of existing laws and regulations, could require us to incur costs or become the basis for new or increased liabilities that could have a material adverse effect on our business, financial condition or results of operations.

***Our international operations could be affected by currency fluctuations, capital and exchange controls, expropriation and other restrictive government actions, changes in intellectual***

***property legal protections and remedies, trade regulations and procedures and actions affecting approval, production, pricing, and marketing of, reimbursement for and access to our products, as well as by political unrest, unstable governments and legal systems and inter-governmental disputes.***

Any of these changes could adversely affect our business. Many emerging markets have experienced growth rates in excess of the world's largest markets, leading to an increased contribution to the industry's global performance. There is no assurance that these countries will continue to sustain these growth rates. In addition, some emerging market countries may be particularly vulnerable to periods of financial instability or significant currency fluctuations or may have limited resources for healthcare spending, which can adversely affect our results.

***The Company's success depends on the experience and skill of the board of directors, its executive officers and key employees.***

In particular, the Company is dependent on Balakrishnan Nair and Tim Mundon who are President/Chief Technology Officer and Vice President of Engineering respectively. The Company has employment agreements with Balakrishnan Nair, and Tim Mundon although there can be no assurance that they will continue to be employed by the Company for a particular period of time. The loss of Balakrishnan Nair, and Tim Mundon or any member of the board of directors or executive officer could harm the Company's business, financial condition, cash flow and results of operations.

***We are currently dependent on, and in the future expect to depend on, a few major customers for a substantial portion of our net sales.***

For example, during fiscal year ended December 31, 2019, the U.S. Department of Energy and State of Washington Dept of Commerce accounted for 100% percent of our net revenues. The loss of all or a substantial portion of our sales to any of our large-volume customers could have a material adverse effect on our financial condition and results of operations by reducing cash flows and our ability to spread costs over a larger revenue base. In addition, our largest customers have an increased ability to influence pricing and other contract terms. Although we strive to broaden and diversify our revenue base, a significant portion of our revenue is derived from a relatively small number of sources. Consequently, a significant loss of business from, or adverse performance by, our major revenue sources, may have a material adverse effect on our financial condition, results of operations and cash flows. Similarly, the renegotiation of major customer contracts may also have an adverse effect on our financial results. We are also subject to credit risk associated with our customer concentration. If one or more of our largest customers were to become bankrupt, insolvent or otherwise were unable to pay for services provided, we may incur significant write-offs of accounts receivable or incur lease or asset-impairment charges that may have a material adverse effect on our financial condition, results of operations or cash flows.

Most of our significant government contracts permit quarterly or other periodic adjustments to pricing based on decreases and increases in component prices and other factors, however we typically bear the risk of component price increases that occur between any such re-pricings or, if such re-pricing is not permitted, during the balance of the term of the particular customer contract. Accordingly, certain component price increases could adversely affect our gross profit margins.

***We rely on various intellectual property rights, including patents in order to operate our business.***

Such intellectual property rights, however, may not be sufficiently broad or otherwise may not provide us a significant competitive advantage. In addition, we have taken our best efforts to protect our intellectual property right, however the steps that we have taken to maintain and protect

our intellectual property may not prevent it from being challenged, invalidated, circumvented or designed-around, particularly in countries where intellectual property rights are not highly developed or protected. In some circumstances, enforcement may not be available to us because an infringer has a dominant intellectual property position or for other business reasons, or countries may require compulsory licensing of our intellectual property. Our failure to obtain or maintain intellectual property rights that convey competitive advantage, adequately protect our intellectual property or detect or prevent circumvention or unauthorized use of such property, could adversely impact our competitive position and results of operations. We also rely on nondisclosure and noncompetition agreements with employees, consultants and other parties to protect, in part, trade secrets and other proprietary rights. There can be no absolute assurance that these agreements will adequately protect our trade secrets and other proprietary rights and will not be breached, that we will have adequate remedies for any breach, that others will not independently develop substantially equivalent proprietary information or that third parties will not otherwise gain access to our trade secrets or other proprietary rights.

As we expand our business, protecting our intellectual property will become increasingly important. The protective steps we have taken may be inadequate to deter our competitors from using our proprietary information. In order to protect or enforce our patent rights, we may be required to initiate litigation against third parties, such as infringement lawsuits. Also, these third parties may assert claims against us with or without provocation. These lawsuits could be expensive, take significant time and could divert management's attention from other business concerns. The law relating to the scope and validity of claims in the technology field in which we operate is still evolving and, consequently, intellectual property positions in our industry are generally uncertain. We cannot assure you that we will prevail in any of these potential suits or that the damages or other remedies awarded, if any, would be commercially valuable.

***From time to time, third parties may claim that one or more of our products or services infringe their intellectual property rights.***

Any dispute or litigation regarding patents or other intellectual property could be costly and time-consuming due to the complexity of our technology and the uncertainty of intellectual property litigation and could divert our management and key personnel from our business operations. A claim of intellectual property infringement could force us to enter into a costly or restrictive license agreement, which might not be available under acceptable terms or at all, could require us to redesign our products, which would be costly and time-consuming, and/or could subject us to an injunction against development and sale of certain products. We may have to pay substantial damages, including damages for past infringement if it is ultimately determined that our products infringe on a third party's proprietary rights. Even if these claims are without merit, defending a lawsuit takes significant time, may be expensive and may divert management's attention from other business concerns. Any public announcements related to litigation or interference proceedings initiated or threatened against us could cause our business to be harmed. Our intellectual property portfolio may not be useful in asserting a counterclaim, or negotiating a license, in response to a claim of intellectual property infringement. In certain parts of our businesses we rely on third party intellectual property licenses and we cannot ensure that these licenses will be available to us in the future on favorable terms or at all.

***Although dependent on certain key personnel, the Company does not have any key man life insurance policies on any such people.***

The Company is dependent on Balakrishnan Nair and Tim Mundon in order to conduct its operations and execute its business plan; however, the Company has not purchased any insurance policies with respect to those individuals in the event of their death or disability. Therefore, if

either of Balakrishnan Nair or Tim Mundon die or become disabled, the Company will not receive any compensation to assist with such person's absence. The loss of such person could negatively affect the Company and its operations.

***We have not prepared any audited financial statements.***

Therefore, you have no audited financial information regarding the Company's capitalization or assets or liabilities on which to make your investment decision. If you feel the information provided is insufficient, you should not invest in the Company.

***We are subject to income taxes as well as non-income based taxes, such as payroll, sales, use, value-added, net worth, property and goods and services taxes, in the U.S. currently, and expected to be subject to various types of taxes in the countries we choose to operate in in the future.***

Significant judgment is required in determining our provision for income taxes and other tax liabilities. In the ordinary course of our business, there are many transactions and calculations where the ultimate tax determination is uncertain. Although we believe that our tax estimates are reasonable: (i) there is no assurance that the final determination of tax audits or tax disputes will not be different from what is reflected in our income tax provisions, expense amounts for non-income based taxes and accruals and (ii) any material differences could have an adverse effect on our financial position and results of operations in the period or periods for which determination is made.

***We are not subject to Sarbanes-Oxley regulations and lack the financial controls and safeguards required of public companies.***

We do not have the internal infrastructure necessary, and are not required, to complete an attestation about our financial controls that would be required under Section 404 of the Sarbanes-Oxley Act of 2002. There can be no assurance that there are no significant deficiencies or material weaknesses in the quality of our financial controls. We expect to incur additional expenses and diversion of management's time if and when it becomes necessary to perform the system and process evaluation, testing and remediation required in order to comply with the management certification and auditor attestation requirements.

***Changes in employment laws or regulation could harm our performance.***

Various federal and state labor laws govern our relationship with our employees and affect operating costs. These laws include minimum wage requirements, overtime pay, healthcare reform and the implementation of the Patient Protection and Affordable Care Act, unemployment tax rates, workers' compensation rates, citizenship requirements, union membership and sales taxes. A number of factors could adversely affect our operating results, including additional government-imposed increases in minimum wages, overtime pay, paid leaves of absence and mandated health benefits, mandated training for employees, increased tax reporting and tax payment, changing regulations from the National Labor Relations Board and increased employee litigation including claims relating to the Fair Labor Standards Act.

***During the fiscal year ended December 31, 2019, we generated 100% of our revenues from publicly funded R&D projects at the federal and state levels.***

As a result, if public funding for projects decreases due to reduced federal or state funding or otherwise, our financial condition, results of operations and liquidity could be materially adversely affected. However, this is not the long-term strategy for the Company, but is rather the current focus for the development of its product.

***We could be prohibited from bidding on certain government contracts if we fail to maintain qualifications required by those entities.***

In addition, government contracts can typically be canceled at any time with our receiving payment only for the work completed. The cancellation of an unfinished contract or our disqualification from the bidding process could result in lost revenues and cause our equipment to be idled for a significant period of time until other comparable work becomes available. Additionally, the timing of project awards is unpredictable and outside of our control. Project awards, including expansions of existing projects, often involve complex and lengthy negotiations and competitive bidding processes.

***Most of our project awards are determined through a competitive bidding process in which price is one of the determining factors.***

We compete against multiple competitors in all of the markets in which we operate, most of which are local or regional operators. Some of our competitors are larger than we are, are vertically integrated, and/or have similar or greater financial resources than we do. As a result, our competitors may be able to bid at lower prices than we can as a result of their size or vertical-integration advantages. Government funding for public infrastructure projects is limited, thus contributing to competition for the limited number of public projects available. An increase in competition may result in a decrease in new project awards to us at acceptable profit margins. In addition, in the event of a downturn, the competition for available public infrastructure projects could intensify, which could materially and adversely impact our financial condition, results of operations or liquidity.

***In some instances, including in the case of many of our current R&D contracts and expected future manufacturing contracts which may be fixed unit price contracts, we may guarantee that we will complete a project by a certain date.***

Any failure to meet the contractual schedule or completion requirements set forth in our contracts could subject us to responsibility for costs resulting from the delay, generally in the form of contractually agreed-upon liquidated damages (the company generally avoids entering into such contracts with these liquidated damages), liability for our customer's actual costs arising out of our delay, reduced profits or a loss on that project, damage to our reputation, and a material adverse impact to our financial position, results of operations, cash flows and liquidity.

***Operating hazards inherent in our business, some of which may be outside our control, can cause personal injury and loss of life, damage to or destruction of property, plant and equipment and environmental damage.***

We maintain insurance coverage in amounts and against the risks we believe are consistent with industry practice, but this insurance may be inadequate or unavailable to cover all losses or liabilities we may incur in our operations. Our insurance policies are subject to varying levels of deductibles. Losses up to our deductible amounts are accrued based upon our estimates of the ultimate liability for claims incurred and an estimate of claims incurred but not reported. However, liabilities subject to insurance are difficult to estimate due to unknown factors, including the severity of an injury, the determination of our liability in proportion to other parties, the number of unreported incidents and the effectiveness of our safety programs. If we were to experience insurance claims or costs above our estimates, we may be required to use working capital to satisfy these claims rather than using working capital to maintain or expand our operations.

***Because our current and future employees and others may be in close proximity with mechanized equipment, moving vehicles, chemical substances and dangerous manufacturing processes, our construction and maintenance sites are potentially dangerous workplaces.***

Therefore, safety is one of the primary focuses of our business and is critical to our reputation and performance. Many of our clients require that we meet certain safety criteria to be eligible to bid on contracts, and some of our contract fees or profits are subject to satisfying safety criteria. Unsafe work conditions also can increase employee turnover, which increases project costs and therefore our overall operating costs. If we fail to implement safety procedures or implement ineffective safety procedures, our employees could be injured, and we could be exposed to investigations and possible litigation. Our failure to maintain adequate safety standards through our safety programs could also result in reduced profitability or the loss of projects or clients, and could have a material adverse impact on our financial position, results of operations, cash flows or liquidity.

***The majority of our future revenues from equipment sales are expected to be derived from fixed unit price contracts and lump sum contracts. Fixed unit price contracts may require us to provide materials and services at a fixed unit price based on approved quantities irrespective of our actual per unit costs. Lump sum contracts require that the total amount of work be performed for a single price irrespective of our actual per unit costs. We will realize a profit on our contracts only if we accurately estimate our costs and then successfully control actual costs and avoid cost overruns, and our revenues exceed actual costs. If our cost estimates for a contract are inaccurate, or if we do not execute the contract within our cost estimates, then cost overruns may cause us to incur losses or cause the contract not to be as profitable as we expected. The final results under these types of contracts could negatively affect our cash flow, earnings and financial position.***

The costs incurred and gross profit realized on our contracts may vary, sometimes substantially, from our original projections due to a variety of factors, including, but not limited to:

- Failure to include required materials or work in a bid, or the failure to estimate properly the quantities or costs needed to complete a lump sum contract;
- Contract or project modifications creating unanticipated costs not covered by change orders;
- Failure by our suppliers, subcontractors, designers, engineers, joint venture partners or customers to perform their obligations;
- Delays in quickly identifying and taking measures to address issues which arise during contract execution;
- Changes in availability, proximity and costs of materials, including steel, concrete, aggregates and other construction materials, as well as fuel and lubricants for our equipment;
- Claims or demands from third parties for alleged damages arising from the design, construction or use and operation of a project of which our work is part;
- Difficulties in obtaining required governmental permits or approvals;
- Availability and skill level of workers in the geographic location of a project;
- Citations issued by any governmental authority, including the Occupational Safety and Health Administration;
- Unexpected labor conditions or work stoppages;
- Changes in applicable laws and regulations;
- Fraud, theft or other improper activities by our suppliers, subcontractors, designers, engineers, joint venture partners or customers or our own personnel; and
- Mechanical problems with our machinery or equipment.

***Our business is highly dependent on the amount and timing of infrastructure work funded by various governmental entities, which, in turn, depends on the overall condition of the economy,***



***the need for new or replacement infrastructure, the priorities placed on various projects funded by governmental entities and federal, state or local government spending levels.***

Spending on infrastructure could decline for numerous reasons, including decreased revenues received by state and local governments for spending on such projects, including federal funding.

***Our substantial dependence on government contracts exposes us to a variety of risks that differ from those associated with private sector contracts.***

In addition, the Federal Acquisition Regulation and various state statutes provide for discretionary suspension and/or debarment in certain circumstances that might call into question a contractor's willingness or ability to act responsibly, including as a result of being convicted of, or being found civilly liable for, fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public contract or subcontract. The scope and duration of any suspension or debarment may vary depending upon the facts and the statutory or regulatory grounds for debarment and could have a material adverse effect on our financial position, results of operations, cash flows and liquidity.

***Our future manufacturing operations may be subject to various environmental laws and regulations relating to the management, disposal, and/or remediation of hazardous substances, climate change and the emission and discharge of pollutants into the air and water.***

We could be held liable for such contamination created not only from our own activities but also from the historical activities of others on our project sites or on properties that we acquire or lease. Our operations are also subject to laws and regulations relating to workplace safety and worker health, which, among other things, regulate employee exposure to hazardous substances. Violations of such laws and regulations could subject us to substantial fines and penalties, cleanup costs, third-party property damage or personal injury claims. In addition, these laws and regulations have become, and enforcement practices and compliance standards are becoming, increasingly stringent. Moreover, we cannot predict the nature, scope or effect of legislation or regulatory requirements that could be imposed, or how existing or future laws or regulations will be administered or interpreted, with respect to products or activities to which they have not been previously applied. Compliance with more stringent laws or regulations, as well as more vigorous enforcement policies of the regulatory agencies, could require us to make substantial expenditures for, among other things, pollution control systems and other equipment that we do not currently possess, or the acquisition or modification of permits applicable to our activities.

***We may be unable to procure equipment necessary for a project, particularly in any area of high demand either due to a lack of available funding, lack of covenant capacity under our credit facilities or equipment shortages in the marketplace.***

As a result, we may be forced to rent equipment on a short-term basis or to find alternative ways to perform the work without the benefit of equipment ideally suited for the job, which could increase the costs and risks of completing the project. Furthermore, we may be unable to buy or rent the specialty equipment and tooling we require due to the limited number of manufacturers and distributors in the marketplace. We may bid for work knowing that we will have to rent equipment on a short-term basis and we include our assumptions of market equipment rental rates into our bid. If market rates for rental equipment increase between the time of bid submission and project execution, our margins for the project may be reduced. In addition, our equipment may require continuous maintenance, which we generally would expect to provide through our own repair facilities. If we are unable to continue to maintain the equipment in our fleet, we may be forced to obtain additional third-party repair services at a higher cost or be unable to bid on contracts.

***Our future manufacturing operations may be subject to numerous federal, state and local environmental laws and regulations governing our operations, including the handling, transportation, remediation and disposal of non-hazardous and hazardous substances and wastes, as well as emissions and discharges into the environment, including discharges to air, surface water, groundwater and soil. We also are subject to laws and regulations that impose liability and clean-up responsibility for releases of hazardous substances into the environment.***

New laws and regulations, stricter enforcement of existing laws and regulations, or the imposition of new clean-up requirements could require us to incur significant costs or could become the basis for new or increased liabilities that could harm our financial condition and results of operations. In certain instances, we have obtained indemnification or covenants from third parties (including predecessors or lessors) for some or all of such clean-up and other obligations and liabilities. However, such third-party indemnities or covenants may not cover all of our costs and such unanticipated obligations or liabilities, or future obligations and liabilities, may have a material adverse effect on our financial condition, results of operations and cash flows.

***Our business, results of operations, and financial condition may be impacted by the recent coronavirus (COVID-19) outbreak.***

The ongoing and evolving coronavirus (COVID-19) outbreak, designated as a pandemic by the World Health Organization on March 11, 2020, has caused substantial disruption in international and U.S. economies and markets. The outbreak has potential to have an adverse impact on the energy industry and, if repercussions of the outbreak are prolonged, could have a significant adverse impact on our business, which could be material. The Company's management cannot at this point estimate the impact of the outbreak on its business and no provision for this outbreak is reflected in the accompanying financial statements.

***Affiliates of the Company, including officers, directors and existing shareholders of the Company, may invest in this Offering and their funds will be counted toward the Company achieving the Minimum Amount.***

There is no restriction on affiliates of the Company, including its officers, directors and existing shareholders, investing in the Offering. As a result, it is possible that if the Company has raised some funds, but not reached the Minimum Amount, affiliates can contribute the balance so that there will be a closing. The Minimum Amount is typically intended to be a protection for investors and gives investors confidence that other investors, along with them, are sufficiently interested in the Offering and the Company and its prospects to make an investment of at least the Minimum Amount. By permitting affiliates to invest in the offering and make up any shortfall between what non-affiliate investors have invested and the Minimum Amount, this protection is largely eliminated. Investors should be aware that no funds other than their own and those of affiliates investing along with them may be invested in this Offering.

***The Company has indicated that it has engaged in certain transactions with related persons.***

Please see the section of this Memorandum entitled "Transactions with Related Persons and Conflicts of Interest" for further details.

## **Risks Related to the Securities**

***The Crowd Note will not be freely tradable until one year from the initial purchase date. Although the Crowd Note may be tradable under federal securities law, state securities regulations may apply and each Purchaser should consult with his or her attorney.***

You should be aware of the long-term nature of this investment. There is not now and likely will not be a public market for the Crowd Note. Because the Crowd Note have not been registered

under the Securities Act of 1933, as amended (the “Securities Act”) or under the securities laws of any state or non-United States jurisdiction, the Crowd Notes have transfer restrictions and cannot be resold in the United States except pursuant to Rule 501 of Regulation CF. It is not currently contemplated that registration under the Securities Act or other securities laws will be effected. Limitations on the transfer of the Crowd Note may also adversely affect the price that you might be able to obtain for the Crowd Note in a private sale. Purchasers should be aware of the long-term nature of their investment in the Company. Each Purchaser in this Offering will be required to represent that it is purchasing the Securities for its own account, for investment purposes and not with a view to resale or distribution thereof.

***Neither the Offering nor the Securities have been registered under federal or state securities laws, leading to an absence of certain regulation applicable to the Company.***

No governmental agency has reviewed or passed upon this Offering, the Company or any Securities of the Company. The Company also has relied on exemptions from securities registration requirements under applicable state securities laws. Investors in the Company, therefore, will not receive any of the benefits that such registration would otherwise provide. Prospective investors must therefore assess the adequacy of disclosure and the fairness of the terms of this Offering on their own or in conjunction with their personal advisors.

***No Guarantee of Return on Investment***

There is no assurance that a Purchaser will realize a return on its investment or that it will not lose its entire investment. For this reason, each Purchaser should read the Form C and all Exhibits carefully and should consult with its own attorney and business advisor prior to making any investment decision.

***The Company has the right to extend the Offering deadline.***

The Company may extend the Offering deadline beyond what is currently stated herein. This means that your investment may continue to be held in escrow while the Company attempts to raise the Minimum Amount even after the Offering deadline stated herein is reached. Your investment will not be accruing interest during this time and will simply be held until such time as the new Offering deadline is reached without the Company receiving the Minimum Amount, at which time it will be returned to you without interest or deduction, or the Company receives the Minimum Amount, at which time it will be released to the Company to be used as set forth herein. Upon or shortly after release of such funds to the Company, the Securities will be issued and distributed to you.

***There is no present market for the Securities, and we have arbitrarily set the price.***

We have arbitrarily set the price of the Securities with reference to the general status of the securities market and other relevant factors. The Offering price for the Securities should not be considered an indication of the actual value of the Securities and is not based on our net worth or prior earnings. We cannot assure you that the Securities could be resold by you at the Offering price or at any other price.

***Upon conversion of the Crowd Notes, Purchasers who are not “Major Investors” will grant a proxy to vote their underlying securities to the Intermediary or its affiliate, and, thus, will not have the right to vote on any matters coming before the shareholders of the Company for a vote. By granting this proxy you are giving up your right to vote on important matters, including significant corporate actions like mergers, amendments to our certificate of incorporation, a liquidation of our company and the election of our directors.***

Upon conversion of the Crowd Notes and by virtue of a provision contained in the Crowd Notes, if you are not a Major Investor, that is, an investor who has purchased at least \$25,000 in principal amount of the Crowd Notes, you will grant a proxy to the intermediary or its affiliate to vote the underlying securities that you will acquire upon conversion on all matters coming before the shareholders for a vote. The intermediary does not have any fiduciary duty to you to vote shares in a manner that is in your best interests. Accordingly, the intermediary may vote its proxy in a manner that may not be in the best interests of you as a security holder. For example, the intermediary may vote the proxy in favor of an amendment to our charter that adversely affects the rights of the holders of your class of securities in order to allow for a new investment to occur where the new investor requires senior rights.

***Purchasers will be unable to declare the Security in “default” and demand repayment.***

Unlike convertible notes and some other securities, the Securities do not have any “default” provisions upon which the Purchasers will be able to demand repayment of their investment. With respect to Purchasers who invest less than \$25,000 in the Securities, the Company has ultimate discretion as to whether or not to convert the Securities upon a future equity financing and such Purchasers have no right to demand such conversion. Only in limited circumstances, such as a liquidity event, may such Purchasers demand payment and even then, such payments will be limited to the amount of cash available to the Company.

***The Company may never elect to convert the Securities or undergo a liquidity event.***

The Company may never receive a future equity financing or, with respect to those Purchasers who invest less than \$25,000, elect to convert the Securities upon such future financing. In addition, the Company may never undergo a liquidity event such as a sale of the Company or an IPO. If neither the conversion of the Securities nor a liquidity event occurs, the Purchasers could be left holding the Securities in perpetuity. The Securities have numerous transfer restrictions and will likely be highly illiquid, with no secondary market on which to sell them. The Securities are not equity interests, have no ownership rights, have no rights to the Company’s assets or profits and have no voting rights or ability to direct the Company or its actions.

In addition to the risks listed above, businesses are often subject to risks not foreseen or fully appreciated by the management. It is not possible to foresee all risks that may affect us. Moreover, the Company cannot predict whether the Company will successfully effectuate the Company’s current business plan. Each prospective Purchaser is encouraged to carefully analyze the risks and merits of an investment in the Securities and should take into consideration when making such analysis, among other, the Risk Factors discussed above.

THE SECURITIES OFFERED INVOLVE A HIGH DEGREE OF RISK AND MAY RESULT IN THE LOSS OF YOUR ENTIRE INVESTMENT. ANY PERSON CONSIDERING THE PURCHASE OF THESE SECURITIES SHOULD BE AWARE OF THESE AND OTHER FACTORS SET FORTH IN THIS FORM C AND SHOULD CONSULT WITH HIS OR HER LEGAL, TAX AND FINANCIAL ADVISORS PRIOR TO MAKING AN INVESTMENT IN THE SECURITIES. THE SECURITIES SHOULD ONLY BE PURCHASED BY PERSONS WHO CAN AFFORD TO LOSE ALL OF THEIR INVESTMENT.

## **BUSINESS**

### **Description of the Business**

Oscilla Power is a commercial-scale ocean wave energy device developer. The Company's mission is focused on developing a low cost wave energy converter to unlock the renewable energy potential of the world's oceans. The Company is currently completing product development activities for two commercial ocean wave energy devices, the utility-scale 1MW rated Triton system, and a community-scale 100kW rated Triton-C system. After product development is completed and these systems are demonstrated in ocean testing, Oscilla Power aims to transition into an equipment manufacturer to supply wave energy converters to energy project developers, utilities or independent power projects.

## **Business Plan**

We aim to ultimately bring our commercial-scale ocean wave energy device to market by utilizing an existing supplier of utility-scale power generation equipment such as General Electric Company, Siemens AG, or one of their competitors. As is currently done for utility-scale wind and solar projects, we believe that our systems will be sold to project developers, independent power producers (IPP), and electric utilities. Projects ultimately involving equipment sale to an IPP or utility will often involve the early establishment of rights and obligations between the wave energy converter supplier and a project developer.

Our ultimate target customer is the electric utility. Given the high cost of electric transmission, we are particularly focused on coastal utilities. Key coastal utilities in California, Oregon, Washington and Hawaii are our target early-adopters. We believe these areas represent a promising combination of wave energy density and gross demand for electricity in the United States. Electric utilities on the east coast, near the Gulf of Mexico, and in Alaska are also potential customers for the Triton WEC.

Outside the U.S., key target geographies for Triton's commercialization include India, the U.K., Portugal, Canada, Japan, South Africa, Australia and New Zealand. The U.K. is generally seen as a world leader when it comes to wave energy; the UK Government's Marine Energy Programme has established a set of policies across government agencies to try and enable industry to move to commercial deployment within five years. Key U.K. utilities such as Scottish Power, the Irish Electricity Services Board, EON, and Scottish & Southern Energy, as well as non-regulated clean energy providers such as Ecotricity, have been very active in the wave energy industry, investing in and setting up test beds for wave energy technology developers.

## **History of the Business**

### **The Company's Products and/or Services**

We are in advanced product development for two products: our Triton utility-scale 1MW rated wave energy converter and the 100kW rated Triton-C. Both products focus on harnessing the power from ocean waves into useable energy for consumers and communities.

### **Competition**

The Company's primary competitors are Carnegie Clean Energy, Wello, CorPower Ocean, OceanEnergy, and Calwave. While ocean wave energy is a nascent market, Oscilla Power is among a handful of leading developers whose products can potentially deliver electric power at prices competitive with other renewable sources, especially when coupled with energy storage,

and make inroads into the high potential ocean wave energy market. The competitive landscape is rapidly evolving.

## Customer Base

We are currently in a product development phase and receive funding from the U.S. Department of Energy and the State of Washington, based on a competitive grants process. Our eventual target customers after we transition to become an energy equipment supplier will be project developers, electric utilities, and independent power providers.

The Company is dependent on the following customers:

Customer or Description	Service/product provided	Percent revenue
U.S. Department of Energy	R&D/Product Development	88.0%
State of Washington Dept of Commerce	R&D/Product Development	12.0%

## Intellectual Property

### *Patents*

A list of Oscilla Power's patents are provided below. Note that design evolution over time has led to some of the earlier patents, specifically related to magnetostriction, no longer being used in the current designs of the Triton systems.

Application or Registration #	Title	Description	File Date	Grant Date	Country
US 2019/0331085 A1	Survivability of Wave Energy Convertors	A wave energy conversion (WEC) system includes a float body, a heave plate, a tether, and a controller. The tether couples the heave plate to the float body. The controller controls the tether between survivability modes. Each sur-vivability mode adjusts a tension and/or length of the tether.	10/31/2019	N/A	U.S.

<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 10,393,089 B2	Wave Energy Convertor	A wave energy converter includes a surface float including a non-axisymmetric profile, a reaction plate configured to be submerged below a water surface, and more than one flexible tether, each mechanically coupled to both the sur-face float and the reaction plate, the reaction plate having a moment of inertia in pitch and roll greater than a moment of inertia in pitch and roll of the surface float.	7/22/2016	8/27/2019	U.S.

<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 10,393,089 B2	Wave Energy Convertor	A wave energy converter includes a surface float including a non-axisymmetric profile, a reaction plate configured to be submerged below a water surface, and more than one flexible tether, each mechanically coupled to both the sur-face float and the reaction plate, the reaction plate having a moment of inertia in pitch and roll greater than a moment of inertia in pitch and roll of the surface float.	7/22/2016	8/27/2019	U.S.

<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 10,352,291 B2	Power Take Off System for Wave Energy Convertor	A device for generating electrical energy from mechanical motion includes a surface float and at least one force modifier disposed at least partially within the interior of the surface float, the force modifier to receive an input force at a pumping cylinder and apply a modified force to a generator through a driving cylinder. The pumping cylinder or the driving cylinder is a tandem cylinder.	9/16/2016	7/16/2019	U.S.

<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 9,941,820 B2	Fluid Power Gearbox and Drivetrain For a Wave Energy Converter	An apparatus, system, and method are disclosed for power transfer system for a wave energy converter. The system includes a plurality of hydraulic cylinders including a first cluster of input cylinders and a second cluster of output cylinders. The input cylinders are coupled to an underwater structure and are configured to receive an input force from a relative motion between a buoy housing and the under-water structure. The output cylinders are configured to transfer an output force to an electric generator. The power	8/11/2017	12/4/2018	U.S.



		transfer system further includes a hydraulic connection between the input cylinders and the output cylinders. The hydraulic connection is configurable to switch a portion of the hydraulic cylinders into and out of the hydraulic connection between the input cylinders and the output cylinders.			
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<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 9,941,820 B2	Force Modification System For Wave Energy Convertors	A device for generating electrical energy from mechanical motion includes a buoy housing and at least one force modifier disposed at least partially within the interior of the buoy housing. The force modifier receives an input force and applies a modified force to another component. The force modifier includes a hydraulic system and the hydraulic system includes a first hydraulic piston having a first area and a second hydraulic piston having a second area, where the first area and the second area are not equal.	8/5/2016	4/10/2018	U.S.

<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 9,656,728 B2	Method For Developing and Recovering a Wave Energy Converter	A system for transporting a buoy and a heave plate. The system includes a buoy and a heave plate. An outer surface of the buoy has a first geometrical shape. A surface of the heave plate has a geometrical shape complementary to the first geometrical shape of the buoy. The complementary shapes of the buoy and the heave plate facilitate coupling of the heave plate to the outer surface of the buoy in a transport mode.	7/24/2015	5/23/2017	U.S.

<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 9,634,234 B2	Downhole Energy Harvesting Method and Device	A device generates electrical energy from mechanical motion in a downhole environment. The device includes a magnetostrictive element and an electrically conductive coil. The magnetostrictive element has a first end and a second end. The first and second ends are coupled between a rotor and a bearing. The magnetostrictive element is configured to experience axial strain in response to radial movement of at least one of the rotor or the bearing with reference to the other. The electrically	12/18/2013	4/25/2017	U.S.

		conductive coil is disposed in proximity to the magnetostrictive element. The coil is configured to generate an electrical current in response to a change in flux density of the magnetostrictive element.			
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<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 9,634,233 B2	Axial Loading For Magnetostrictive Power Generation	A device generates electrical energy from mechanical motion in a downhole environment. The device includes a magnetostrictive element and an electrically conductive coil. The magnetostrictive element has a first end and a second end. The first and second ends are coupled between two connectors. The magnetostrictive element is configured to experience axial strain in response to radial movement of at least one of the connectors relative to the other connector. The electrically conductive coil is disposed in proximity to the magnetostrictive element. The coil is configured to generate an electrical current in response to a change in flux density of the	7/5/2013	4/25/2017	U.S.

		magnetostrictive element.			
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<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 9,438,138 B2	Magnetostrictive Devices and Systems	The device generates electrical energy from mechanical motion. The device includes at least one magnetostrictive element and at least one force modifier. The force modifier is coupled to the magnetostrictive element. The force modifier receives an input force and applies a modified force to the magnetostrictive element.	2/14/2014	9/6/2016	U.S.

<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 9,431,928 B2	Power Production In A Completed Well using Magnetostrictive Materials	A device for generating electrical energy from mechanical motion includes a magnetostrictive generator configured to be mechanically coupled to a power conveyance path in a well bore. The power conveyance path is configured to experience an axial force change, and the magnetostrictive generator includes at least one magnetostrictive element that	11/6/2014	8/30/2016	U.S.

		<p>experiences a corresponding force change that results in a change in magnetic permeability in the at least one magnetostrictive element resulting, and is configured to experience a change in magnetic flux in a least one component that is electromagnetically coupled to at least one conductive coil, and the conductive coil is configured to generate electricity due to these magnetic flux changes.</p>			
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<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
WO 2016/014947 A2	Method For Deploying and Recovering a Wave Energy Converter	<p>A system for transporting a buoy and a heave plate. The system includes a buoy and a heave plate. An outer surface of the buoy has a first geometrical shape. A surface of the heave plate has a geometrical shape complementary to the first geometrical shape of the buoy. The complementary shapes of the buoy and the heave plate facilitate coupling of the heave plate to the outer surface of the buoy in a transport mode.</p>	7/24/2015	1/28/2016	International

<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
WO 2016/014947 A2	Method For Deploying and Recovering a Wave Energy Converter	A system for transporting a buoy and a heave plate. The system includes a buoy and a heave plate. An outer surface of the buoy has a first geometrical shape. A surface of the heave plate has a geometrical shape complementary to the first geometrical shape of the buoy. The complementary shapes of the buoy and the heave plate facilitate coupling of the heave plate to the outer surface of the buoy in a transport mode.	7/24/2015	1/28/2016	International

<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 9,130,161 B2	Vibration Energy Harvesting Apparatus	An apparatus for harvesting energy is described. The apparatus includes a vibration component and a moving mass. The vibration component has a first and second end and further includes a magnetostrictive material. The vibration component further includes a conduction coil wrapped around the magnetostrictive material. The moving mass is coupled to the second end of the vibration assembly. The mass is configured to move in an oscillating path	12/21/2011	9/8/2015	U.S.

		<p>in response to forces acting on the vibration energy harvesting apparatus, inducing strain on the magnetostrictive material.</p> <p>The strain on the magnetostrictive material changes a magnetic property of the magnetostrictive material, inducing electrical energy in the conduction coil wrapped around the magnetostrictive material.</p> <p>Other embodiments of the apparatus are also described.</p>			
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<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 9,065,045 B2	Apparatus For Harvesting Electrical Power From Mechanical Energy	<p>An apparatus for harvesting electrical power from mechanical energy is described. The apparatus includes: a flux path. The flux path includes: a magnetic material having a magnetic property that is a function of stress on the magnetic material; a first magnetically conductive material proximate the magnetic material; a magnet in the flux path, wherein a magneto-motive force of the magnet causes magnetic flux; and a component configured to transfer changes in load caused by an external source to the magnetic material.</p>	7/3/2012	6/23/2015	U.S.

<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 8,890,376 B2	Energy Harvesting Methods and Devices, And Applications Thereof	<p>An apparatus harvests electrical power from mechanical energy. The apparatus includes first and second load-bearing structures, a plurality of magnetostrictive elements, and an electrical circuit or coil. The load-bearing structures experience a force from an external source. The magnetostrictive elements are arranged between the load-bearing structures. The load-bearing structures transfer at least a portion of the force to at least one of the magnetostrictive elements. In this way, at least one of the magnetostrictive elements experiences the force transferred from the load-bearing structures.</p> <p>The force on the magnetostrictive element causes a change in magnetic flux of the magnetostrictive element. The electrical circuit or coil is disposed within a vicinity of the magneto-strictive element which experiences the force. The electrical circuit or coil generates electric power in response to the change in the magnetic flux of the magnetostrictive element.</p>	1/30/2012	11/18/2014	U.S.



<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 8,378,513 B2	Method and Device For Harvesting Energy From Ocean Waves	A method and device for generating electric power from ocean waves is described. The device includes at least one magnetostrictive element and at least one buoy. When the buoy is deployed in a body of liquid subject to wave motion, the buoy remains partially submerged during normal wave motion. The buoy is coupled to the magnetostrictive element to continuously exert a varying force on the magnetostrictive element during the normal wave motion.	5/11/2011	2/19/2013	U.S.

<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 8,378,512 B2	Wave Energy Harvester With Improved Performance	An apparatus for harvesting electrical power from hydrodynamic energy, the apparatus including a buoy or other water flotation device connected to an anchor by a tether and a magnetostrictive component having an internal pre-stressed magnetostrictive core that experiences at least a part of load changes experienced by the tether. The magnetic property of the magnetostrictive core is configured to change	1/28/2011	2/19/2013	U.S.

		<p>with changes in stress within the magnetostrictive core along at least one direction within the magnetostrictive component. The hydrodynamic energy acting on the buoy or other water flotation device results in changes in force within the tether, which in turn changes the stress within the magnetostrictive core and consequently changes a magnetic property. The magnetostrictive component is also configured such that the change in the magnetic property will result in a change in magnetic flux, which change can be used to generate electrical power.</p>			
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<b>Application or Registration #</b>	<b>Title</b>	<b>Description</b>	<b>File Date</b>	<b>Grant Date</b>	<b>Country</b>
US 8,212,436 B2	Apparatus for Harvesting Electrical Power From Mechanical Energy	<p>An apparatus for harvesting electrical power from mechanical energy is described. The apparatus includes: a flux path. The flux path includes: a magnetic material having a magnetic property that is a function of stress on the magnetic material; a first magnetically conductive material proximate the magnetic material; a magnet in the flux path, wherein a magneto-motive force of the magnet causes magnetic flux; and a</p>	1/28/2011	7/3/2012	U.S.

		com-ponent configured to transfer changes in load caused by an external source to the magnetic material.			
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## **Governmental/Regulatory Approval and Compliance**

In our current stage, we are not subject to any specific regulations beyond the broader laws and regulations affecting any Delaware-based business or any small business with operations in the State of Washington. In the performance of particular grants and contracts, we are subject to the terms of the specific contracts that we have put in place with the US Department of Energy (DOE) or the State of Washington Department of Commerce, including the Federal Acquisition Regulations (FARs) that are provided as attachments to the DOE contracts.

## **Litigation**

There are no existing legal suits pending, or to the Company's knowledge, threatened, against the Company.

## **Other**

The Company's principal address is 4240 Gilman Place West, Unit C, Seattle, Washington 98199.

The Company conducts business in Washington, Utah, Scotland, and India.

Because this Form C focuses primarily on information concerning the Company rather than the industry in which the Company operates, potential Purchasers may wish to conduct their own separate investigation of the Company's industry to obtain greater insight in assessing the Company's prospects.

**Exhibit B** to this Form C is a detailed Company summary. Purchasers are encouraged to review Exhibit B carefully to learn more about the business of the Company, its industry and future plans and prospects. **Exhibit B** is incorporated by reference into this Form C.

## **USE OF PROCEEDS**

The following table lists the use of proceeds of the Offering if the Minimum Amount and Maximum Amount are raised.

Use of Proceeds	% of Minimum Proceeds Raised	Amount if Minimum Raised	% of Maximum Proceeds Raised	Amount if Maximum Raised
Intermediary Fees	5.00%	\$2,500	5.00%	\$6,975
Construction of Triton C System	95.00%	\$47,500	84.25%	\$117,530
Marketing	0.00%	\$0	10.75%	\$15,000
<b>Total</b>	<b>100.00%</b>	<b>\$50,000</b>	<b>100.00%</b>	<b>\$139,505</b>

\*The Use of Proceeds chart is not inclusive of fees paid for use of the iDisclose Form C generation system, payments to financial and legal service providers, and escrow related fees, all of which were incurred in preparation of the campaign and are due in advance of the closing of the campaign.

The Company does have discretion to alter the use of proceeds as set forth above.

## DIRECTORS, OFFICERS AND EMPLOYEES

### Directors & Officers

The directors or managers and officers of the Company are listed below along with all positions and offices held at the Company and their principal occupation and employment responsibilities for the past three (3) years and their educational background and qualifications.

Name	Oscilla Power Positions & Offices	Employment Responsibilities	Education & Qualifications
Rahul Shendure	Jan 2018 - Present Chairman of the Board  Aug 2009 - June 2020 Treasurer & Secretary  Aug 2009 - Dec 2017 CEO	Oscilla Power, Inc. Oversee company strategy Jan 2018 - Present Chairman of the Board Aug 2009 - May 2020 Treasurer & Secretary Aug 2009 - Dec 2017 CEO  Bellwether Bio, Inc. Oversee company strategy Dec 2015 - Present President & CEO	MBA - Harvard Business School  BS, Chemical Engineering - Massachusetts Institute of Technology (MIT)
Balakrishnan Nair	June 2020 - Present Treasurer & Secretary  Aug 2009 - Present President & CTO	Oscilla Power, Inc. Oversee business strategy, general management of the company's operations. May 2020 - Present President & CTO	MBA - University of Utah  Ph.D. in Materials Science - the University of Wisconsin, Madison

		Aug 2009 - Present Treasurer & Secretary	Bachelor of Technology, Metallurgical Engineering - Indian Institute of Technology
Rick Luebbe	Feb 2015 - Present Director	Oscilla Power, Inc. Oversee company strategy Feb 2015 - Present Director  Group14 Technologies Oversee strategic and operation vision for company Dec 2015 - Present CEO & Founder	MBA - Stanford University  BA, Biology - Cornell University
Kristin Martinez	Jan 2012 - Present Director	Oscilla Power, Inc. Oversee company strategy Jan 2012 - Present Director  OneEnergy Renewables Oversees financial operations at the solar energy development company Oct 2013 - Present CFO	MBA - George Washington University  BS, Financial Analysis - Boston University

### ***Indemnification***

Indemnification is authorized by the Company to directors, officers or controlling persons acting in their professional capacity pursuant to Delaware law. Indemnification includes expenses such as attorney's fees and, in certain circumstances, judgments, fines and settlement amounts actually paid or incurred in connection with actual or threatened actions, suits or proceedings involving such person, except in certain circumstances where a person is adjudged to be guilty of gross negligence or willful misconduct, unless a court of competent jurisdiction determines that such indemnification is fair and reasonable under the circumstances.

### **Employees**

The Company currently has 9 employees in Washington and Utah.

## **CAPITALIZATION AND OWNERSHIP**

### **Capitalization**

***The Company has issued the following outstanding Securities:***

<b>Type of security</b>	Common Stock
<b>Amount authorized</b>	15,000,000
<b>Amount outstanding</b>	2,339,155
<b>Voting Rights</b>	The majority holders of Common Stock have a right to elect three (3) Common Directors. Common Stockholders have additional rights to elect a director with the Preferred Stockholders if there are less than the required outstanding amounts of Preferred Stock per Article IV Section 5 of the Amended and Restated Certificate of Incorporation.
<b>Anti-Dilution Rights</b>	None.
<b>How this Security may limit, dilute or qualify the Notes/Bonds issued pursuant to Regulation CF</b>	Other than what is listed above, there is no special power to limit, dilute, or qualify the Crowd Note.
<b>Percentage ownership of the Company by the holders of such Securities (assuming conversion prior to the Offering if convertible securities).</b>	28.13%

<b>Type of security</b>	Options <i>(authorized common stock reserved as part of incentive plan)</i>
<b>Amount authorized</b>	575,000
<b>Amount outstanding</b>	453,647
<b>Voting Rights</b>	Options are for common stock. Same voting rights, anti-dilution rights, and effect on Crowd Note as common stock, assuming such Options are exercised and converted into common stock.
<b>How this Security may limit, dilute or qualify the Notes/Bonds issued pursuant to Regulation CF</b>	N/A
<b>Percentage ownership of the Company by the holders of such Securities (assuming conversion prior to the Offering if convertible securities).</b>	5.45%

<b>Type of security</b>	Warrants
<b>Amount authorized</b>	477,647
<b>Amount outstanding</b>	431,301
<b>Voting Rights</b>	Warrants are for common stock. Same voting rights, anti-dilution rights, and effect on Crowd Note as common stock, assuming such Warrants are exercised and converted into common stock.
<b>How this Security may limit, dilute or qualify the Notes/Bonds issued pursuant to Regulation CF</b>	N/A
<b>Percentage ownership of the Company by the holders of such Securities (assuming conversion prior to the Offering if convertible securities).</b>	5.19%

<b>Type of security</b>	Series 1 Preferred Stock
<b>Amount authorized</b>	1,424,118
<b>Amount outstanding</b>	1,424,118
<b>Voting Rights</b>	The majority holders of Series 1 Preferred and Series 2 Preferred Stock have a right to elect a Preferred Director. Preferred Stockholders have additional rights to elect a director with the Common Stockholders if there are less than the required outstanding amounts of Preferred Stock per Article IV Section 5 of the Amended and Restated Certificate of Incorporation.
<b>Anti-Dilution Rights</b>	The applicable Conversion Price will be adjusted if the Corporation issues Additional Stock at a per share price less than the Conversion Price for this Series. Investors can convert their shares at the price per share issued in such a round by dividing their investment amount by \$1.47
<b>How this Security may limit, dilute or qualify the Notes/Bonds issued pursuant to Regulation CF</b>	The approval of a majority of the outstanding shares of Preferred Stock is required for the company to issue, or obligate itself to issue, any security including any other security convertible into or exercisable for any other equity security, having a preference over, or being on a parity with any series of Preferred Stock, such as the Crowd Note being offered.
<b>Percentage ownership of the Company by the holders of such Securities (assuming conversion prior to the Offering if convertible securities).</b>	19.60%



<b>Type of security</b>	Series 2 Preferred Stock
<b>Amount authorized</b>	880,687
<b>Amount outstanding</b>	880,687
<b>Voting Rights</b>	The majority holders of Series 1 Preferred and Series 2 Preferred stock have a right to elect a Preferred Director. Preferred Stockholders have additional rights to elect a director with the Common Stockholders if there are less than the required outstanding amounts of Preferred Stock per Article IV Section 5 of the Amended and Restated Certificate of Incorporation.
<b>Anti-Dilution Rights</b>	The applicable Conversion Price will be adjusted if the Corporation issues Additional Stock at a per share price less than the Conversion Price for this Series. Investors can convert their shares at the price per share issued in such a round by dividing their investment amount by \$0.86
<b>How this Security may limit, dilute or qualify the Notes/Bonds issued pursuant to Regulation CF</b>	The approval of a majority of the outstanding shares of Preferred Stock is required for the company to issue, or obligate itself to issue, any security including any other security convertible into or exercisable for any other equity security, having a preference over, or being on a parity with any series of Preferred Stock, such as the Crowd Note being offered.
<b>Percentage ownership of the Company by the holders of such Securities (assuming conversion prior to the Offering if convertible securities).</b>	10.59%

<b>Type of security</b>	Series 3 Preferred Stock
<b>Amount authorized</b>	3,600,000
<b>Amount outstanding</b>	2,183,440
<b>Voting Rights</b>	The majority holders of Series 3 Preferred stock have a right to elect a Series 3 Preferred Director. Preferred Stockholders have additional rights to elect a director with the Common Stockholders if there are less than the required outstanding amounts of Preferred Stock per Article IV Section 5 of the Amended and Restated Certificate of Incorporation.
<b>Anti-Dilution Rights</b>	The applicable Conversion Price will be adjusted if the Corporation issues Additional Stock at a per share price less than the Conversion Price for this Series. Investors can convert their shares at the price per share issued in such a round by dividing their investment amount by \$1.01
<b>How this Security may limit, dilute or qualify the Notes/Bonds issued pursuant to Regulation CF</b>	The approval of a majority of the outstanding shares of Preferred Stock is required for the company to issue, or obligate itself to issue, any security including any other security convertible into or exercisable for any other equity security, having a preference over, or being on a parity with any series of Preferred Stock, such as the Crowd Note being offered.
<b>Percentage ownership of the Company by the holders of such Securities (assuming conversion prior to the Offering if convertible securities).</b>	26.25%

<b>Type of security</b>	Series 3-B Preferred Stock
<b>Amount authorized</b>	1,000,000
<b>Amount outstanding</b>	397,835
<b>Voting Rights</b>	Preferred Stockholders have additional rights to elect a director with the Common Stockholders if there are less than the required outstanding amounts of Preferred Stock per Article IV Section 5 of the Amended and Restated Certificate of Incorporation.
<b>Anti-Dilution Rights</b>	The applicable Conversion Price will be adjusted if the Corporation issues Additional Stock at a per share price less than the Conversion Price for this Series. Investors can convert their shares at the price per share issued in such a round by dividing their investment amount by \$1.01
<b>How this Security may limit, dilute or qualify the Notes/Bonds issued pursuant to Regulation CF</b>	The approval of a majority of the outstanding shares of Preferred Stock is required for the company to issue, or obligate itself to issue, any security including any other security convertible into or exercisable for any other equity security, having a preference over, or being on a parity with any series of Preferred Stock, such as the Crowd Note being offered.
<b>Percentage ownership of the Company by the holders of such Securities (assuming conversion prior to the Offering if convertible securities).</b>	4.78%

<b>Type of security</b>	Convertible Notes 75% Discount Factor \$12,500,000 Valuation Cap
<b>Amount authorized</b>	\$2,000,000 principal amount
<b>Amount outstanding</b>	\$540,000 in principal plus accrued interest
<b>Voting Rights</b>	N/A
<b>Anti-Dilution Rights</b>	N/A
<b>Interest rate and payment schedule</b>	8% due upon maturity or conversion of note
<b>Describe any collateral or security</b>	None
<b>Maturity date</b>	November 16, 2022
<b>How this Security may limit, dilute or qualify the Notes/Bonds issued pursuant to Regulation CF</b>	See below.
<b>Percentage ownership of the Company by the holders of such Securities (assuming conversion prior to the Offering if convertible securities).</b>	<p>Upon the closing of an equity financing in the amount of <u>at least \$1 million</u>, the Notes' principal balance and interest due <u>will convert</u> into the equity securities sold in such equity financing at a price per share equal to the lesser of 75% of the equity financing price per share or \$12.5 million divided by the number of fully diluted outstanding shares of the Company's common stock immediately prior to the equity financing.</p> <p>Upon the closing of an equity financing of less than \$1 million, the Notes' balance and interest may convert, at the option of the majority holders, into the equity securities issued in such equity financing at a price per share equal to the lesser of 75% of the equity financing price per share or \$12.5 million divided by the number of fully diluted outstanding shares of the Company's common stock immediately prior to the equity financing.</p>
<b>Other material terms</b>	Majority holders are the holders of fifty percent (50%) of the Convertible Notes issued as part of the series of similar notes.

<b>Type of Security</b>	Crowd Notes
<b>Amount Issued</b>	\$395,495
<b>Valuation Cap</b>	\$13,000,000
<b>Anti-Dilution Rights</b>	None
<b>How this Security may limit, dilute or qualify the Notes/Bonds issued pursuant to Regulation CF</b>	N/A
<b>Other Information</b>	<p>In the event of an Equity Financing of \$1,000,000 or more, the Crowd Notes will convert into a number of shares of Standard Preferred Stock equal to the lower of:</p> <p>(A) the product of (1) one minus the Discount of 20%, and (2) the price paid per share for preferred stock by the investors in the Qualified Equity Financing, or</p> <p>(B) the quotient resulting from dividing (1) the Valuation Cap of \$13 million by (2) the total number of our shares of capital stock that are outstanding on a fully diluted basis (assuming for this purpose the exercise, exchange or conversion of all securities exercisable or exchangeable for, or convertible into, our capital stock), immediately prior to the closing of the Qualified Equity Financing.</p>

*In addition to the Convertible Notes, the Company has the following debt outstanding:*

<b>Type of debt</b>	Line of Credit
<b>Name of creditor</b>	Chase Business Card
<b>Amount outstanding</b>	\$62,180.62
<b>Interest rate and payment schedule</b>	13.24% APR
<b>Payment schedule</b>	Payment is made monthly.
<b>Other material terms</b>	None

<b>Type of debt</b>	Deferred Officer Salary
<b>Name of creditor</b>	Oscilla Power, Inc.
<b>Amount outstanding</b>	\$308,906.85
<b>Interest rate and payment schedule</b>	0% Payment is made when possible
<b>Payment status</b>	Not due until funds are available
<b>Other material terms</b>	The Company will not use funds from this crowdfunding offering to pay this debt.

<b>Type of debt</b>	Payroll Liabilities
<b>Name of creditor</b>	U.S. Treasury
<b>Amount outstanding</b>	\$7,417.00
<b>Interest rate and payment schedule</b>	0% Payment is due when deferred salary is paid
<b>Payment status</b>	Will pay when due

<b>Type of debt</b>	Accounts Payable
<b>Name of creditor</b>	Patent Legal Fees and Consulting Services
<b>Amount outstanding</b>	\$830,480
<b>Interest rate and payment schedule</b>	0%
<b>Payment schedule</b>	Payment is made when possible.
<b>Other material terms</b>	None

<b>Type of debt</b>	Payroll Protection Program (PPP) Loan
<b>Name of creditor</b>	WaFd Bank
<b>Amount outstanding</b>	\$90,895.32
<b>Interest rate and payment schedule</b>	1%
<b>Payment schedule</b>	Payment is made monthly.
<b>Other material terms</b>	Loan deferment ended on November 1, 2020. Loan matures on May 1, 2022. Total loan amount is forgivable if borrower uses the proceeds for qualified expenses.

*The Company has conducted the following prior Securities offerings in the past three years:*

<b>Security Type</b>	<b>Number Sold</b>	<b>Money Raised</b>	<b>Use of Proceeds</b>	<b>Offering Date</b>	<b>Exemption from Registration Used or Public Offering</b>
Crowd Notes	395,495	\$395,495.00	Research and Development and General Corporate Purposes	June - November 2020	Reg CF
Convertible Notes	17	\$540,000.00	General working capital, R&D, execution of company milestones	May 2016 – June 2017	Section 4(a)(2)

## **Ownership**

A majority of the Company is owned by a few people/entities. Those are HiFunda LLC, Rahul Shendure, Paul Maskishian, Black Tip Investments, and Astrazone Ltd.

Below the beneficial owners of 20% percent or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, are listed along with the amount they own.

Name	Percentage Owned Prior to Offering
Paul Mashikian	27.3%

## FINANCIAL INFORMATION

**Please see the financial information listed on the cover page of this Form C and attached hereto in addition to the following information. Financial statements are attached hereto as Exhibit A.**

### Operations

Our most recent financing was conducted in May through June 2017. We are currently focusing on R&D/product development rather than generating revenue/profits. While we are not certain when or if we will generate profits in the future, and intend to devote our resources to completing the construction of and deploying our community scale and utility scale products in Hawaii and India respectively in 2020-2022, and anticipate starting to generate revenues from project developers after that.

The Company does not expect to achieve profitability in the next 12 months and intends to focus on the following goals: (i) Complete the construction of our first commercial (community-scale) prototype to be deployed in Hawaii; (ii) Obtain the necessary permits for deployment of our system in Hawaii; (iii) Continue the business development activities needed to secure local support and partial financing for deployment of our first utility-scale system in India; and (iv) Continue to maintain existing patents, prosecute pending patents, and file new patents.

### Liquidity and Capital Resources

The Offering proceeds are essential to our operations. We plan to use the proceeds as set forth above under "use of proceeds", which is an indispensable element of our business strategy. The Offering proceeds will have a beneficial effect on our liquidity, as we currently have \$62,180 in cash on hand which will be augmented by the Offering proceeds and used to execute our business strategy.

The Company has the following sources of capital in addition to the proceeds from the Offering: Grants from US DOE and State of Washington Dept of Commerce.

### Capital Expenditures and Other Obligations

The Company intends to make the following material capital expenditures in the future:

We are constructing our community scale system, and as described in the use of funds, if the maximum amount is raised, we intend to allocate about \$900,000 to the construction and deployment of this system. Most of the funding for this activity is from the US DOE and State of Washington grants.



We have informal arrangements with two of our vendors (one business consultant and one patent law firm) that they will zero out our prior balances if we continue to provide new business to them and are current in our payments for these new commitments.

## **Material Changes and Other Information**

### **Trends and Uncertainties**

After reviewing the above discussion of the steps the Company intends to take, potential Purchasers should consider whether achievement of each step within the estimated time frame is realistic in their judgment. Potential Purchasers should also assess the consequences to the Company of any delays in taking these steps and whether the Company will need additional financing to accomplish them.

The financial statements are an important part of this Form C and should be reviewed in their entirety. The financial statements of the Company are attached hereto as Exhibit A.

## **THE OFFERING AND THE SECURITIES**

### **The Offering**

The Company is offering up to \$139,505 in principal amount of Crowd Notes. The Company is attempting to raise a minimum amount of \$139,505.00 in this Offering (the "Minimum Amount"). The Company must receive commitments from investors in an amount totaling the Minimum Amount by March 22, 2021 (the "Offering Deadline") in order to receive any funds. If the sum of the investment commitments does not equal or exceed the Minimum Amount by the Offering Deadline, no Securities will be sold in the Offering, investment commitments will be cancelled and committed funds will be returned to potential investors without interest or deductions. If the Company has received the Minimum Amount by the Offering Deadline, the Company has the right to extend the Offering Deadline at its discretion. The Company will accept investments in excess of the Minimum Amount up to \$139,505 (the "Maximum Amount") and the additional Securities will be allocated on at the Company's discretion.

The price of the Securities does not necessarily bear any relationship to the Company's asset value, net worth, revenues or other established criteria of value, and should not be considered indicative of the actual value of the Securities.

In order to purchase the Securities, you must make a commitment to purchase by completing the Subscription Agreement. Purchaser funds will be held in escrow with Evolve Bank & Trust until the Minimum Amount of investments is reached. Purchasers may cancel an investment commitment until 48 hours prior to the Offering Deadline or the Closing, whichever comes first using the cancellation mechanism provided by the Intermediary. The Company will notify Purchasers when the Minimum Amount has been reached. If the Company reaches the Minimum Amount prior to the Offering Deadline, it may close the Offering at least five (5) days after reaching the Minimum Amount and providing notice to the Purchasers. If any material change (other than reaching the Minimum Amount) occurs related to the Offering prior to the Offering Deadline, the Company will provide notice to Purchasers and receive reconfirmations from Purchasers who have already made commitments. If a Purchaser does not reconfirm his or her investment commitment after a material change is made to the terms of the Offering, the

Purchaser's investment commitment will be cancelled, and the committed funds will be returned without interest or deductions.

If a Purchaser does not cancel an investment commitment before the Offering Deadline, the funds will be released to the Company upon closing of the Offering, and the Purchaser will receive the Securities in exchange for his or her investment.

Subscription Agreements are not binding on the Company until accepted by the Company, which reserves the right to reject, in whole or in part, in its sole and absolute discretion, any subscription. If the Company rejects all or a portion of any subscription, the applicable prospective Purchaser's funds will be returned without interest or deduction.

The price of the Securities was determined arbitrarily. The minimum amount that a Purchaser may invest in the Offering is \$100.00.

The Offering is being made through MicroVenture Marketplace, Inc., the Intermediary. The following two fields set forth the compensation being paid in connection with the Offering.

#### ***Commission/Fees***

The Company shall pay to the Intermediary at the conclusion of the Offering a fee consisting of five percent (5%) commission based on the amount of investments raised in the offering and paid upon disbursement of funds from escrow at the time of closing.

#### ***Stock, Warrants and Other Compensation***

The intermediary will receive a number of Crowd Notes of the issuer that is equal to two percent (2%) of the total number of Crowd Notes sold by the issuer in the Offering.

#### ***Transfer Agent and Registrar***

The Company will act as transfer agent and registrar for the Securities.

#### **The Securities**

We request that you please review our offering materials and the Crowd Note in conjunction with the following summary information.

#### **Authorized Capitalization**

See "CAPITALIZATION AND OWNERSHIP" above.

#### **General**

A Crowd Note is similar to a SAFE (Simple Agreement for Future Equity) security where an investor makes a cash investment in our company, but gets company stock at a later date in connection with a specific event. Although the security is called a Crowd Note, the Crowd Note is not a debt instrument. It is intended to be an alternative to a convertible note that is beneficial for both our company and you as an investor.

#### **Events Triggering Conversion of Crowd Notes**

If you are a Major Investor, which is defined as an investor who invests at least \$25,000 in this offering, then the specified event upon which the Crowd Notes would convert into capital stock of our company is (i) a Qualified Equity Financing, which we define below, or (ii) a Corporate Transaction, which we define below, if instead of receiving two times (2X) the outstanding

principal of your Crowd Note, your Crowd Note converts immediately prior to the closing of the Corporate Transaction.

If you are not a Major Investor, then the Crowd Notes will only convert into capital stock of our company upon the earlier of (i) our company's election to convert your Crowd Note, including upon a Qualified Equity Financing if our company elects to convert your Crowd Note then, or (ii) a Corporate Transaction, if instead of receiving two times (2X) the outstanding principal of your Crowd Note, your Crowd Note converts immediately prior to the closing of the Corporate Transaction.

### **Qualified Equity Financing**

The Crowd Note defines "Qualified Equity Financing" as the first sale (or series of related sales) by us of our preferred stock following the closing of this offering from which we receive gross proceeds of not less than \$1,000,000.00 (excluding the aggregate amount of securities converted into preferred stock in connection with such sale (or series of related sales)).

If the Crowd Note converts into equity in connection with a Qualified Equity Financing, then we will convert the Crowd Note into shares of our preferred stock that are issued in connection with the Qualified Equity Financing, which we refer to as Conversion Shares, equal to the quotient obtained by dividing the outstanding principal amount of the Crowd Note by the Conversion Price, which is defined below. The issuance of Conversion Shares will be on the same terms and conditions applicable to the stock sold in the Qualified Equity Financing; provided, however, that if you are not a Major Investor, you will receive shares of a shadow series, as we describe below, with certain limited rights. The Conversion Price applicable to a Qualified Equity Financing is the lower of:

- (i) the product of (a) one minus any applicable Discount, and (b) the price paid per share for preferred stock by the investors in the Qualified Equity Financing, or
- (ii) the quotient resulting from dividing (a) the Valuation Cap by (b) the total number of our shares of capital stock that are outstanding on a fully diluted basis (assuming for this purpose the exercise, exchange or conversion of all securities exercisable or exchangeable for, or convertible into, our capital stock), immediately prior to the closing of the Qualified Equity Financing.

Any investor who is not a Major Investor will receive a shadow series of preferred stock upon conversion of such investor's Crowd Note. A shadow series is a series of our preferred stock that is identical in all respects to the shares of preferred stock issued in the Qualified Equity Financing (e.g., if the Company sells Series A Preferred Stock in the Qualified Equity Financing, the shadow series would be Series A-1 Preferred Stock), except that the liquidation preference per share of the shadow series shall equal the Conversion Price and the following additional differences will apply:

- (i) shadow series shareholders will grant their vote on any matter that is submitted to a vote or for the consent of the stockholders of our company (except for on matters required by law) by irrevocable proxy; and
- (ii) shadow series shareholders will receive quarterly business updates from the company through the Platform but will have no additional information or inspection rights (except with respect to such rights which are required by law).

### **Corporate Transaction and Corporate Transaction Payment**

The Crowd Note defines "Corporate Transaction" as

- (i) the closing of the sale, transfer or other disposition of all or substantially all of our assets,
- (ii) the consummation of the merger or consolidation of our company with or into another entity (except a merger or consolidation in which the holders of capital stock of our company immediately prior to such merger or consolidation continue to hold at least 50% of the voting power of the capital stock of our company or the surviving or acquiring entity),
- (iii) the closing of the transfer (whether by merger, consolidation or otherwise), in one transaction or a series of related transactions, to a person or group of affiliated persons (other than an underwriter of our securities), of securities of our company if, after such closing, such person or group of affiliated persons would hold 50% or more of the outstanding voting stock of our company (or the surviving or acquiring entity), or
- (iv) the initial public offering, liquidation, dissolution or winding up of our company; provided, however, that a transaction shall not constitute a Corporate Transaction if its sole purpose is to change the state of our incorporation or to create a holding company that will be owned in substantially the same proportions by the persons who held our securities immediately prior to such transaction.

In the event of a Corporate Transaction (defined above), you will receive the higher value of (i) an amount equal to two times (2X) the price you paid for your Crowd Note (i.e., 2X your principal amount) or (ii) the number of shares of preferred stock of the Company calculated by (a) multiplying the price you paid for your Crowd Note by the total number of our shares of capital stock that are outstanding on a fully diluted basis (assuming for this purpose the exercise, exchange or conversion of all securities exercisable or exchangeable for, or convertible into, our capital stock), immediately prior to the closing of the Qualified Equity Financing, and (b) dividing the product of that calculation by the Valuation Cap.

If there are not enough funds to pay you and other Crowd Note investors in full, then proceeds from the respective transaction will be distributed with equal priority and pro rata among the Crowd Note investors in proportion to their Purchase Price.

#### **Termination of Crowd Note**

The Crowd Notes will terminate upon the earlier of (i) a conversion of the entire purchase price under the Crowd Notes into Conversion Shares; or (ii) the payment of amounts due to the investor pursuant to a Corporate Transaction.

#### **No Voting Rights, No Shareholders Agreement and No Anti-Dilution Rights**

The Crowd Notes do not have any voting rights. Further, upon conversion of the Crowd Notes into Conversion Shares, shadow series shareholders shall grant their vote on any matter that is submitted to a vote or for the consent of the members of the Company (except for on matters required by law) by irrevocable proxy.

The Company does not have any shareholder/equity holder agreements in place.

The Securities do not have anti-dilution rights.

#### **Restrictions on Transfer**

Any Securities sold pursuant to Regulation CF being offered may not be transferred by any Purchaser of such Securities during the one-year holding period beginning when the Securities were issued, unless such Securities are transferred: i) to the Company, ii) to an accredited investor, as defined by Rule 501(d) of Regulation D promulgated under the Securities Act, iii) as part of an IPO or iv) to a member of the family of the Investor 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 Investor or the equivalent, or in connection with the death or divorce of the Investor or other similar circumstances. "Member of the family" as used herein means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse or spousal equivalent, sibling, mother / father / daughter / son / sister / brother-in-law, and includes adoptive relationships. Remember that although you may legally be able to transfer the Securities, you may not be able to find another party willing to purchase them.

In addition to the foregoing restrictions, prior to making any transfer of the Securities or any Securities into which they are convertible, such transferring Purchaser must either make such transfer pursuant to an effective registration statement filed with the SEC or provide the Company with an opinion of counsel stating that a registration statement is not necessary to effect such transfer.

#### **Additional Transfer Restrictions**

The Purchaser may not transfer the Securities or any Securities into which they are convertible to any of the Company's competitors, as determined by the Company in good faith.

#### **IPO Lock Up**

Upon the event of an IPO, the capital stock into which the Securities are converted will be subject to a lock-up period and may not be sold for up to 180 days following such IPO.

#### **Other Material Terms**

The Company does not have the right to repurchase the Securities.

### **TAX MATTERS**

**EACH PROSPECTIVE INVESTOR SHOULD CONSULT WITH HIS OR HER OWN TAX AND ERISA ADVISOR AS TO THE PARTICULAR CONSEQUENCES TO THE INVESTOR OF THE PURCHASE, OWNERSHIP AND SALE OF THE INVESTOR'S SECURITIES, AS WELL AS POSSIBLE CHANGES IN THE TAX LAWS.**

**TO ENSURE COMPLIANCE WITH THE REQUIREMENTS IMPOSED BY THE INTERNAL REVENUE SERVICE, WE INFORM YOU THAT ANY TAX STATEMENT IN THIS FORM C CONCERNING UNITED STATES FEDERAL TAXES IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING ANY TAX-RELATED PENALTIES UNDER THE UNITED STATES INTERNAL REVENUE CODE. ANY TAX STATEMENT HEREIN CONCERNING UNITED STATES FEDERAL TAXES WAS WRITTEN IN CONNECTION WITH THE MARKETING OR PROMOTION OF THE TRANSACTIONS OR MATTERS TO WHICH THE STATEMENT RELATES. EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.**

Potential Investors who are not United States residents are urged to consult their tax advisors regarding the United States federal income tax implications of any investment in the Company, as well as the taxation of such investment by their country of residence. Furthermore, it should be anticipated that distributions from the Company to such foreign investors may be subject to UNITED STATES withholding tax.

**EACH POTENTIAL INVESTOR SHOULD CONSULT HIS OR HER OWN TAX ADVISOR CONCERNING THE POSSIBLE IMPACT OF STATE TAXES.**

## **TRANSACTIONS WITH RELATED PERSONS AND CONFLICTS OF INTEREST**

### **Related Person Transactions**

From time to time the Company may engage in transactions with related persons. Related persons are defined as any director or officer of the Company; any person who is the beneficial owner of 10 percent or more of the Company's outstanding voting equity securities, calculated on the basis of voting power; any promoter of the Company; any immediate family member of any of the foregoing persons or an entity controlled by any such person or persons.

The Company has conducted the following transactions with related persons, which may give rise to a conflict of interest with the Company, its operations and its securityholders:

<b>Related Person/Entity</b>	HiFunda LLC
<b>Relationship to the Company</b>	Company solely controlled by President, Balakrishnan Nair
<b>Total amount of money involved</b>	\$52,746
<b>Benefits or compensation received by related person</b>	1,068,192 shares of Common Stock 21,332 shares of Series 1 Preferred Stock
<b>Benefits or compensation received by Company</b>	Cash and assignment of Intellectual Property pursuant to the Intellectual Property Assignment Agreement dated as of December 15, 2009.
<b>Description of the transaction</b>	HiFunda LLC owns shares of Common Stock and Series 1 Preferred Stock of the Company, and holds a convertible note

## **OTHER INFORMATION**

### **Bad Actor Disclosure**

The Company is not subject to any Bad Actor Disqualifications under any relevant U.S. securities laws.

[SIGNATURE PAGE FOLLOWS]

## SIGNATURE

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

/s/Balakrishnan Nair

(Signature)

Balakrishnan Nair

(Name)

President and CTO

(Title)

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

/s/Balakrishnan Nair

(Signature)

Balakrishnan Nair

(Name)

President and CTO

(Title)

12/23/2020

(Date)

I, Balakrishnan Nair, being the founder of Oscilla Power, Inc., a Corporation (the “Company”), hereby certify as of this that:

(i) the accompanying reviewed financial statements of the Company, which comprise the balance sheets as of December 31, 2019 and 2018 and the related statements of income (deficit), stockholder’s equity and cash flows for the years ended December 31, 2019 and 2018, and the related notes to said financial statements (collectively, the “Financial Statement”), are true and complete in all material respects; and

(ii) the tax return information of the Company included herein reflects accurately the information reported on the tax return of the Company filed for the year ended December 31, 2019.

/s/Balakrishnan Nair

(Signature)

Balakrishnan Nair

(Name)

President and CTO

(Title)

12/23/2020

(Date)



## **EXHIBITS**

Exhibit A	Financial Statements
Exhibit B	Company Summary
Exhibit C	Subscription Agreement
Exhibit D	Crowd Note
Exhibit E	Pitch Deck
Exhibit F	Video Transcript

## **EXHIBIT A**

### *Financial Statements*

**OSCILLA POWER, INC.**

Reviewed Financial Statements For The Years Ended December 31, 2019 and 2018



## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To Management  
Oscilla Power, Inc  
Seattle, WA

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

### Management's Responsibility for the Financial Statements

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

### Accountant's Conclusion

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

### Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note B, certain conditions raise an uncertainty about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note B. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our conclusion is not modified with respect to this matter.

Jason M. Tyra, CPA, PLLC  
Dallas, TX  
June 5, 2020

**OSCILLA POWER, INC**  
**BALANCE SHEET**  
**DECEMBER 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>		
<b>CURRENT ASSETS</b>		
Cash	\$ 145,279	\$ 290
Accounts Receivable	85,167	229,194
Related Party Accounts Receivable	-	199,647
TOTAL CURRENT ASSETS	<u>230,445</u>	<u>429,131</u>
<b>NON-CURRENT ASSETS</b>		
Fixed Assets	76,934	75,018
Accumulated Depreciation	(70,557)	(70,640)
Intangible Assets	194,144	54,303
Amortization	(37,239)	(21,888)
Security Deposits	-	21,077
Investment in Subsidiaries	2,921	1,401
TOTAL NON-CURRENT ASSETS	<u>166,203</u>	<u>59,271</u>
TOTAL ASSETS	<u><u>396,648</u></u>	<u><u>488,402</u></u>

**OSCILLA POWER, INC**  
**BALANCE SHEET**  
**DECEMBER 31, 2019 AND 2018**

	<u><b>2019</b></u>	<u><b>2018</b></u>
<b><u>LIABILITIES AND SHAREHOLDERS' EQUITY</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	514,106	439,048
Accrued Salary Payable	316,323	360,323
Line of Credit	-	32,100
Accrued Tax Payable	758	-
TOTAL CURRENT LIABILITIES	<u>831,186</u>	<u>831,472</u>
<b>NON-CURRENT LIABILITIES</b>		
Convertible Loans	539,980	539,980
Accrued Interest	131,914	87,648
TOTAL LIABILITIES	<u>1,503,080</u>	<u>1,459,100</u>
<b>SHAREHOLDERS' EQUITY</b>		
Common Stock (15,000,000 shares authorized; 2,315,155 issued; \$0.0001 par value)	232	232
Preferred Stock (6,904,805 shares authorized; 4,886,080 issued; \$0.0001 par value)	489	489
Dividends Paid	(235,550)	(235,550)
Additional Paid in Capital	4,944,849	4,994,100
Retained Earnings (Deficit)	(5,816,861)	(5,730,376)
TOTAL SHAREHOLDERS' EQUITY	<u>(1,106,841)</u>	<u>(971,106)</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 396,240</u>	<u>\$ 487,993</u>

**OSCILLA POWER, INC**  
**INCOME STATEMENT**  
**FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<u><b>2019</b></u>	<u><b>2018</b></u>
<b>Operating Income</b>		
Sales	\$ -	\$ -
Cost of Goods Sold	-	-
<b>Gross Profit</b>	<hr/> -	<hr/> -
<b>Operating Expense</b>		
Contractor Services	1,156,097	758,265
Salary & Benefits	606,930	569,700
Research & Development	447,020	129,512
General & Administrative	125,362	138,528
Legal & Professional	100,514	68,465
Rent	58,589	59,588
Amortization	12,645	2,659
Depreciation	3,045	3,855
Advertisement	2,203	-
	<hr/> 2,512,405	<hr/> 1,730,572
<b>Net Loss from Operations</b>	(2,512,405)	(1,730,572)
<b>Other Income (Expense)</b>		
Other Income	1,754,960	1,168,708
Vendor Cost Share	769,498	178,590
Interest Income	480	-
Interest Expense	(51,388)	(40,009)
Payroll Taxes Payable	(47,631)	(21,352)
<b>Net Loss</b>	<hr/> <u>\$ (86,485)</u>	<hr/> <u>\$ (444,635)</u>

**OSCILLA POWER, INC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

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**Cash Flows From Operating Activities**

Net Income (Loss) For The Period	\$ (86,485)	\$ (444,635)
Change in Accounts Payable	75,057	221,531
Change in Accounts Receivable	144,318	(87,985)
Change in Employee Receivable	-	(9)
Change in Accrued Salaries Payable	(44,000)	264,758
Change in Security Deposits	21,077	(6,696)
Change in Related Party Accounts Receivable	199,357	-
Change in Accrued Tax Payable	758	-
Depreciation	3,045	3,855
Amortization	12,645	2,659

**Net Cash Flows From Operating Activities**

325,772 (46,522)

**Cash Flows From Investing Activities**

Purchase of Fixed Assets	(1,916)	-
Purchase of Intellectual Property	(139,841)	(40,455)
Investment in Subsidiary	(1,520)	(1,401)

**Net Cash Flows From Investing Activities**

(143,277) (41,856)

**Cash Flows From Financing Activities**

Payment toward Related Party Loan	-	(5,420)
Draw on Line of Credit	(32,100)	32,100
Accrued Interest Convertible Notes	44,265	37,335
Non-Cash Prior Period Adjustment	(49,671)	-

**Net Cash Flows From Financing Activities**

(37,506) 64,015

**Cash at Beginning of Period**

290 24,653

**Net Increase (Decrease) In Cash**

144,989 (24,363)

**Cash at End of Period**

\$ 145,279 \$ 290



**OSCILLA POWER, INC**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	Common Stock		Preferred Stock		Additional Paid	Retained Earnings	Total Stockholders'
	Number	Amount	Number	Amount	in Capital	Net of Dividend	Equity
Balance at December 31, 2017	2,315,155	\$ 232	4,886,080	\$ 489	\$ 4,994,100	\$ (5,521,291)	\$ (526,471)
Issuance of Stock				-	-		-
Net Income						(444,635)	(444,635)
Balance at December 31, 2018	2,315,155	\$ 232	4,886,080	\$ 489	\$ 4,994,100	\$ (5,965,926)	\$ (971,106)
Issuance of Stock							-
Adjustment to Additional Paid in Capital					(49,251)		(49,251)
Net Income						(86,485)	(86,485)
Balance at December 31, 2019	2,315,155	\$ 232	4,886,080	\$ 489	\$ 4,944,849	\$ (6,052,412)	\$ (1,106,841)

OSCILLA POWER, INC.  
NOTES TO FINANCIAL STATEMENTS (REVIEWED)  
DECEMBER 31, 2019 AND 2018

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NOTE A- ORGANIZATION AND NATURE OF ACTIVITIES

Oscilla Power, Inc. ("the Company") is a corporation organized under the laws of Washington. The Company operates as the leading researcher in the development of ocean wave technology. Upon successful of completion of current research and development, the Company wishes to operate as a manufacturer in this energy market.

NOTE B- GOING CONCERN MATTERS

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operation for the foreseeable future. However, management has identified the following conditions and events that created an uncertainty about the ability of the Company to continue as a going concern. The company is currently operating under and research and development phase and has sustained a net operating losses of \$86,485 and \$444,635 in 2019 and 2018 respectively.

The following describes management's plans that are intended to mitigate the conditions and events that raise substantial doubt about the Company's ability to continue as a going concern. The Company plans to raise additional funds to continue operations through a Reg CF raise. The Company's ability to meet its obligations as they become due is dependent upon the success of management's plans, as described above.

These conditions and events create an uncertainty about the ability of the Company to continue as a going concern through June 5, 2021 (one year after the date that the financial statements are available to be issued). The financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

NOTE C- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Significant Risks and Uncertainties

The Company is subject to customary risks and uncertainties associated with development of new technology including, but not limited to, the need for protection of proprietary technology, dependence on key personnel, costs of services provided by third parties, the need to obtain additional financing, and limited operating history.

The Company currently has no developed products for commercialization and there can be no assurance that the Company's research and development will be successfully commercialized. Developing and commercializing a product requires significant capital, and based on the current operating plan, the Company expects to continue to incur operating losses as well as cash outflows from operations in the near term.

OSCILLA POWER, INC.  
NOTES TO FINANCIAL STATEMENTS (REVIEWED) (CONTINUED)

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Use of Estimates

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

Cash and Cash Equivalents

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

Other Income

This income is comprised of grants the company has with the state of Washington. The income the company earns from the agreements it has in place are dependent on certain performance expectations. When these expectations, as outlined in the agreements, are met the client then recognizes the revenue.

Vendor Cost Share

In 2019 & 2018, the company received \$769,498 and \$178,590 respectively in contributions towards their cost sharing obligations for ongoing United States Department of Energy (US DOE) contracts from various vendors and the State of Washington. The company has three agreements currently in place with US DOE, the latest of which will expire in May 2022. These agreements are stage-gated and the company will have to meet various technical milestones and fund-raising milestones to meet cost sharing obligations in order to continue to receive funding. Per these agreements, eighty cents on every dollar the company spends on approved contracts, per the agreements, are reimbursed and recognized by US DOE.

Interest Income

The company earns interest income from cash amounts that are held in its bank account. \$480 was earned in 2019.

Fixed Assets

The Company capitalizes assets with an expected useful life of one year or more, and an original purchase price of \$1,000 or more. Depreciation is calculated on a straight-line basis over management's estimate of each asset's useful life.

Intangible Assets

Intangible assets are stated at their historical cost and amortized on a straight-line basis over their expected useful lives, which usually varies from 3 to 10 years and up to 20 years for patents. An adjustment is made for any impairment. Intangible items acquired must be recognized as assets separately from goodwill if they meet the definition of an asset, are either separable or arise from contractual or other legal rights, and their fair value can be measured reliably. The Intangible asset recorded on the books is comprised of patents the company holds.

OSCILLA POWER, INC.  
NOTES TO FINANCIAL STATEMENTS (REVIEWED) (CONTINUED)

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Rent

The Company currently occupies office space under a non-cancellable operating lease. The lease expires in November 2020 and may be renewed at the option of the Company at the then-current market rate. Future minimum payments due are as follows:

2020- \$3,854

Advertising

The Company records advertising expenses in the year incurred.

Line of Credit

The company has a revolving line of credit with a financial institution where they can borrow up to \$33,000 at the current interest rate determined by the institution.

Related Party Accounts Receivable

In previous years, the company had an account receivable between a subsidiary entity. No interest accrued on the balance and the account was later closed when the entity was dissolved by the parent Oscilla Power, Inc (“the Company”).

Income Taxes

The Company applies ASC 740 Income Taxes (“ASC 740”). Deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial statement reported amounts at each period end, based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized. The provision for income taxes represents the tax expense for the period, if any and the change during the period in deferred tax assets and liabilities. ASC 740 also provides criteria for the recognition, measurement, presentation and disclosure of uncertain tax positions. A tax benefit from an uncertain position is recognized only if it is “more likely than not” that the position is sustainable upon examination by the relevant taxing authority based on its technical merit.

The Company is subject to tax filing requirements as a corporation in the federal jurisdiction of the United States. The Company sustained net operating losses during fiscal years 2019 and 2018. Net operating losses will be carried forward to reduce taxable income in future years. Due to management’s uncertainty as to the timing and valuation of any benefits associated with the net operating loss carryforwards, the Company has elected to recognize an allowance to account for them in the financial statements, but has fully reserved it. Under current law, net operating losses may be carried forward indefinitely.

The Company is subject to franchise tax filing requirements in the State of Washington.

OSCILLA POWER, INC.  
NOTES TO FINANCIAL STATEMENTS (REVIEWED) (CONTINUED)

Recently Adopted Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board, or FASB, or other standard setting bodies and adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

In November 2015, the FASB issued ASU (Accounting Standards Update) 2015-17, *Balance Sheet Classification of Deferred Taxes*, or ASU 2015-17. The guidance requires that all deferred tax assets and liabilities, along with any related valuation allowance, be classified as noncurrent on the balance sheet. For all entities other than public business entities, the guidance becomes effective for financial statements issued for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted for all entities as of the beginning of an interim or annual reporting period. The adoption of ASU 2015-17 had no material impact on the Company's financial statements and related disclosures.

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230), Restricted Cash*, or ASU 2016-18. The amendments of ASU 2016-18 were issued to address the diversity in classification and presentation of changes in restricted cash and restricted cash equivalents on the statement of cash flows which is currently not addressed under Topic 230. ASU 2016-18 would require an entity to include amounts generally described as restricted cash and restricted cash equivalents with cash and cash equivalents when reconciling the beginning of period and end of period total amounts on the statement of cash flows. This guidance is effective for annual reporting periods, and interim periods within those years, beginning after December 15, 2018 for non-public entities. Early adoption is permitted, and the standard must be applied retrospectively. The adoption of ASU 2016-18 had no material impact on the Company's financial statements and related disclosures.

In May 2014, the FASB issued ASU, 2014-09—*Revenue from Contracts with Customers (Topic 606)*, or ASU 2014-09, and further updated through ASU 2016-12, or ASU 2016-12, which amends the existing accounting standards for revenue recognition. ASU 2014-09 is based on principles that govern the recognition of revenue at an amount to which an entity expects to be entitled to when products are transferred to customers. This guidance is effective for annual reporting periods, and interim periods within those years, beginning December 15, 2018 for non-public entities. The new revenue standard may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of adoption. The adoption of ASU 2014-09 had no material impact on the Company's financial statements and related disclosures.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, or ASU 2016-02, which supersedes the guidance in ASC 840, *Leases*. The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. This guidance is effective for annual reporting periods beginning after December 15, 2019 for non-public entities. The adoption of ASU 2016-02 had no material impact on the Company's financial statements and related disclosures.

OSCILLA POWER, INC.  
NOTES TO FINANCIAL STATEMENTS (REVIEWED) (CONTINUED)

In March 2016, the FASB issued ASU 2016-09, *Improvements to Employee Share-based Payment Accounting*, or ASU 2016-09. ASU 2016-09 simplifies several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. Some of the areas of simplification apply only to non-public companies. This guidance was effective on December 31, 2016 for public entities. For entities other than public business entities, the amendments are effective for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted for an entity in any interim or annual period for which financial statements have not been issued or made available for issuance. An entity that elects early adoption must adopt all amendments in the same period. The adoption of ASU 2016-09 had no material impact on the Company's financial statements and related disclosures.

In May 2017, the FASB issued ASU 2017-09, *Compensation—Stock Compensation (Topic 718): Scope of Modification Accounting*, or ASU 2017-09, which clarifies when to account for a change to the terms or conditions of a share-based payment award as a modification. Under the new guidance, modification accounting is required only if the fair value, the vesting conditions, or the classification of the award (as equity or liability) changes as a result of the change in terms or conditions. This guidance is effective for annual reporting periods, and interim periods within those years, beginning after December 15, 2017, for both public entities and non-public entities. Early adoption is permitted. The adoption of ASU 2017-09 had no material impact on the Company's financial statements and related disclosures.

#### NOTE D- DEBT

In 2019 and in previous years, the company issued a series of convertible notes payable in exchange for cash for the purpose of funding continuing operations ("the Convertible Notes"). The notes accrue interest at the rate of 7% per annum. In 2020 management amended the maturity date of convertible notes occur on the second anniversary date of successful qualifying equity raise as outlined in the agreement. During 2019 and 2018, the Company capitalized approximately \$131,914 and \$87,648 in interest related to the Notes respectively. These Notes convert at a ratio of 1:1 common stock and carry a discount factor of 75%. The notes and all accrued unpaid interest will automatically convert upon a qualified equity raise equaling \$1,000,000 in proceeds. All holders have the option to convert the principal amount in addition to any unpaid accrued according to the convertible note agreements.

#### NOTE E- FAIR VALUE MEASUREMENTS

Fair value is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants based on the highest and best use of the asset or liability. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. The Company uses valuation techniques to measure fair value that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

*Level 1* - Observable inputs, such as quoted prices for identical assets or liabilities in active markets;  
*Level 2* - Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly, such as quoted prices for similar assets or liabilities, or market-corroborated inputs; and  
*Level 3* - Unobservable inputs for which there is little or no market data which require the reporting entity to develop its own assumptions about how market participants would price the assets or liabilities.

OSCILLA POWER, INC.  
NOTES TO FINANCIAL STATEMENTS (REVIEWED) (CONTINUED)

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The valuation techniques that may be used to measure fair value are as follows:

*Market approach* - Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

*Income approach* - Uses valuation techniques to convert future amounts to a single present amount based on current market expectations about those future amounts, including present value techniques, option-pricing models, and excess earnings method.

*Cost approach* - Based on the amount that currently would be required to replace the service capacity of an asset (replacement cost).

#### NOTE F- EQUITY

Under the Company's original articles of incorporation in effect through September of 2018, the Company authorized 10,000,000 shares of \$0.0001 par value Common Stock and 5,000,000 shares of \$0.001 par value Preferred Stock. In December of 2013, the Company amended and restated its articles of incorporation to authorize 15,000,000 shares of \$0.001 par value common stock and 6,904,805 shares of preferred stock.

The Company currently has two classes of equity outstanding.

**Common Stock:** Common shareholders have the right to vote on certain items of Company business at the rate of one vote per share of stock. Common Stock ranks behind all issues of preferred stock in liquidation preference.

**Preferred Stock:** All classes of Preferred Stock are convertible into Common Stock at the holder's election at a dilution protected 1:1 rate.

As of December 31, 2019, the number of shares issued and outstanding by class was as follows:

Preferred Stock	4,886,080
Common Stock	2,315,155

Dividends were paid in connection with a wholly owned entity of the Company that was dissolved in 2017.

#### Prior Period Adjustment to Additional Paid in Capital

A correcting entry was made to record expenses that were unaccounted for in a prior period.

#### NOTE G- CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and cash equivalents with a limited number of high-quality financial institutions and at times may exceed the amount of insurance provided on such deposits.

OSCILLA POWER, INC.  
NOTES TO FINANCIAL STATEMENTS (REVIEWED) (CONTINUED)

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NOTE H- SUBSEQUENT EVENTS

Management considered events subsequent to the end of the period but before June 5, 2020, the date that the financial statements were available to be issued.



## **EXHIBIT B**

### *Company Summary*



**Company:** Oscilla Power

**Market:** Renewable energy

**Product:** The Triton, a wave energy converter

### Company Highlights

- Earned commitments for more than \$16 million in grant funding for its novel wave energy conversion technology, with funding allocated based on matching private funding and product milestones
- Holds 16 granted patents related to technology and product design
- Designing a community-scale wave energy system (Triton-C) system for deployment in Q1 2021 at the Kaneohe Marine Corps base in Hawaii
- Earned grant funding from the National Science Foundation, the National Oceanic and Atmospheric Administration, the Washington State Department of Commerce, and the U.S. Department of Energy

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### EXECUTIVE SNAPSHOT

Seattle-based Oscilla Power is developing energy conversion equipment to harness the power of ocean waves. The Triton, the company's flagship wave energy converter, has undergone years of concept development, product validation, and laboratory and small-scale ocean trials to test its viability. The company holds 16 granted patents related to wave energy converter technology and product design of its wave energy system.

Oscilla Power closed a crowdfunding round with MicroVentures in November 2020 totaling \$395,495. The company is opening another round aiming to raise a maximum amount of \$139,505 to complete a major milestone, namely completion of construction of its first commercial-scale product –Triton C system which is targeted for deployment in Hawaii in Q1 2021.

A few of Oscilla Power's notable highlights since its inception in 2009 include the following:

- Earned \$16 Million in non-dilutive grant funding, including a \$1.1 million grant from the Department of Energy in August 2020.
- Awarded grant funding from prominent U.S. agencies including
  - The U.S. Department of Energy
  - The National Oceanic and Atmospheric Administration
  - The National Science Foundation
  - The Washington State Department of Commerce



## PERKS

*You are investing in a Crowd Note in this Offering. Perks are meant to be a thank you from the company for investing.* The perks below, subject to Regulation CF investment limits, are inclusive of lower dollar amount perks. If you have invested in Oscilla Power's previous campaign with MicroVentures, you will receive perks based on your cumulative investment across both campaigns.

- \$250+** "I Invested in Wave Energy Technology" T-shirt with Oscilla Power logo and Triton device images printed on it
- \$500+** Oscilla Power thermal mug with design created by a local artist
- \$2,000+** Virtual meeting with Oscilla Power's management team
- \$10,000+** Name of the investor, or other individual or company of investor's choice, recognized on a plaque that will be installed on the Triton C prototype in a prominent location on the exterior of the wave energy device
- \$25,000+** Private tour of Oscilla Power's Triton-C after construction is complete – this would include a tour of the Oscilla Power facility in Seattle and a meet-and-greet with the team, followed by dinner at a local restaurant with the management team; airfare (domestic economy) and two nights' hotel stay included

## COMPANY SUMMARY

### Opportunity

Renewable energy is projected to be the fastest growing source of electricity generation, both in the U.S. and globally.<sup>i</sup> Renewable energy sources are gaining support from regulatory initiatives as well as from consumers, who are becoming increasingly aware of the environmental effects of their personal energy use.<sup>ii</sup> In a November 2019 Pew Research survey, 77% of Americans agreed that developing alternative energy sources should be a priority over increasing U.S. production of fossil fuels.<sup>iii</sup>

One such renewable energy source is ocean wave energy. Within the past decade, the cumulative energy produced from wave and tidal stream energy has increased from less than 5 Gigawatt hours (GWh) in 2009 to approximately 45 GWh in 2019.<sup>iv</sup> For reference, 1 GWh of power is equal to what is typically produced by more than three million solar panels.<sup>v</sup> In addition, the U.S. Energy Information Administration estimates that the theoretical annual energy potential of waves off the coasts of the U.S. is equal to nearly two-thirds of the electricity generated in the U.S. in 2019.<sup>vi</sup> Further, compared to other renewable energy sources, ocean wave energy is better matched with demand geographically, seasonally, and daily in many parts of the world. For example, in the United States, coastal counties are home to over 127 million people, or almost 40% of the nation's total population, even though they cover only 10% of the nation's land area.<sup>vii</sup> While solar energy is not available after sunset, ocean wave energy is available 24 hours a day. Despite the vast potential of ocean wave energy, it has largely remained an untapped resource.<sup>viii</sup>

Founded in 2009, Oscilla Power aims to be a market leader in the ocean wave energy market. Predicated on the company's patented technology, the Triton wave energy converter is designed to facilitate low electricity costs



and be competitive with other renewable sources, in part due to its excellent durability in the extremely challenging ocean environment. The company has recruited a team of Ph.D.'s and engineers with decades of clean-energy experience in the hopes of developing technology that bring its vision of affordable, ocean wave energy to communities across the world.

## Product

Oscilla Power's Triton product converts the energy from ocean waves into utility-scale electricity.

### *Why Ocean Energy?*

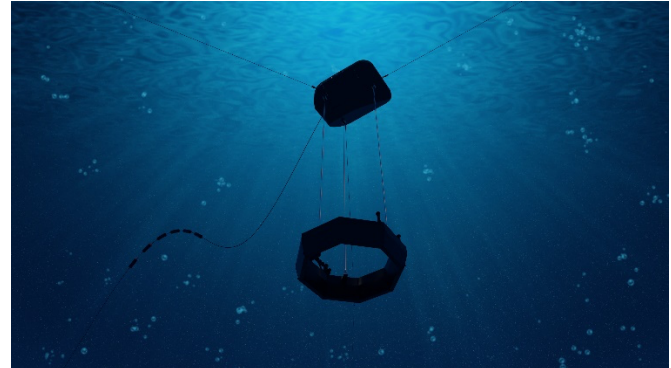
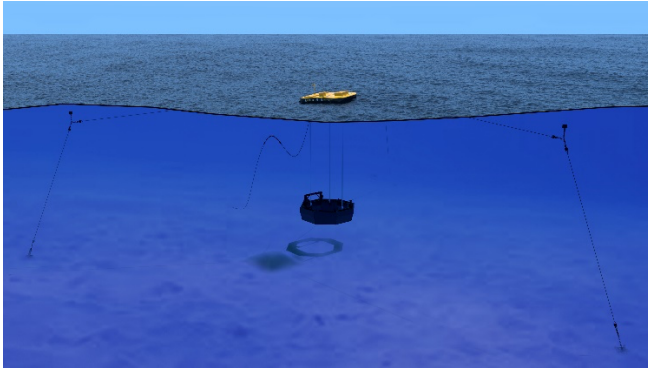
With water covering about 70% of the Earth's surface, ocean waves represent a large, untapped renewable energy source.<sup>ix</sup> In fact, wave energy has the potential to contribute 10% of the global electricity demand by 2050.<sup>x</sup> Wave energy can be an excellent complement to other renewables such as solar and wind, and help to add another clean, carbon-free energy source to renewable energy portfolios. One advantage of wave energy is that it is generally more predictable; it is easier to determine in advance when and how much energy can be generated from ocean waves than from other renewable sources such as wind and solar. Ocean waves originate far from shore, which helps wave propagation models offer more accurate supply predictions.

### *Triton*

Oscilla Power's flagship product is the Triton wave energy converter. The device consists of a large surface float connected by three tendons to a submerged ring-shaped reaction structure. As surface waves move the float, it reacts against the ring-shaped structure, causing movement of drivetrains located inside the float. The Triton uses three drivetrains, one per tendon, to generate power and deliver it to the power grid through a submarine cable.

For utility-scale energy production, Oscilla Power envisions connecting multiple Triton devices in arrays to produce large amounts of grid-scale power. The company is designing various-sized Tritons that have differing energy capabilities (e.g., 1MW, 100kW and micro-scale) for specific scale use cases.





Product rendering of the Triton C System

Oscilla Power believes there are four main benefits to its Triton product:



#### Multi-Mode Energy Capture

Triton's three-tendon architecture was engineered to capture energy from the ocean in all modes of motion (heave, pitch, surge, roll, and yaw), facilitating power production across a wide range of wave conditions. The ring-shaped geometry of the reaction structure works to amplify this effect and increase generated power.



#### High-Efficiency Energy Capture and Conversion

Oscilla Power has focused on engineering an optimized surface float geometry and a high-efficiency drivetrain for energy capture with high-power quality. The hydraulic decoupling of the prime mover (surface float) and generators helps Triton's drivetrain reduce power variability and maintain a more constant power output.



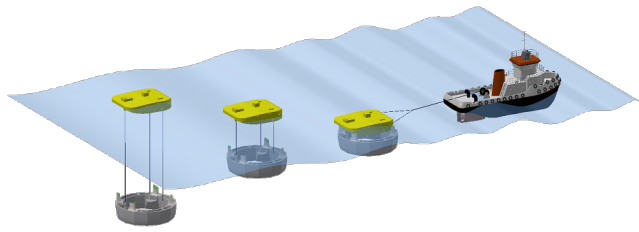
#### Low-Cost Tow and Drop Installation

Because the Triton uses flexible tendons to connect the float to the submerged ring, the system can be installed quickly with readily available marine vessels. These self-deployment functions remove the need for specialized vessels or heavy lift equipment.

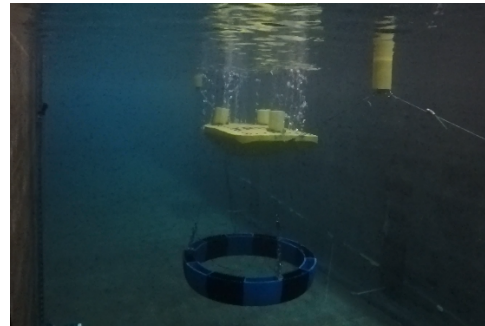


#### High Survivability and Reliability

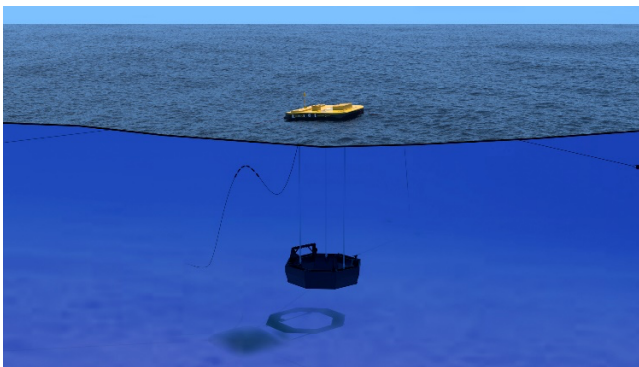
Triton has been engineered to withstand the most extreme wave conditions. The system employs a validated approach to automatically submerge just below the surface when experiencing extreme storms.



The Triton being deployed via a tug-boat



Sub-Scale Triton submerging under extreme wave conditions to reduce structural loads



### *Intellectual Property*

Oscilla Power has earned 16 granted patents related to wave energy conversion technology, wave energy system design, and its energy conversion process. The company will continue to invest in research and development and legal fees to further develop its intellectual property portfolio.

### **Use of Proceeds**

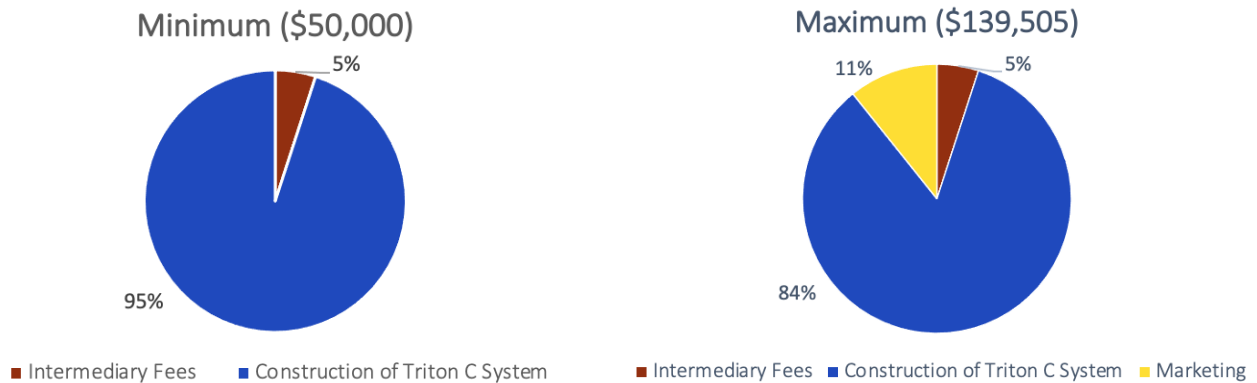
#### **Minimum Raised**

Oscilla Power aims to raise a minimum of \$50,000 in this crowdfunding offering. The company plans to allocate 5% of the funds to intermediary fees and the remaining 95% toward construction of the Triton-C System.

#### **Maximum Raised**

Oscilla Power aims to raise a maximum of \$139,505 in this crowdfunding offering. The company plans to allocate 5% toward intermediary fees, 11% toward advertising and marketing the campaign, and the remaining 84% toward construction of the Triton C-System.



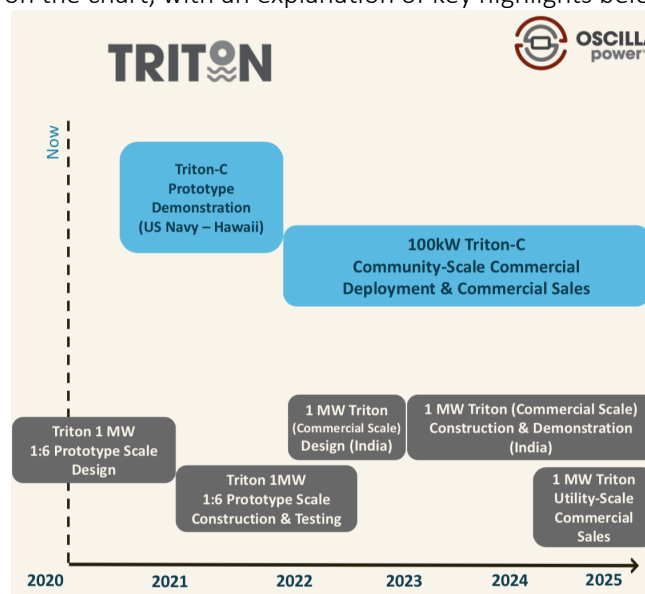


Construction of the Triton-C System	Campaign Marketing and Advertising
These funds will be specifically allocated toward the development of the 100kW Triton-C.	Campaign marketing funds will be used to hire and consult marketing professionals with the goal of maximizing the crowdfunding offering.

Intermediary Fees
Oscilla has earmarked a portion of funds from this raise toward intermediary fees from the campaign.

## Product Roadmap

Oscilla Power has a detailed five-year development, demo, and commercialization roadmap for its Triton product. Major milestones are shown on the chart, with an explanation of key highlights below.





- **2021:** Throughout 2021, Oscilla Power will continue to focus on demonstrating its Hawaii prototype, as well as on scaling prototype construction and testing for the 1MW Triton.
- **2022:** In 2022, the prototype demonstration in Hawaii is anticipated to conclude, and Oscilla Power hopes to initiate commercial deployment and commercial sales of its 100kW Triton product. Also, at this point, the company intends to start the engineering design for the 1MW Triton for projects in India, the next region it has targeted for rollout.
- **2023:** The company hopes to complete construction of a 1MW pre-commercial Triton for Indian projects and deploy the system as a revenue-generating, grid-connected project in India.
- **2024:** Oscilla Power aims to continue the Triton product demonstration throughout the year and start commercial sales of 1MW Triton systems to project developers.
- **2025:** The company plans to focus on the commercial sale of its 1MW Triton product throughout the year.

## Business Model

Oscilla Power intends to sell its Triton wave energy converter (“WEC”) power generation equipment to energy project developers such as Tradewind, EON, and Enel. Energy project developers aid in the development and management of energy production sources. These types of companies purchase energy equipment, plants, or other energy-generating sources and then operate the purchased assets and sell them to utility or commercial customers. Oscilla aims to sell its equipment at an average selling price of \$2.5 million per 1MW unit to these energy project developers.

## USER TRACTION

### *Grant Funding*

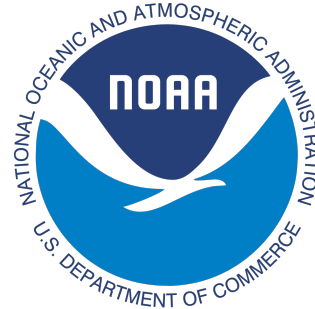
Oscilla Power has received commitments for over \$16 million in non-dilutive funding through federal grants to continue to develop and deploy its novel wave energy converter technology. The company has received this funding from leading organizations, including the National Science Foundation, National Oceanic and Atmospheric Administration, the Washington State Department of Commerce, and the U.S. Department of Energy. Most recently, in August 2020, the company was awarded \$1.1 million in a grant award from the Department of Energy. Funding from these agencies is dependent upon successful completion of development milestones, such as successfully deploying the community-scale Triton project in Hawaii.

Leading energy organizations that have funded Oscilla include:



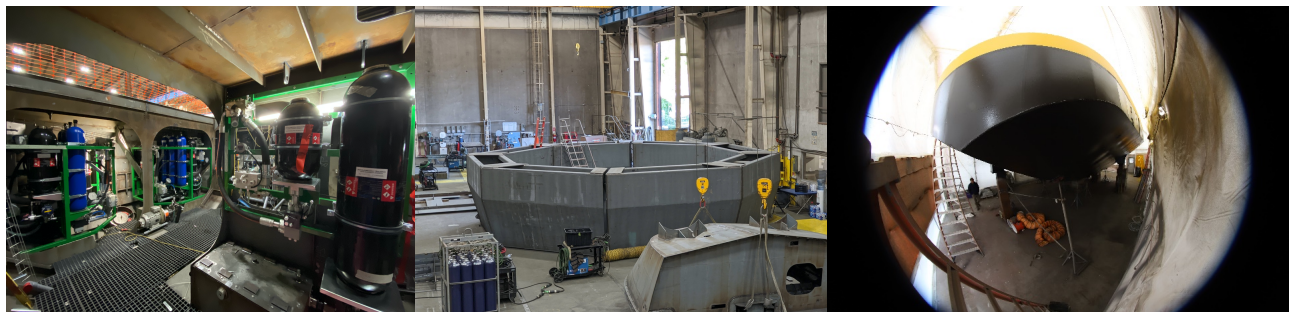
**Department of Commerce**





### *Deployment*

The upcoming community-scale deployment (100kW) at the Kaneohe Marine Corps in Hawaii is Oscilla Power's largest project to date. All detailed engineering has been completed, and the wave energy converter float and drivetrain are currently in the construction phase. The company anticipates full system deployment in Q1 2021. Looking ahead, Oscilla Power hopes that this deployment will serve as a proof-of-concept product for other small communities along the U.S. Pacific Coast, Alaska, Hawaii, and remote islands. This project is funded by the U.S. Department of Energy.<sup>xi</sup>

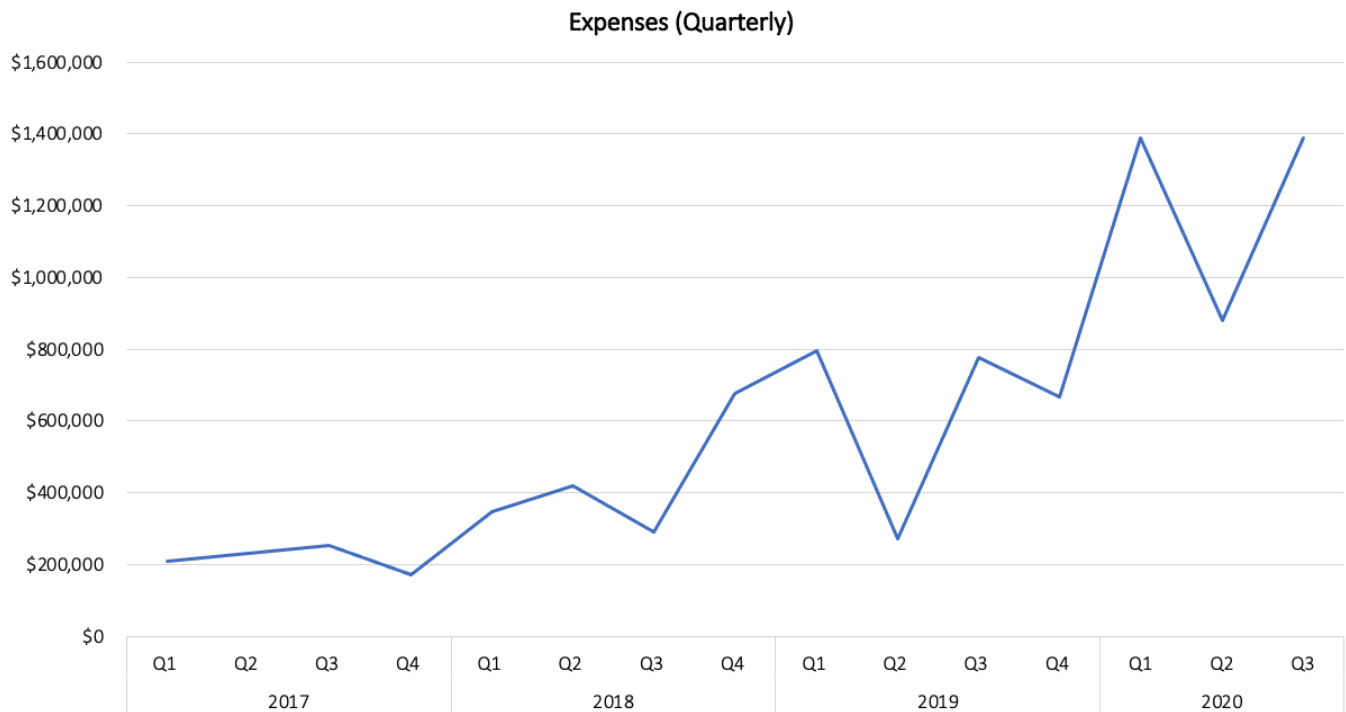


The community-scale Triton C being constructed for deployment at the Kaneohe Marine Corps in Hawaii

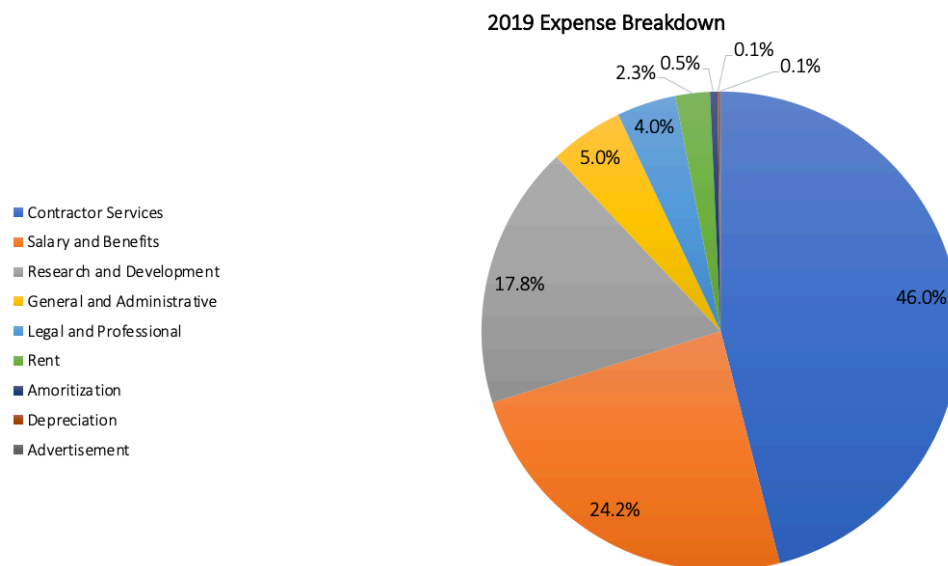
### **HISTORICAL FINANCIALS**

To date, Oscilla Power has only generated grant revenue and vendor cost reimbursements. These funds have been used to design, build, and test its technology in the ocean. Project partners, such as renewable energy organizations and government departments, are helping to support the advancement and commercialization of wave energy converters. Grant and project funding is generally delivered in tranches (portions of the funding at a time) based on project task completion, testing, and outside funding milestones.

In 2020 (through Q3), Oscilla Power has incurred about \$3.66 million in total expenses. Expenses have increased in 2020 as the company has increased spending on research and development in relation to its community-scale deployment in Hawaii. In 2019, the company experienced ~\$2.5 million in expenses, up from 2018 when the company incurred ~\$1.7 million in total expenses. In 2017, Oscilla Power had \$866,831 in expenses. The change in expenses over the last few years can be seen in the Expenses graph below.

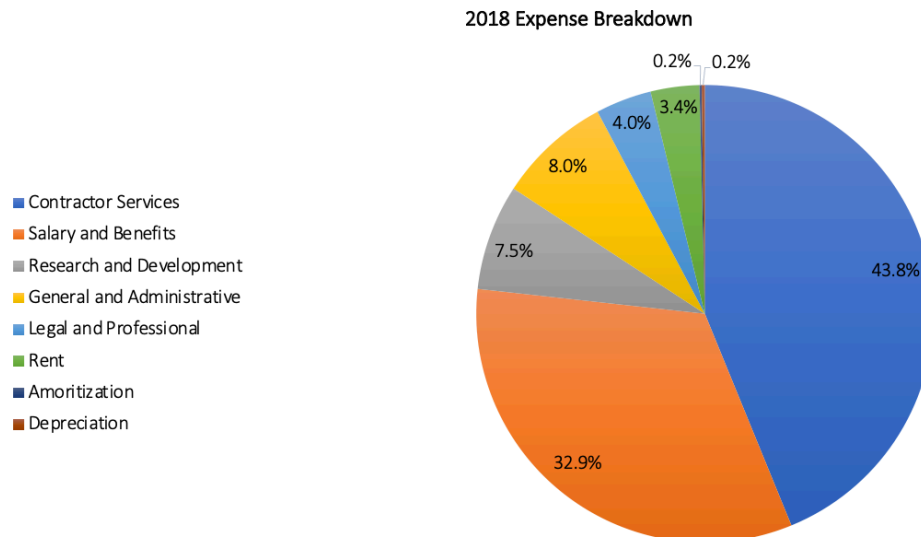


A breakdown of expenses in 2019 is as follows:



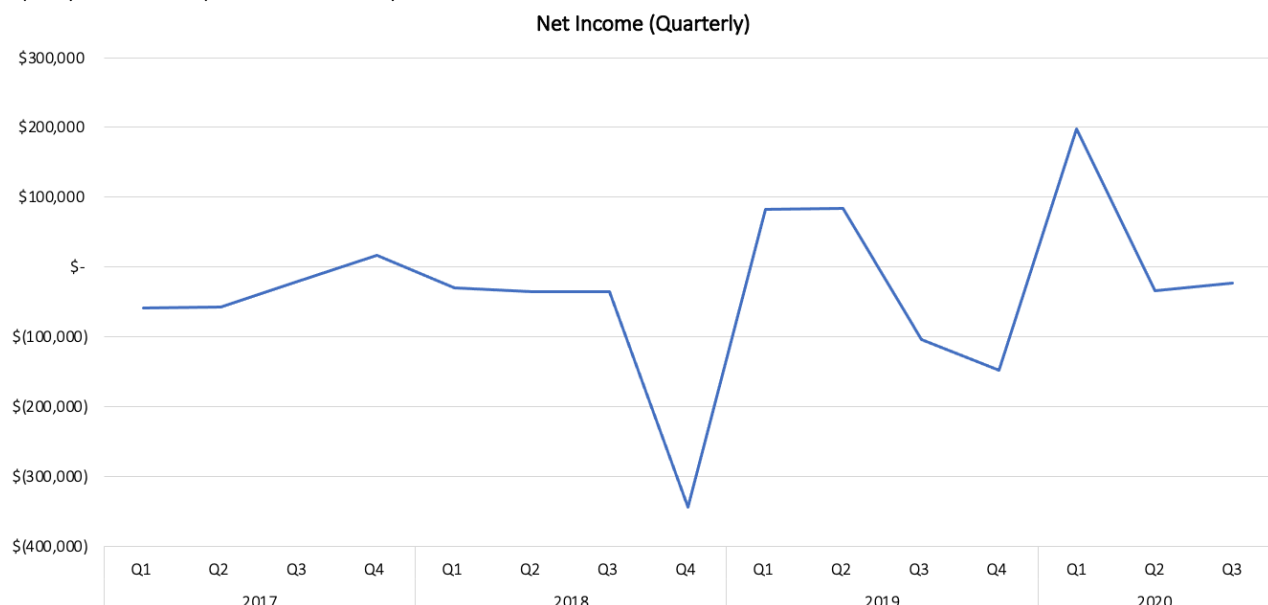


A breakdown of expenses in 2018 is as follows:



In 2020, Oscilla Power generated \$141,148 in net income through Q3 from grant income, cost reimbursements, and special projects. The graph below shows net income by quarter from Q1 2017 through Q3 2020. The net income spike in Q1 2020 can be attributed to increased revenue from cost reimbursements and decreased costs relating to outside services, which included the hiring of a key contractor as a full-time employee and shifting focus from design to construction of the Triton C.

As shown in the graph, net losses decreased in 2019, when the company incurred a net loss of \$86,485, compared to a net loss of \$444,635 in 2018. As of May 2020, the company had \$62,180 in cash assets, with the company cash flow positive for the year.

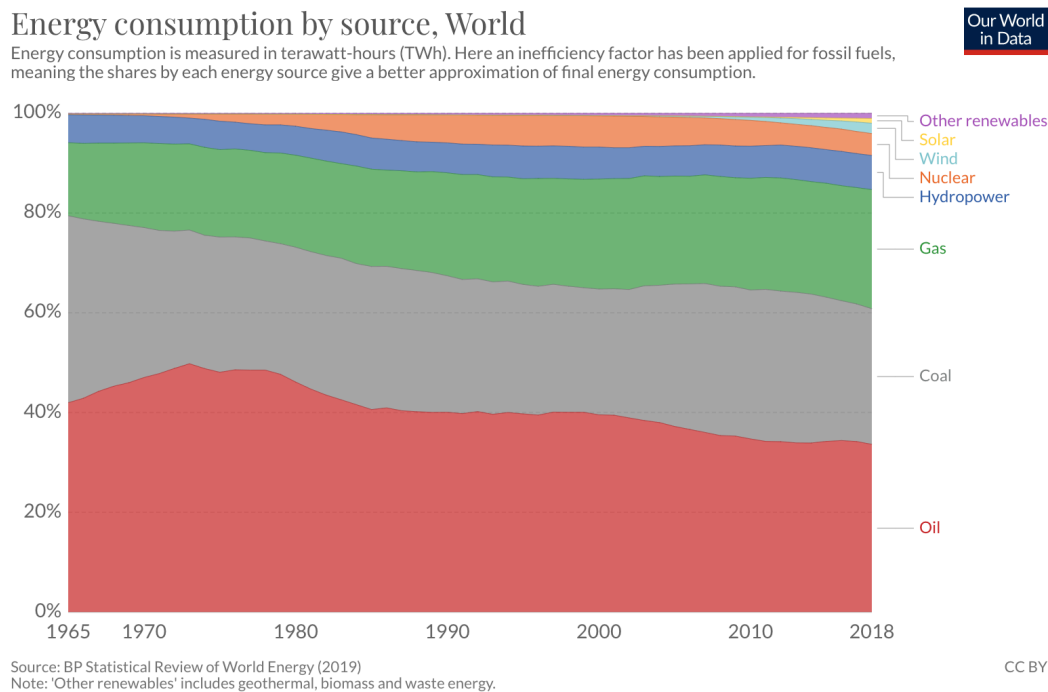




## INDUSTRY AND MARKET ANALYSIS

### Renewable Energy

According to the Secretary General of the United Nations, António Guterres, the world is currently “way off track” to meet the goal of keeping global average temperatures below 2 degrees Celsius above pre-industrial levels, which was set by the Paris Agreement.<sup>xii</sup> Despite changing energy consumption patterns throughout the world toward renewable sources, energy generation by fossil fuels such as coal, oil, and gas continue to dominate in terms of generation and consumption. At the end of 2018, the world consumed 84.7% of total energy from fossil fuels. Renewable energy sources accounted for 10.4% of total consumption.<sup>xiii</sup> The chart below shows the breakdown of energy consumption by source, from 1965 through 2018.



In 2019, the U.S. generated 720 billion kilowatt hours (kWh), or 17.5% of total electricity generation, from renewable energy sources, such as wind, biomass, solar, and hydropower.<sup>xiv</sup> Despite fossil fuel's dominance as the leading energy source with over 62% of total energy generation,<sup>xv</sup> renewable sources have experienced favorable demand from most market segments as overall consumer sentiment remained positive. Renewable energy consumption by residential and commercial customers increased 6% and 5%, respectively, while industrial consumption declined slightly by 3% through June 2019 compared to the previous year.<sup>xvi</sup>

Renewable energy sources are expected to experience increasing demand from the consumer sector along with favorable tax policy incentives for producers and investors in the industry. For example, renewables are gaining support as consumers become more conscious about the environmental effects of energy use.<sup>xvii</sup> According to a research study by Pew Research in November 2019, 77% of Americans agree that developing alternative energy sources such as wind, solar, and hydrogen power should be a priority over increasing U.S. production of fossil fuels.<sup>xviii</sup> Regulators also have put in place tax credits for producers and investors within the renewables sector.



The Producer Tax Credit (PTC) and Investor Tax Credit (ITC) allow for tax liability reduction for producers and investors, respectively. According to Abigail Hopper, president and CEO of the Solar Energy Industries Association (SEIA), these tax credits have generated hundreds of thousands of jobs and injected more than \$140 billion in private investment into the economy.<sup>xix</sup>

### *Wave and Tidal Energy*

Wave energy devices capture the kinetic and potential energy of ocean waves to generate electricity.<sup>xx</sup> In the effort to support decarbonization efforts, governments across the globe are showing interest and supporting wave energy by setting ocean energy producing goals to help limit global warming. Global tidal and wave energy require significant cost reductions before they can compete with other low-carbon technologies. For example, The European Strategic Energy Technology (SET) Plan aims to demonstrate deployment of ocean energy at commercial scale and to drive down costs, aiming for Levelized Cost of Energy (LCOE) targets of 0.1€/kWh and 0.15 €/kWh in 2030 for tidal stream and wave, respectively.<sup>xxi</sup> A standard device has yet to be designed to capture wave energy, unlike the well-known three-bladed wind turbine design, and it is expected that private companies will develop a number of geographically-specific devices for optimal wave energy capture in various areas around the world.<sup>xxii</sup>

The global wave and tidal energy market is projected to grow from \$4 billion in 2019 to \$21.65 billion by 2027, representing a compounded annual growth rate (CAGR) of 23.5%.<sup>xxiii</sup> Within this past decade, the cumulative energy produced from wave and tidal stream energy alone has increased from less than 5 GWh in 2009 to approximately 45 GWh in 2019.<sup>xxiv</sup> The main driver propelling the wave and tidal market will continue to be government support in the form of subsidies for wave and tidal projects. Although the technology in the market is relatively immature compared to solar and wind technology, and funding is limited, wave and tidal energy supply is reliable compared to other renewable sources, since its sources are predictable and consistent.<sup>xxv</sup>

### *Venture Financing*

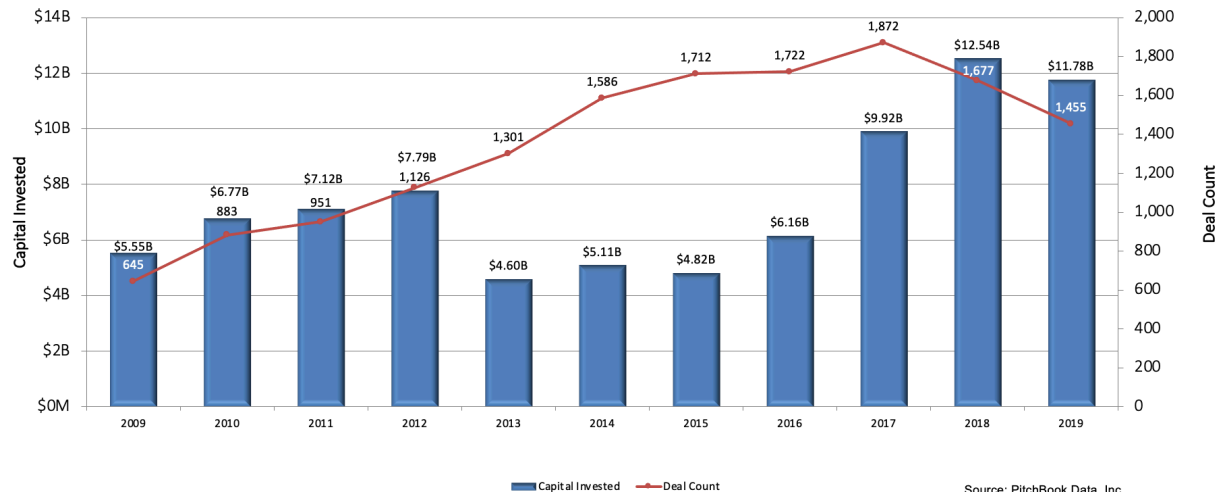
Venture capital financings in CleanTech companies from 2009 to 2019 has seen \$82 billion invested across 14,930 deals.<sup>xxvi</sup> The graph below shows the change in funding amounts and deal counts over these last 10 years. Additional highlights include:

- Deal count peaked in 2017 with 1,872 total deals.
- Capital invested peaked in 2018 with \$12.54 billion invested during the year, a 26% increase from 2017.
- In 2019, capital invested (\$11.78 billion) and deal count (1,455) both declined slightly year-over-year but remained well above the earlier part of the decade.

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Capital Invested and Deal Count in CleanTech Companies, 2009-2019



## COMPETITORS

**Carnegie Clean Energy (ASX: CCE):** Carnegie is pursuing wave energy solutions through its CETO technology. CETO leverages a submerged buoy that moves with the ocean's waves to convert motion in electricity. The first product deployed using Carnegie's technology is the CETO 6, which incorporates the company's intellectual property to reportedly boost power production and unit efficiency.<sup>xxvii</sup> Currently, the company is using its technology on the Garden Island Microgrid in Western Australia. Past projects have been completed throughout Australia and the U.K.<sup>xxviii</sup> In 2019, the company earned \$106,142 in sales revenue.<sup>xxix</sup>

**Wello:** Finland-based Wello is a developer of wave energy converters. The company's Penguin product uses the power of the ocean to create energy and directly convert that energy to the grid. The comprehensive Penguin product suite includes design, licensing, control software, and a knowledge base that site developers and offshore technology providers can purchase. The company reports two ongoing projects, with one taking place in Scotland and the other in Indonesia. Wello raised €1.71M in an equity crowdfunding round in May 2019.<sup>xxx</sup>

**CorPower Ocean:** Founded in 2009, CorPower Ocean uses point absorber type wave energy converters to capture the motion and energy of incoming waves. The company believes that it can capture waves more efficiently by connecting the wave energy converter buoys to the seabed with its tensioned mooring system. By doing this, the company hopes that its novel technology can be more structurally efficient.<sup>xxxi</sup> CorPower aims to bring its product to the commercial market between 2023 and 2024.<sup>xxxii</sup> Investors in the company include InnoEnergy, the Swedish Energy Agency, Wave Energy Scotland, Almi Invest, and others.<sup>xxxiii</sup>

**OceanEnergy:** OceanEnergy's mission is to harness the power of the ocean to deliver wave energy to provide utility scale power. The company has four products: the OE 12 Buoy, 35 Buoy, 50 Buoy, and Air Turbine. The Buoy products are wave energy converters that absorb energy from ocean waves to transform wave power into air power. The pressurized air then rotates a turbine to generate electricity. The company started a launch sequence with its 35 Buoy product at a site in Portland, Oregon.<sup>xxxiv</sup>



**CalWave:** Founded in 2012, CalWave has developed a patented wave energy converter to produce electricity and freshwater from the renewable power of the ocean waves. The company's product is submerged so it doesn't collide with boats or sea life, as well as providing enhanced survivability benefits from heavy storms. Additionally, CalWave's product uses a modular design, which the company hopes can scale for desired output power capacities more easily. To date, the company has earned awards from the Department of Energy and the Thiel Foundation Breakout Labs.<sup>xxxv</sup>

## EXECUTIVE TEAM



**Balky Nair, Ph.D., Co-Founder and President:** Dr. Balky Nair has been serving as president and CTO of Oscilla since he co-founded the company. Dr. Nair has over a decade of experience developing cleantech-related materials, devices, and systems.<sup>xxxvi</sup> He also serves as president for HiFunda LLC, which developed new technologies for the materials science, ceramics, multilayer devices, clean technologies, and catalysis markets. Prior to co-founding Oscilla, Dr. Nair was president and CEO of EmiSense, which generates emission sensors, before it was acquired by Coorstek in 2008. Dr. Nair holds an MBA from the University of Utah, a Ph.D. in Materials Science from the University of Wisconsin-Madison, and a Bachelor of Technology in Metallurgical Engineering from the Indian Institute of Technology in Mumbai, India.<sup>xxxvii</sup>



**Tim Mundon, Ph.D., Vice President of Engineering:** Dr. Tim Mundon joined Oscilla Power in 2013 and has 20 years of experience working within the marine renewables field, with a particular focus on wave energy.<sup>xxxviii</sup> He is responsible for the execution of research projects and technology development, which includes the development of the Triton wave energy converter (WEC). Dr. Mundon is also an Affiliate Assistant Professor at the University of Washington's Mechanical Engineering Department, where he provides guidance to graduate students and conducts research into marine renewable energy systems. Dr. Mundon holds a Ph.D. in Wave Energy from the University of Edinburgh and a Bachelor of Engineering in Electrical and Electronic Engineering from Cardiff University. He also holds a Chartered Engineer and a Chartered Marine Engineer certification from the Institute of Marine Engineering, Science, and Technology.<sup>xxxix</sup>

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**Rahul Shendure, Co-Founder and Board Chair:** Rahul Shendure co-founded Oscilla Power in 2009 and is currently serving as Board Chair for the company. While serving as Board Chair, Shendure also co-founded and previously served as CEO for Bellwether Bio, a cancer diagnostics technology company, which was acquired by Guardant Health (NASDAQ: GH) in 2019.<sup>xi</sup> Prior to co-founding Oscilla, Shendure was vice president of product marketing for Amyris (NASDAQ: AMRS), a synthetic biology company spun out of UC Berkley, where he was responsible for corporate strategy, product strategy, cost modeling, and government affairs. Shendure holds an MBA from Harvard Business School and a bachelor's of Science in Chemical Engineering from Massachusetts Institute of Technology (MIT).<sup>xli</sup>

## PAST FINANCING

Equity capital has gone toward research and development, product testing, and other general business-related functions. The non-dilutive grant funding has also gone toward Triton construction, prototyping, and development.

Round	Date	Amount	Security Type	Price Per Share	Interest Rate	Discount Rate	Valuation (Cap)
Reg CF	Nov-20	\$395,495	Crowd Note	N/A	N/A	20%	\$13M
Bridge Round	2016-2017	\$540k	Convertible Note	N/A	8%	25%	\$12.5M
Series 3B	Aug-15	\$405k	Series 3B Preferred Stock	\$1.70	N/A	N/A	\$12.4M
Series 3	Dec 13-Dec 14	\$935K	Series 3 Preferred Stock	\$1.01	N/A	N/A	\$6.8M
Series 2	Mar-13	\$750K	Series 2 Preferred Stock	\$0.86	N/A	N/A	\$3.9M
Series 1	Oct-11	\$565K	Series 1 Preferred Stock	\$1.37	N/A	N/A	\$5M

*\*\*Note that the above chart does not include Oscilla Power's non-dilutive, grant funding\*\**

## INVESTMENT TERMS

**Security Type:** Crowd Note

**Round Size:** Min: \$50,000 Max: \$139,505

**Discount Rate:** 20%

**Valuation Cap:** \$13 million

**Conversion Provisions:** In connection with equity financing of at least \$1 million, the Company has the option to convert the Crowd Note into non-voting preferred stock (Conversion Shares) at a price based on the lower of (A) a 20% discount to the price per share for Preferred Stock by investors in the Qualified Equity Financing or (B) the price per share paid on a \$13 million valuation cap. Please refer to the Crowd Note for a complete description of the terms of the Crowd Note, including the conversion provisions.

## PRESS

**Fast Company:** [Could Wave Power be the Next Boom in Renewable Energy?](#)

**The Economist:** [Waving Good Buy?](#)

**Bloomberg:** [This Device Could Provide a Third of America's Power](#)

**Benzinga:** [Waves are Surging to the Forefront of Sustainable Energy](#)

**Renewable Energy Magazine:** [Oscilla Aims to Deliver Cost Competitive Power with its Triton Wave Energy Systems](#)

**Off Grid Energy Independence:** [Oscilla Power to Demonstrate Utility-Scale Ocean Wave Energy in India](#)





## Investment Risk

***An investment in the company is speculative, and as such is not suitable for anyone without a high tolerance for risk and a low need for liquidity. You should invest only if you are able to bear the risk of losing your entire investment.*** There can be no assurance that investors will receive any return of capital or profit. Investors should have the financial ability and willingness to accept the risks (including, among other things, the risk of loss of their entire investment and the risks of lack of liquidity) that are characteristic of private placement investments. There will be no public market for the securities being offered, applicable securities laws will restrict any transfer of the securities, and the securities will not be transferable without the company's consent.

The information provided herein is not intended to be, nor should it be construed or used as, investment, tax or legal advice, a recommendation to purchase, or an offer to sell securities of the company. You should rely on the offering statement and documents attached as exhibits to the offering statement when making any investment decision. An investment in the company is not suitable for all investors.

## Company Risk

The company's industry is highly competitive, and the company may not be able to compete effectively against the other businesses in its industry. The company is subject to a number of significant risks that could result in a reduction in its value and the value of the company securities, potentially including, but not limited to:

- Rapidly changing consumer preferences and market trends,
- Inability to expand and maintain market acceptance for the company's services and products,
- Inability to gain access to international markets and comply with all applicable local laws and regulations,
- Inability to achieve management's projections for growth, to maintain or increase historical rates of growth, to achieve growth based on past or current trends, or to effectively manage rapid growth,
- Inability to develop, maintain and expand successful marketing relationships, affiliations, joint ventures and partnerships that may be needed to continue and accelerate the company's growth and market penetration,
- Inability to keep pace with rapid industry, technological and market changes that could affect the company's services, products and business,
- Technological problems, including potentially widespread outages and disruptions in Internet and mobile commerce,
- Potential costs and business disruption that may result if the company's customers complain or assert claims regarding the company's technology,
- Failure to adequately address data security and privacy concerns in compliance with U.S. and international laws, rules and policies,
- Performance issues arising from infrastructure changes, human or software errors, website or third-party hosting disruptions, network disruptions or capacity constraints due to a number of potential causes including technical failures, cyber-attacks, security vulnerabilities, natural disasters or fraud,
- Inability to adequately secure and protect intellectual property rights,
- Potential claims and litigation against the company for infringement of intellectual property rights and other alleged violations of law,
- Difficulties in complying with applicable laws and regulations, and potential costs and business disruption if the company becomes subject to claims and litigation for legal non-compliance,



- Changes in laws and regulations materially affecting the company's business,
- Liability risks and labor costs and requirements that may jeopardize the company's business,
- Dependence on and inability to hire or retain key members of management and a qualified workforce,
- Ongoing need for substantial additional capital to support operations, to finance expansion and/or to maintain competitive position,
- Issuance of additional company equity securities at prices dilutive to existing equity holders,
- Potential significant and unexpected declines in the value of company equity securities, including prior to, during, and after an initial public offering, and
- Inability of the company to complete an initial public offering of its securities, merger, buyout or other liquidity event.

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<sup>i</sup> <https://www.c2es.org/content/renewable-energy/>

<sup>ii</sup> <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/energy-resources/us-2020-renewable-energy-industry-outlook.pdf>

<sup>iii</sup> <https://www.pewresearch.org/science/2019/11/25/u-s-public-views-on-climate-and-energy/>

<sup>iv</sup> <https://www.smart-energy.com/renewable-energy/global-ocean-energy-has-risen-ten-fold-in-a-decade-report/>

<sup>v</sup> <https://www.energy.gov/eere/articles/how-much-power-1-gigawatt>

<sup>vi</sup> <https://www.eia.gov/energyexplained/hydropower/wave-power.php>

<sup>vii</sup> <https://coast.noaa.gov/states/fast-facts/economics-and-demographics.html>

<sup>viii</sup> <https://www.fastcompany.com/90335319/could-wave-power-be-the-next-boom-in-renewable-energy>

<sup>ix</sup> <https://www.usgs.gov/special-topic/water-science-school/science/how-much-water-there-earth>

<sup>x</sup> <https://cleantechnica.com/2017/06/28/wave-power-contribute-10-global-electricity-demand-2050/>

<sup>xi</sup> <https://www.energy.gov/eere/water/project-profile-demonstration-advanced-multi-mode-point-absorber-wave-energy-conversion>

<sup>xii</sup> <https://www.smart-energy.com/industry-sectors/energy-efficiency/planet-is-way-off-track-to-meet-climate-change-goals-says-un-chief/>

<sup>xiii</sup> <https://ourworldindata.org/energy>

<sup>xiv</sup> <https://www.eia.gov/tools/faqs/faq.php?id=427&t=3>

<sup>xv</sup> <https://www.eia.gov/tools/faqs/faq.php?id=427&t=3>

<sup>xvi</sup> <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/energy-resources/us-2020-renewable-energy-industry-outlook.pdf>

<sup>xvii</sup> <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/energy-resources/us-2020-renewable-energy-industry-outlook.pdf>

<sup>xviii</sup> <https://www.pewresearch.org/science/2019/11/25/u-s-public-views-on-climate-and-energy/>

<sup>xix</sup> <https://reason.com/2019/12/19/congress-budget-deal-kills-solar-industry-tax-credits/>

<sup>xx</sup> <https://www.iea.org/reports/tracking-power-2019/ocean-power>

<sup>xxi</sup> [https://setis.ec.europa.eu/system/files/set\\_plan\\_ocean\\_implementation\\_plan.pdf](https://setis.ec.europa.eu/system/files/set_plan_ocean_implementation_plan.pdf)

<sup>xxii</sup> <https://www.iea.org/reports/tracking-power-2019/ocean-power>

<sup>xxiii</sup> <https://www.fiormarkets.com/report/wave-energy-market-by-energy-type-tidal-wave-418573.html>

<sup>xxiv</sup> <https://www.smart-energy.com/renewable-energy/global-ocean-energy-has-risen-ten-fold-in-a-decade-report/>

<sup>xxv</sup> <https://www.psmarketresearch.com/market-analysis/wave-and-tidal-energy-market>

<sup>xxvi</sup> PitchBook Data, Inc.; Downloaded March 19, 2020

<sup>xxvii</sup> <https://www.carnegiece.com/technology/>

<sup>xxviii</sup> <https://www.carnegiece.com/projects/>



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- <sup>xxix</sup> <https://www.carnegiece.com/media/2020/02/200227-ASX-CCE-HY-Report-Accounts.pdf>
- <sup>xxx</sup> <https://wello.eu/>
- <sup>xxxi</sup> <http://www.corpowerocean.com/technology/>
- <sup>xxxii</sup> <http://www.corpowerocean.com/commercial-projects/>
- <sup>xxxiii</sup> <http://www.corpowerocean.com/about-us/>
- <sup>xxxiv</sup> [www.linkedin.com/company/oceanenergy/](http://www.linkedin.com/company/oceanenergy/)
- <sup>xxxv</sup> <https://calwave.energy/>
- <sup>xxxvi</sup> <https://oscillapower.com/company/>
- <sup>xxxvii</sup> <https://www.linkedin.com/in/balkynair/>
- <sup>xxxviii</sup> <https://oscillapower.com/company/>
- <sup>xxxix</sup> <https://www.linkedin.com/in/tim-mundon-136b4618/>
- <sup>xl</sup> <https://www.genomeweb.com/molecular-diagnostics/guardant-health-acquire-bellwether-bio>
- <sup>xli</sup> <https://www.linkedin.com/in/shendure/>

## **EXHIBIT C**

### *Subscription Agreement*

## *Subscription Agreement*

THE SECURITIES ARE BEING OFFERED PURSUANT TO SECTION 4(A)(6) OF THE SECURITIES ACT OF 1933 (THE "SECURITIES ACT") AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OR ANY OTHER JURISDICTION. THERE ARE FURTHER RESTRICTIONS ON THE TRANSFERABILITY OF THE SECURITIES DESCRIBED HEREIN.

THE PURCHASE OF THE SECURITIES INVOLVES A HIGH DEGREE OF RISK AND SHOULD BE CONSIDERED ONLY BY PERSONS WHO CAN BEAR THE RISK OF THE LOSS OF THEIR ENTIRE INVESTMENT.

Oscilla Power, Inc.  
4240 Gilman Place West, Unit C  
Seattle, WA 98199

Ladies and Gentlemen:

The undersigned understands that Oscilla Power, Inc., a Corporation organized under the laws of Delaware (the "Company"), is offering up to \$139,505.00 of Crowd Note (the "Securities") in a Regulation CF Offering. This Offering is made pursuant to the Form C, dated December 23, 2020 (the "Form C"). The undersigned further understands that the Offering is being made pursuant to Section 4(a)(6) of the Securities Act and Regulation CF under the JOBS Act of 2012 and without registration of the Securities under the Securities Act of 1933, as amended (the "Securities Act").

**1. Subscription.** Subject to the terms and conditions hereof and the provisions of the Form C, the undersigned hereby irrevocably subscribes for the Securities set forth on the signature page hereto for the aggregate purchase price set forth on the signature page hereto, which is payable as described in Section 4 hereof. The undersigned acknowledges that the Securities will be subject to restrictions on transfer as set forth in this subscription agreement (the "Subscription Agreement").

**2. Acceptance of Subscription and Issuance of Securities.** It is understood and agreed that the Company shall have the sole right, at its complete discretion, to accept or reject this subscription, in whole or in part, for any reason and that the same shall be deemed to be accepted by the Company only when it is signed by a duly authorized officer of the Company and delivered to the undersigned at the Closing referred to in Section 3 hereof. Subscriptions need not be accepted in the order received, and the Securities may be allocated among subscribers.

**3. The Closing.** The closing of the purchase and sale of the Securities (the "Closing") shall take place at 11:59 p.m. Pacific Time on March 22, 2021, or at such other time and place as the Company may designate by notice to the undersigned.

**4. Payment for Securities.** Payment for the Securities shall be received by Evolve Bank & Trust (the "Escrow Agent") from the undersigned of immediately available funds or other means approved by the Company at least two days prior to the Closing, in the amount as set forth on the signature page hereto. Upon the Closing, the Escrow Agent shall release such funds to the Company. The undersigned shall receive notice and evidence of the entry of the number of the Securities owned by undersigned reflected on the books and records of the Company, which shall

bear a notation that the Securities were sold in reliance upon an exemption from registration under the Securities Act.

**5. Representations and Warranties of the Company.** As of the Closing, the Company represents and warrants that:

a) The Company is duly formed and validly existing under the laws of Delaware, with full power and authority to conduct its business as it is currently being conducted and to own its assets; and has secured any other authorizations, approvals, permits and orders required by law for the conduct by the Company of its business as it is currently being conducted.

b) The Securities have been duly authorized and, when issued, delivered and paid for in the manner set forth in this Subscription Agreement, will be validly issued, fully paid and nonassessable, and will conform in all material respects to the description thereof set forth in the Form C.

c) The execution and delivery by the Company of this Subscription Agreement and the consummation of the transactions contemplated hereby (including the issuance, sale and delivery of the Securities) are within the Company's powers and have been duly authorized by all necessary corporate action on the part of the Company. Upon full execution hereof, this Subscription Agreement shall constitute a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies and (iii) with respect to provisions relating to indemnification and contribution, as limited by considerations of public policy and by federal or securities, "blue sky" or other similar laws of such jurisdiction (collectively referred to as the "State Securities Laws").

d) Assuming the accuracy of the undersigned's representations and warranties set forth in Section 6 hereof, no order, license, consent, authorization or approval of, or exemption by, or action by or in respect of, or notice to, or filing or registration with, any governmental body, agency or official is required by or with respect to the Company in connection with the execution, delivery and performance by the Company of this Subscription Agreement except (i) for such filings as may be required under Regulation CF promulgated under the Securities Act, or under any applicable State Securities Laws, (ii) for such other filings and approvals as have been made or obtained, or (iii) where the failure to obtain any such order, license, consent, authorization, approval or exemption or give any such notice or make any filing or registration would not have a material adverse effect on the ability of the Company to perform its obligations hereunder.

**6. Representations and Warranties of the Undersigned.** The undersigned hereby represents and warrants to and covenants with the Company that:

***a) General.***

i. The undersigned has all requisite authority (and in the case of an individual, the capacity) to purchase the Securities, enter into this Subscription Agreement and to perform all the obligations required to be performed by the undersigned hereunder, and such purchase will not contravene any law, rule or regulation binding on the undersigned or any investment guideline or restriction applicable to the undersigned.

ii. The undersigned is a resident of the state set forth on the signature page hereto and is not acquiring the Securities as a nominee or agent or otherwise for any other person.

iii. The undersigned will comply with all applicable laws and regulations in effect in any jurisdiction in which the undersigned purchases or sells Securities and obtain any consent, approval or permission required for such purchases or sales under the laws and regulations of any jurisdiction to which the undersigned is subject or in which the undersigned makes such purchases or sales, and the Company shall have no responsibility therefor.

iv. Including the amount set forth on the signature page hereto, in the past twelve (12) month period, the undersigned has not exceeded the investment limit as set forth in Rule 100(a)(2) of Regulation CF.

***b) Information Concerning the Company.***

i. The undersigned has received a copy of the Form C. With respect to information provided by the Company, the undersigned has relied solely on the information contained in the Form C to make the decision to purchase the Securities.

ii. The undersigned understands and accepts that the purchase of the Securities involves various risks, including the risks outlined in the Form C and in this Subscription Agreement. The undersigned represents that it is able to bear any and all loss associated with an investment in the Securities.

iii. The undersigned confirms that it is not relying and will not rely on any communication (written or oral) of the Company, MicroVenture Marketplace Inc., or any of their respective affiliates, as investment advice or as a recommendation to purchase the Securities. It is understood that information and explanations related to the terms and conditions of the Securities provided in the Form C or otherwise by the Company, MicroVenture Marketplace Inc. or any of their respective affiliates shall not be considered investment advice or a recommendation to purchase the Securities, and that neither the Company, MicroVenture Marketplace Inc. nor any of their respective affiliates is acting or has acted as an advisor to the undersigned in deciding to invest in the Securities. The undersigned acknowledges that neither the Company, MicroVenture Marketplace Inc. nor any of their respective affiliates have made any representation regarding the proper characterization of the Securities for purposes of determining the undersigned's authority or suitability to invest in the Securities.

iv. The undersigned is familiar with the business and financial condition and operations of the Company, all as generally described in the Form C. The undersigned has had access to such information concerning the Company and the Securities as it deems necessary to enable it to make an informed investment decision concerning the purchase of the Securities.

v. The undersigned understands that, unless the undersigned notifies the Company in writing to the contrary at or before the Closing, each of the undersigned's representations and warranties contained in this Subscription Agreement will be deemed to have been reaffirmed and confirmed as of the Closing, taking into account all information received by the undersigned.

vi. The undersigned acknowledges that the Company has the right in its sole and absolute discretion to abandon this Offering at any time prior to the completion of the Offering. This Subscription Agreement shall thereafter have no force or effect and the Company shall return any previously paid subscription price of the Securities, without interest thereon, to the undersigned.

vii. The undersigned understands that no federal or state agency has passed upon the merits or risks of an investment in the Securities or made any finding or determination concerning the fairness or advisability of this investment.

***c) No Guaranty.***

i. The undersigned confirms that the Company has not (A) given any guarantee or representation as to the potential success, return, effect or benefit (either legal, regulatory, tax, financial, accounting or otherwise) an of investment in the Securities or (B) made any representation to the undersigned regarding the legality of an investment in the Securities under applicable legal investment or similar laws or regulations. In deciding to purchase the Securities, the undersigned is not relying on the advice or recommendations of the Company and the undersigned has made its own independent decision that the investment in the Securities is suitable and appropriate for the undersigned.

***d) Status of Undersigned.***

i. The undersigned has such knowledge, skill and experience in business, financial and investment matters that the undersigned is capable of evaluating the merits and risks of an investment in the Securities. With the assistance of the undersigned's own professional advisors, to the extent that the undersigned has deemed appropriate, the undersigned has made its own legal, tax, accounting and financial evaluation of the merits and risks of an investment in the Securities and the consequences of this Subscription Agreement. The undersigned has considered the suitability of the Securities as an investment in light of its own circumstances and financial condition and the undersigned is able to bear the risks associated with an investment in the Securities and its authority to invest in the Securities.

***e) Restrictions on Transfer or Sale of Securities.***

i. The undersigned is acquiring the Securities solely for the undersigned's own beneficial account, for investment purposes, and not with a view to, or for resale in connection with, any distribution of the Securities. The undersigned understands that the Securities have not been registered under the Securities Act or any State Securities Laws by reason of specific exemptions under the provisions thereof which depend in part upon the investment intent of the undersigned and of the other representations made by the undersigned in this Subscription Agreement. The undersigned understands that the Company is relying upon the representations and agreements contained in this Subscription Agreement (and any supplemental information) for the purpose of determining whether this transaction meets the requirements for such exemptions.

ii. The undersigned understands that the Securities are restricted from transfer for a period of time under applicable federal securities laws and that the Securities Act and the rules of the U.S. Securities and Exchange Commission (the "Commission") provide in substance that the undersigned may dispose of the Securities only pursuant to an effective registration statement under the Securities Act, an exemption therefrom or as further described in Rule 501 of Regulation CF, after which certain state restrictions may apply. The undersigned understands that the Company has no obligation or intention to register any of the Securities, or to take action so as to permit sales pursuant to the Securities Act. Even when the Securities become freely transferrable, a secondary market in the Securities may not develop. Consequently, the undersigned understands that the undersigned must bear the economic risks of the investment in the Securities for an indefinite period of time.



iii. The undersigned agrees: (A) that the undersigned will not sell, assign, pledge, give, transfer or otherwise dispose of the Securities or any interest therein, or make any offer or attempt to do any of the foregoing, except pursuant to Rule 501 of Regulation CF.

**7. Conditions to Obligations of the Undersigned and the Company.** The obligations of the undersigned to purchase and pay for the Securities specified on the signature page hereto and of the Company to sell the Securities are subject to the satisfaction at or prior to the Closing of the following conditions precedent: the representations and warranties of the Company contained in Section 5 hereof and of the undersigned contained in Section 6 hereof shall be true and correct as of the Closing in all respects with the same effect as though such representations and warranties had been made as of the Closing.

**8. Obligations Irrevocable.** Following the Closing, the obligations of the undersigned shall be irrevocable.

**9. Legend.** The certificates, book entry or other form of notation representing the Securities sold pursuant to this Subscription Agreement will be notated with a legend or designation, which communicates in some manner that the Securities were issued pursuant to Section 4(a)(6) of the Securities Act and may only be resold pursuant to Rule 501 of Regulation CF.

**10. Waiver, Amendment.** Neither this Subscription Agreement nor any provisions hereof shall be modified, changed, discharged or terminated except by an instrument in writing, signed by the party against whom any waiver, change, discharge or termination is sought.

**11. Assignability.** Neither this Subscription Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by either the Company or the undersigned without the prior written consent of the other party.

**12. Waiver of Jury Trial.** THE UNDERSIGNED IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING OUT OF THE TRANSACTIONS CONTEMPLATED BY THIS SUBSCRIPTION AGREEMENT.

**13. Dispute Resolution.**

**a) General Rule.**

Any dispute under this Subscription Agreement will be resolved through arbitration, not through the court system. All arbitration will be conducted in the state where the executive office of the Company is located at such time, unless both parties agree otherwise in writing in a specific case. All arbitration will be conducted before a single arbitrator in following the rules of the American Arbitration Association. Except as required by law, neither a party nor the arbitrator may disclose the existence, content or results of any arbitration without the prior written consent of the other parties.

**b) Appeal of Award.**

Within thirty days of a final award by the single arbitrator, either party may appeal the award for reconsideration by a three-arbitrator panel. If there is an appeal, the other party

may cross-appeal within thirty days after notice of the appeal. The panel will reconsider all aspects of the initial award that are appealed, including related findings of fact.

**c) Effect of Award.**

Any award by the individual arbitrator that is not subject to appeal, and any panel award on appeal, shall be final and binding, except for any appeal right under the Federal Arbitration Act, and may be entered as a judgment in any court of competent jurisdiction.

**d) No Class Action Claims.**

NO ARBITRATION SHALL PROCEED ON A CLASS, REPRESENTATIVE, OR COLLECTIVE BASIS. No party may join, consolidate, or otherwise bring claims for or on behalf of two or more individuals or unrelated corporate entities in the same arbitration unless those persons are parties to a single transaction. An award in arbitration shall determine the rights and obligations of the named parties only, and only with respect to the claims in arbitration, and shall not (i) determine the rights, obligations, or interests of anyone other than a named party, or resolve any claim of anyone other than a named party, or (ii) make an award for the benefit of, or against, anyone other than a named party. No administrator or arbitrator shall have the power or authority to waive, modify, or fail to enforce this paragraph, and any attempt to do so, whether by rule, policy, and arbitration decision or otherwise, shall be invalid and unenforceable. Any challenge to the validity of this paragraph shall be determined exclusively by a court and not by the administrator or any arbitrator. If this paragraph shall be deemed unenforceable, then any proceeding in the nature of a class action shall be handled in court, not in arbitration.

**14. Governing Law.** This Subscription Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflict of law principles thereof.

**15. Section and Other Headings.** The section and other headings contained in this Subscription Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Subscription Agreement.

**16. Counterparts.** This Subscription Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which together shall be deemed to be one and the same agreement.

**17. Notices.** All notices and other communications provided for herein shall be in writing and shall be deemed to have been duly given if delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid or email to the following addresses (or such other address as either party shall have specified by notice in writing to the other):

<b>If to the Company:</b>	4240 Gilman Place West, Unit C Seattle, WA 98199 Attention: Balakrishnan Nair
<b>with a copy to:</b>	1050 Connecticut Avenue, NW Suite 500 Washington, DC 20036 Attention: Louis A. Bevilacqua, Esq.
<b>If to the Purchaser:</b>	[PURCHASER ADDRESS] [E-MAIL ADDRESS]

**18. Binding Effect.** The provisions of this Subscription Agreement shall be binding upon and accrue to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

**19. Survival.** All representations, warranties and covenants contained in this Subscription Agreement shall survive (i) the acceptance of the subscription by the Company, (ii) changes in the transactions, documents and instruments described in the Form C which are not material or which are to the benefit of the undersigned and (iii) the death or disability of the undersigned.

**20. Notification of Changes.** The undersigned hereby covenants and agrees to notify the Company upon the occurrence of any event prior to the closing of the purchase of the Securities pursuant to this Subscription Agreement, which would cause any representation, warranty, or covenant of the undersigned contained in this Subscription Agreement to be false or incorrect.

**21. Severability.** If any term or provision of this Subscription Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Subscription Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the undersigned has executed this Subscription Agreement this [DAY]  
OF [MONTH], [YEAR].

<b>PURCHASER (if an individual):</b>
By _____ Name:

<b>PURCHASER (if an entity):</b>
_____ Legal Name of Entity  By _____ Name: Title:

State/Country of Domicile or Formation: \_\_\_\_\_

The offer to purchase Securities as set forth above is confirmed and accepted by the Company as  
to [amount of Securities to be acquired by Purchaser] for [total amount to be paid by Purchaser].

<b>Oscilla Power, Inc.</b>
By _____ Name: Title:

## **EXHIBIT D**

*Crowd Note*

## *Subscription Agreement*

THE SECURITIES ARE BEING OFFERED PURSUANT TO SECTION 4(A)(6) OF THE SECURITIES ACT OF 1933 (THE "SECURITIES ACT") AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OR ANY OTHER JURISDICTION. THERE ARE FURTHER RESTRICTIONS ON THE TRANSFERABILITY OF THE SECURITIES DESCRIBED HEREIN.

THE PURCHASE OF THE SECURITIES INVOLVES A HIGH DEGREE OF RISK AND SHOULD BE CONSIDERED ONLY BY PERSONS WHO CAN BEAR THE RISK OF THE LOSS OF THEIR ENTIRE INVESTMENT.

Oscilla Power, Inc.  
4240 Gilman Place West, Unit C  
Seattle, WA 98199

Ladies and Gentlemen:

The undersigned understands that Oscilla Power, Inc., a Corporation organized under the laws of Delaware (the "Company"), is offering up to \$139,505.00 of Crowd Note (the "Securities") in a Regulation CF Offering. This Offering is made pursuant to the Form C, dated December 23, 2020 (the "Form C"). The undersigned further understands that the Offering is being made pursuant to Section 4(a)(6) of the Securities Act and Regulation CF under the JOBS Act of 2012 and without registration of the Securities under the Securities Act of 1933, as amended (the "Securities Act").

**1. Subscription.** Subject to the terms and conditions hereof and the provisions of the Form C, the undersigned hereby irrevocably subscribes for the Securities set forth on the signature page hereto for the aggregate purchase price set forth on the signature page hereto, which is payable as described in Section 4 hereof. The undersigned acknowledges that the Securities will be subject to restrictions on transfer as set forth in this subscription agreement (the "Subscription Agreement").

**2. Acceptance of Subscription and Issuance of Securities.** It is understood and agreed that the Company shall have the sole right, at its complete discretion, to accept or reject this subscription, in whole or in part, for any reason and that the same shall be deemed to be accepted by the Company only when it is signed by a duly authorized officer of the Company and delivered to the undersigned at the Closing referred to in Section 3 hereof. Subscriptions need not be accepted in the order received, and the Securities may be allocated among subscribers.

**3. The Closing.** The closing of the purchase and sale of the Securities (the "Closing") shall take place at 11:59 p.m. Pacific Time on March 22, 2021, or at such other time and place as the Company may designate by notice to the undersigned.

**4. Payment for Securities.** Payment for the Securities shall be received by Evolve Bank & Trust (the "Escrow Agent") from the undersigned of immediately available funds or other means approved by the Company at least two days prior to the Closing, in the amount as set forth on the signature page hereto. Upon the Closing, the Escrow Agent shall release such funds to the Company. The undersigned shall receive notice and evidence of the entry of the number of the Securities owned by undersigned reflected on the books and records of the Company, which shall

bear a notation that the Securities were sold in reliance upon an exemption from registration under the Securities Act.

**5. Representations and Warranties of the Company.** As of the Closing, the Company represents and warrants that:

a) The Company is duly formed and validly existing under the laws of Delaware, with full power and authority to conduct its business as it is currently being conducted and to own its assets; and has secured any other authorizations, approvals, permits and orders required by law for the conduct by the Company of its business as it is currently being conducted.

b) The Securities have been duly authorized and, when issued, delivered and paid for in the manner set forth in this Subscription Agreement, will be validly issued, fully paid and nonassessable, and will conform in all material respects to the description thereof set forth in the Form C.

c) The execution and delivery by the Company of this Subscription Agreement and the consummation of the transactions contemplated hereby (including the issuance, sale and delivery of the Securities) are within the Company's powers and have been duly authorized by all necessary corporate action on the part of the Company. Upon full execution hereof, this Subscription Agreement shall constitute a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies and (iii) with respect to provisions relating to indemnification and contribution, as limited by considerations of public policy and by federal or securities, "blue sky" or other similar laws of such jurisdiction (collectively referred to as the "State Securities Laws").

d) Assuming the accuracy of the undersigned's representations and warranties set forth in Section 6 hereof, no order, license, consent, authorization or approval of, or exemption by, or action by or in respect of, or notice to, or filing or registration with, any governmental body, agency or official is required by or with respect to the Company in connection with the execution, delivery and performance by the Company of this Subscription Agreement except (i) for such filings as may be required under Regulation CF promulgated under the Securities Act, or under any applicable State Securities Laws, (ii) for such other filings and approvals as have been made or obtained, or (iii) where the failure to obtain any such order, license, consent, authorization, approval or exemption or give any such notice or make any filing or registration would not have a material adverse effect on the ability of the Company to perform its obligations hereunder.

**6. Representations and Warranties of the Undersigned.** The undersigned hereby represents and warrants to and covenants with the Company that:

***a) General.***

i. The undersigned has all requisite authority (and in the case of an individual, the capacity) to purchase the Securities, enter into this Subscription Agreement and to perform all the obligations required to be performed by the undersigned hereunder, and such purchase will not contravene any law, rule or regulation binding on the undersigned or any investment guideline or restriction applicable to the undersigned.

ii. The undersigned is a resident of the state set forth on the signature page hereto and is not acquiring the Securities as a nominee or agent or otherwise for any other person.

iii. The undersigned will comply with all applicable laws and regulations in effect in any jurisdiction in which the undersigned purchases or sells Securities and obtain any consent, approval or permission required for such purchases or sales under the laws and regulations of any jurisdiction to which the undersigned is subject or in which the undersigned makes such purchases or sales, and the Company shall have no responsibility therefor.

iv. Including the amount set forth on the signature page hereto, in the past twelve (12) month period, the undersigned has not exceeded the investment limit as set forth in Rule 100(a)(2) of Regulation CF.

***b) Information Concerning the Company.***

i. The undersigned has received a copy of the Form C. With respect to information provided by the Company, the undersigned has relied solely on the information contained in the Form C to make the decision to purchase the Securities.

ii. The undersigned understands and accepts that the purchase of the Securities involves various risks, including the risks outlined in the Form C and in this Subscription Agreement. The undersigned represents that it is able to bear any and all loss associated with an investment in the Securities.

iii. The undersigned confirms that it is not relying and will not rely on any communication (written or oral) of the Company, MicroVenture Marketplace Inc., or any of their respective affiliates, as investment advice or as a recommendation to purchase the Securities. It is understood that information and explanations related to the terms and conditions of the Securities provided in the Form C or otherwise by the Company, MicroVenture Marketplace Inc. or any of their respective affiliates shall not be considered investment advice or a recommendation to purchase the Securities, and that neither the Company, MicroVenture Marketplace Inc. nor any of their respective affiliates is acting or has acted as an advisor to the undersigned in deciding to invest in the Securities. The undersigned acknowledges that neither the Company, MicroVenture Marketplace Inc. nor any of their respective affiliates have made any representation regarding the proper characterization of the Securities for purposes of determining the undersigned's authority or suitability to invest in the Securities.

iv. The undersigned is familiar with the business and financial condition and operations of the Company, all as generally described in the Form C. The undersigned has had access to such information concerning the Company and the Securities as it deems necessary to enable it to make an informed investment decision concerning the purchase of the Securities.

v. The undersigned understands that, unless the undersigned notifies the Company in writing to the contrary at or before the Closing, each of the undersigned's representations and warranties contained in this Subscription Agreement will be deemed to have been reaffirmed and confirmed as of the Closing, taking into account all information received by the undersigned.

vi. The undersigned acknowledges that the Company has the right in its sole and absolute discretion to abandon this Offering at any time prior to the completion of the Offering. This Subscription Agreement shall thereafter have no force or effect and the Company shall return any previously paid subscription price of the Securities, without interest thereon, to the undersigned.



vii. The undersigned understands that no federal or state agency has passed upon the merits or risks of an investment in the Securities or made any finding or determination concerning the fairness or advisability of this investment.

***c) No Guaranty.***

i. The undersigned confirms that the Company has not (A) given any guarantee or representation as to the potential success, return, effect or benefit (either legal, regulatory, tax, financial, accounting or otherwise) an of investment in the Securities or (B) made any representation to the undersigned regarding the legality of an investment in the Securities under applicable legal investment or similar laws or regulations. In deciding to purchase the Securities, the undersigned is not relying on the advice or recommendations of the Company and the undersigned has made its own independent decision that the investment in the Securities is suitable and appropriate for the undersigned.

***d) Status of Undersigned.***

i. The undersigned has such knowledge, skill and experience in business, financial and investment matters that the undersigned is capable of evaluating the merits and risks of an investment in the Securities. With the assistance of the undersigned's own professional advisors, to the extent that the undersigned has deemed appropriate, the undersigned has made its own legal, tax, accounting and financial evaluation of the merits and risks of an investment in the Securities and the consequences of this Subscription Agreement. The undersigned has considered the suitability of the Securities as an investment in light of its own circumstances and financial condition and the undersigned is able to bear the risks associated with an investment in the Securities and its authority to invest in the Securities.

***e) Restrictions on Transfer or Sale of Securities.***

i. The undersigned is acquiring the Securities solely for the undersigned's own beneficial account, for investment purposes, and not with a view to, or for resale in connection with, any distribution of the Securities. The undersigned understands that the Securities have not been registered under the Securities Act or any State Securities Laws by reason of specific exemptions under the provisions thereof which depend in part upon the investment intent of the undersigned and of the other representations made by the undersigned in this Subscription Agreement. The undersigned understands that the Company is relying upon the representations and agreements contained in this Subscription Agreement (and any supplemental information) for the purpose of determining whether this transaction meets the requirements for such exemptions.

ii. The undersigned understands that the Securities are restricted from transfer for a period of time under applicable federal securities laws and that the Securities Act and the rules of the U.S. Securities and Exchange Commission (the "Commission") provide in substance that the undersigned may dispose of the Securities only pursuant to an effective registration statement under the Securities Act, an exemption therefrom or as further described in Rule 501 of Regulation CF, after which certain state restrictions may apply. The undersigned understands that the Company has no obligation or intention to register any of the Securities, or to take action so as to permit sales pursuant to the Securities Act. Even when the Securities become freely transferrable, a secondary market in the Securities may not develop. Consequently, the undersigned understands that the undersigned must bear the economic risks of the investment in the Securities for an indefinite period of time.

iii. The undersigned agrees: (A) that the undersigned will not sell, assign, pledge, give, transfer or otherwise dispose of the Securities or any interest therein, or make any offer or attempt to do any of the foregoing, except pursuant to Rule 501 of Regulation CF.

**7. Conditions to Obligations of the Undersigned and the Company.** The obligations of the undersigned to purchase and pay for the Securities specified on the signature page hereto and of the Company to sell the Securities are subject to the satisfaction at or prior to the Closing of the following conditions precedent: the representations and warranties of the Company contained in Section 5 hereof and of the undersigned contained in Section 6 hereof shall be true and correct as of the Closing in all respects with the same effect as though such representations and warranties had been made as of the Closing.

**8. Obligations Irrevocable.** Following the Closing, the obligations of the undersigned shall be irrevocable.

**9. Legend.** The certificates, book entry or other form of notation representing the Securities sold pursuant to this Subscription Agreement will be notated with a legend or designation, which communicates in some manner that the Securities were issued pursuant to Section 4(a)(6) of the Securities Act and may only be resold pursuant to Rule 501 of Regulation CF.

**10. Waiver, Amendment.** Neither this Subscription Agreement nor any provisions hereof shall be modified, changed, discharged or terminated except by an instrument in writing, signed by the party against whom any waiver, change, discharge or termination is sought.

**11. Assignability.** Neither this Subscription Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by either the Company or the undersigned without the prior written consent of the other party.

**12. Waiver of Jury Trial.** THE UNDERSIGNED IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING OUT OF THE TRANSACTIONS CONTEMPLATED BY THIS SUBSCRIPTION AGREEMENT.

**13. Dispute Resolution.**

**a) General Rule.**

Any dispute under this Subscription Agreement will be resolved through arbitration, not through the court system. All arbitration will be conducted in the state where the executive office of the Company is located at such time, unless both parties agree otherwise in writing in a specific case. All arbitration will be conducted before a single arbitrator in following the rules of the American Arbitration Association. Except as required by law, neither a party nor the arbitrator may disclose the existence, content or results of any arbitration without the prior written consent of the other parties.

**b) Appeal of Award.**

Within thirty days of a final award by the single arbitrator, either party may appeal the award for reconsideration by a three-arbitrator panel. If there is an appeal, the other party

may cross-appeal within thirty days after notice of the appeal. The panel will reconsider all aspects of the initial award that are appealed, including related findings of fact.

**c) Effect of Award.**

Any award by the individual arbitrator that is not subject to appeal, and any panel award on appeal, shall be final and binding, except for any appeal right under the Federal Arbitration Act, and may be entered as a judgment in any court of competent jurisdiction.

**d) No Class Action Claims.**

NO ARBITRATION SHALL PROCEED ON A CLASS, REPRESENTATIVE, OR COLLECTIVE BASIS. No party may join, consolidate, or otherwise bring claims for or on behalf of two or more individuals or unrelated corporate entities in the same arbitration unless those persons are parties to a single transaction. An award in arbitration shall determine the rights and obligations of the named parties only, and only with respect to the claims in arbitration, and shall not (i) determine the rights, obligations, or interests of anyone other than a named party, or resolve any claim of anyone other than a named party, or (ii) make an award for the benefit of, or against, anyone other than a named party. No administrator or arbitrator shall have the power or authority to waive, modify, or fail to enforce this paragraph, and any attempt to do so, whether by rule, policy, and arbitration decision or otherwise, shall be invalid and unenforceable. Any challenge to the validity of this paragraph shall be determined exclusively by a court and not by the administrator or any arbitrator. If this paragraph shall be deemed unenforceable, then any proceeding in the nature of a class action shall be handled in court, not in arbitration.

**14. Governing Law.** This Subscription Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflict of law principles thereof.

**15. Section and Other Headings.** The section and other headings contained in this Subscription Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Subscription Agreement.

**16. Counterparts.** This Subscription Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which together shall be deemed to be one and the same agreement.

**17. Notices.** All notices and other communications provided for herein shall be in writing and shall be deemed to have been duly given if delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid or email to the following addresses (or such other address as either party shall have specified by notice in writing to the other):

<b>If to the Company:</b>	4240 Gilman Place West, Unit C Seattle, WA 98199 Attention: Balakrishnan Nair
<b>with a copy to:</b>	1050 Connecticut Avenue, NW Suite 500 Washington, DC 20036 Attention: Louis A. Bevilacqua, Esq.
<b>If to the Purchaser:</b>	[PURCHASER ADDRESS] [E-MAIL ADDRESS]

**18. Binding Effect.** The provisions of this Subscription Agreement shall be binding upon and accrue to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

**19. Survival.** All representations, warranties and covenants contained in this Subscription Agreement shall survive (i) the acceptance of the subscription by the Company, (ii) changes in the transactions, documents and instruments described in the Form C which are not material or which are to the benefit of the undersigned and (iii) the death or disability of the undersigned.

**20. Notification of Changes.** The undersigned hereby covenants and agrees to notify the Company upon the occurrence of any event prior to the closing of the purchase of the Securities pursuant to this Subscription Agreement, which would cause any representation, warranty, or covenant of the undersigned contained in this Subscription Agreement to be false or incorrect.

**21. Severability.** If any term or provision of this Subscription Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Subscription Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the undersigned has executed this Subscription Agreement this [DAY]  
OF [MONTH], [YEAR].

<b>PURCHASER (if an individual):</b>
By _____ Name:

<b>PURCHASER (if an entity):</b>
_____ Legal Name of Entity  By _____ Name: Title:

State/Country of Domicile or Formation: \_\_\_\_\_

The offer to purchase Securities as set forth above is confirmed and accepted by the Company as  
to [amount of Securities to be acquired by Purchaser] for [total amount to be paid by Purchaser].

<b>Oscilla Power, Inc.</b>
By _____ Name: Title:

## **EXHIBIT E**

### *Pitch Deck*



**OSC**  
**power**

# Unlocking the Potential of Ocean Wave Energy



## Legal Notice

Any statements contained in this document regarding us, our expectations, beliefs, objectives, assumptions, or future events or performance are not historical facts or forward-looking statements. Investors are cautioned that these forward-looking statements involve uncertainties and risks that could cause actual performance and operations to differ materially from those anticipated. The forward-looking statements contained herein represent our judgment as of the date of publication of this document and we caution you not to place undue reliance on such statements. We are not making any representation or warranty, express or implied, in this document for business and, as such, certain images contained in this document are for illustrative purposes only. Our company, our management, and our affiliates assume no obligation to update any forward-looking statements to reflect events or the initial publication of this document or to reflect the occurrence of subsequent events.

***Please see the end of this presentation for important risk disclosure information.***



# Unlocking the Potential of Wave Energy

**Oscilla aims to offer one of the first commercially attractive ocean wave energy concepts**  
= low cost + high efficiency + survivability

- Global wave energy market projected to reach \$21.65 Bn by 2027, representing a 23.5% increase from 2019-2027<sup>1</sup>
- Engineered to create high energy production via multi-mode energy capture and high efficiency conversion
- Designed to facilitate low-cost manufacturing in low-cost locations
- Patented submersible design was constructed for extreme survivability and cost-effective power generation

**Raising funds to enable community-scale & utility-scale demonstrations**

<https://www.fiormarkets.com/report/wave-energy-market-by-energy-type-tidal-wave-418573.html>

# Company Overview

- Founded in 2009
- HQ and lab in Seattle, WA, USA
- Over **\$16 Million** in non-dilutive grant funding commitments
- 2016 DOE Wave Energy Challenge prize finalist<sup>1</sup>
- Funding agencies include:



National Science Foundation  
WHERE DISCOVERIES BEGIN



NOAA



U.S. DEPARTMENT OF  
**ENERGY**



OSCILLA  
power™



Source: <https://www.energy.gov/eere/water/articles/us-department-energy-s-wave-energy-prize-announces-finalist-teams>

# Experienced Management Team



Dr. Balky Nair

CO-FOUNDER/PRESIDENT

*Experience with cleantech startups*



PhD



BTech



Rahul Shendure

CHAIRMAN/BOARD OF DIRECTORS

*Experience with energy startups  
and business development*



MBA



HARVARD  
BUSINESS SCHOOL

BS



Dr. Tim

VP, EN

*Extensive  
technology*



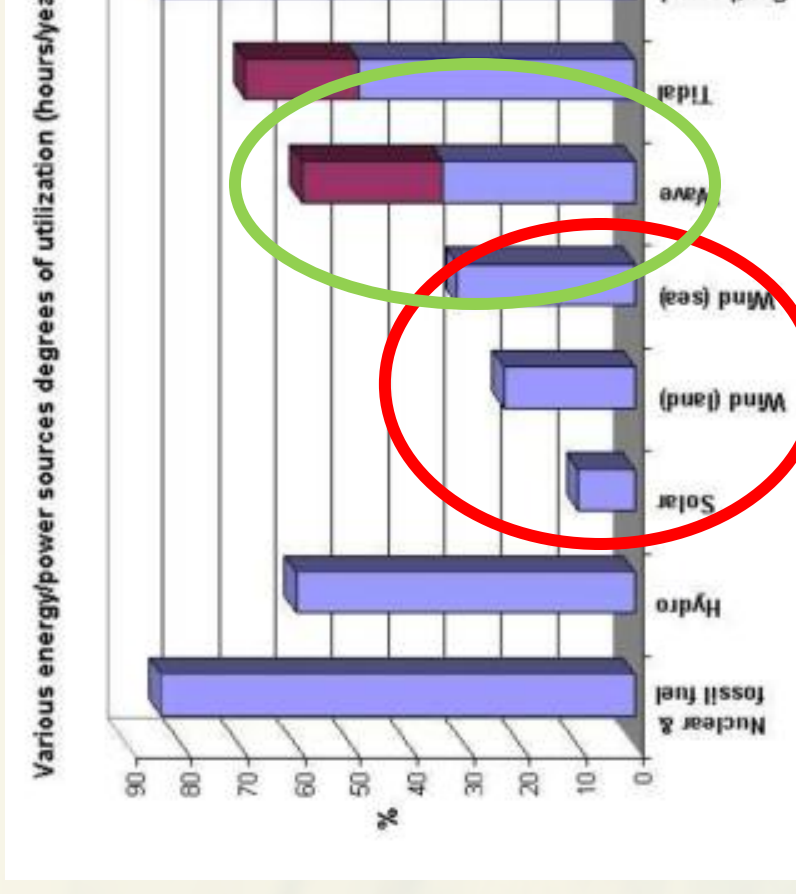
PhD Wave Energy

BEng Elec. Eng.



# Problem: Limitations to Renewable Energy Adoption

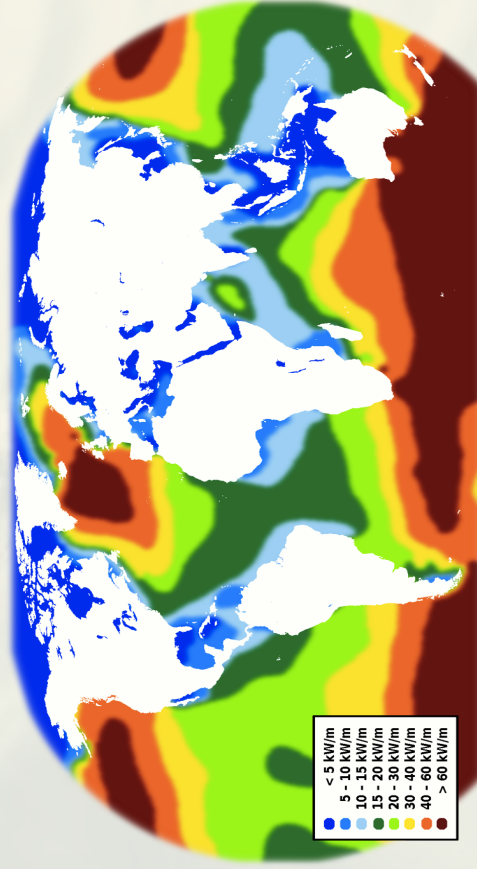
- Potential issues with wind and solar:
  - Poor utilization
  - Supply intermittency
  - Supply/demand mismatch
  - Poor predictability



Source: <https://25waves.weebly.com/why-wave-power.html>

# Ocean Wave Energy Conversion

Massive global resource

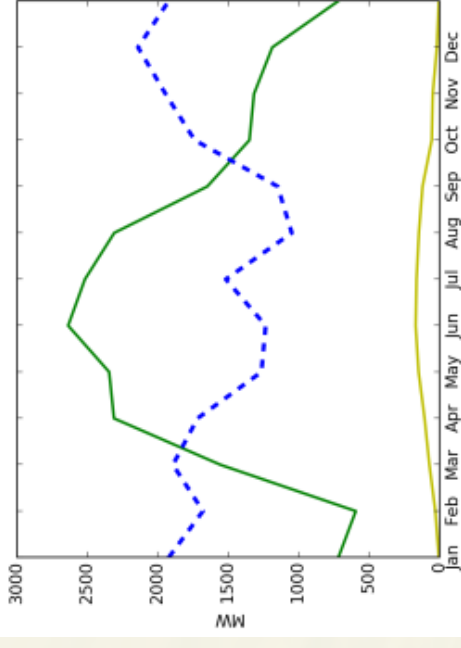


~2 TerraWatt global wave resource

Source: <https://www.wavewaterworks.com/2019/12/21/renewable-energy-resource/>

Peaks when other renewables are low

Source: <https://books.google.com/books?id=ruCsDwAAQBAU&pg=PA286&ipg=PA288>



- Complements Solar & Wind
- Extremely predictable

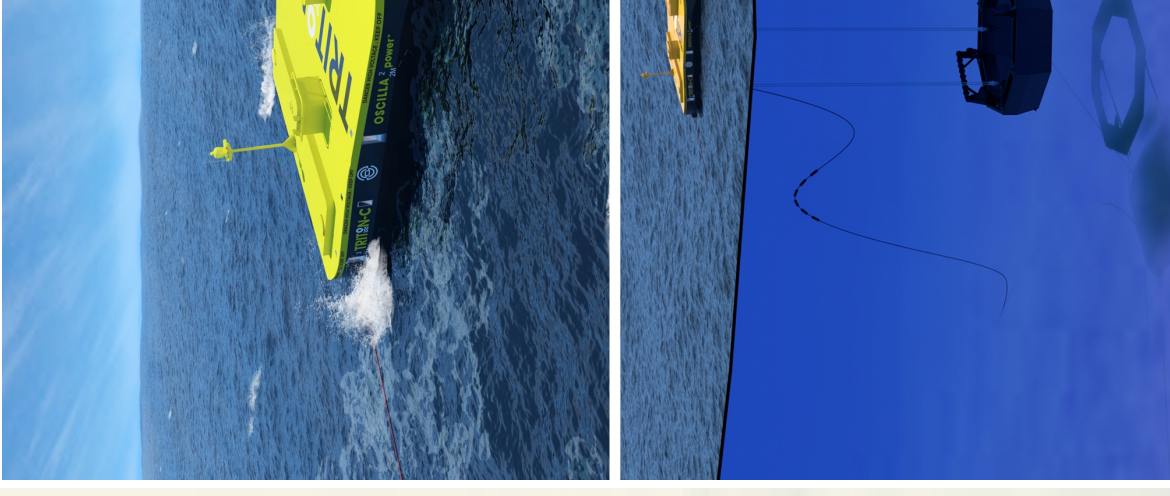
Source: <https://25waves.weebly.com/why-wave-power.html>

Conventional wave energy power generation is expensive

Source: <https://eandt.theiet.org/content/articles/2019/02/cheap-wave-energy-machine-promises-low-cost-electricity-for-100-households-per-unit/>

# Our Solution: OPI Triton Wave Energy Converter (WEC)

- Engineered for:
  - High-efficiency energy capture from waves
  - High-efficiency conversion to electrical energy
  - Design suitable for low-cost manufacturing
  - Survival in the most extreme storm conditions
  - Simple & low-cost installation approach
  - Minimal environmental impact





# Technology Development

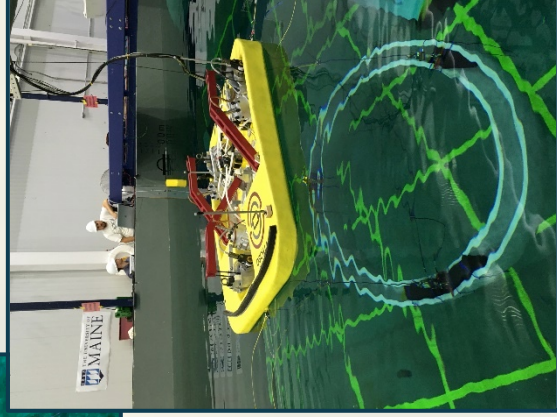
## Laboratory Testing and Validation



1/30th scale  
survival testing



1/60th scale  
concept  
development



1/20th scale  
performance  
testing



TDU1 ocean test  
U.S. East coast

## Small Scale Ocean Testing



TDU2  
ocean test  
U.S. East coast

Larg

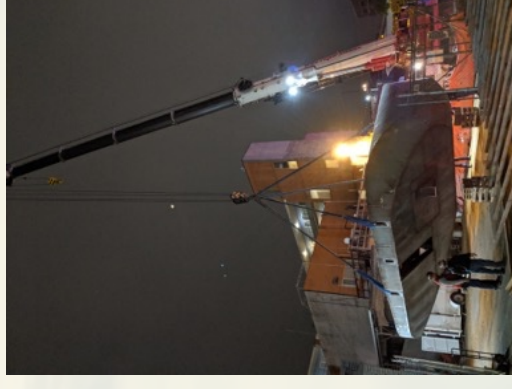
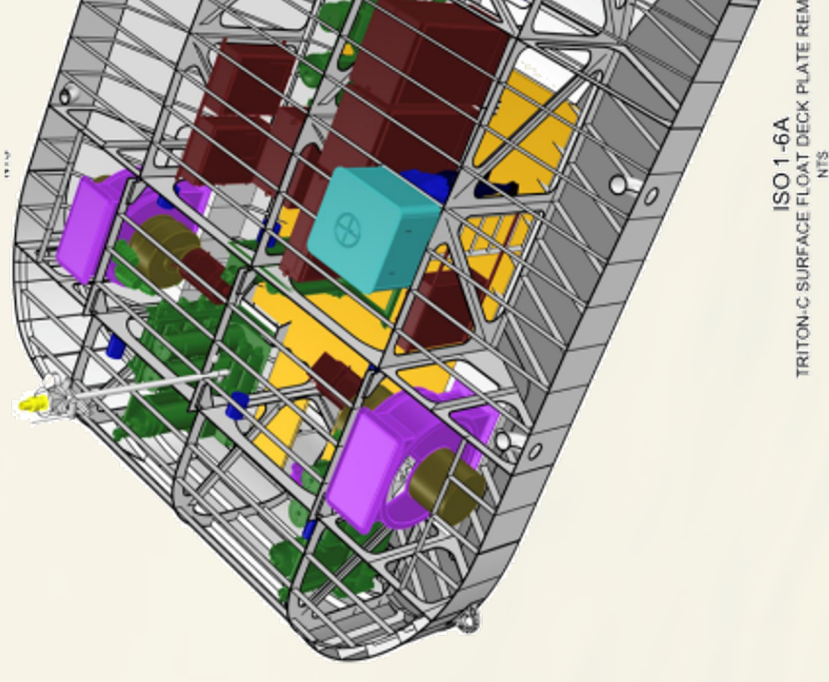
# Department of Energy-Funded Deployment in Hawaii

- Community scale (100 kW) system
  - Designed for small communities on the U.S. West coast, Alaska, Hawaii, and remote islands
- Key Project partners:<sup>1</sup>



- Status:
  - Detailed design completed
  - Float and drivetrain construction underway
  - System deployment expected: Q1 2021

Source: <https://www.energy.gov/eere/water/project-profile-demonstration-advanced-multi-mode-point-absorber-wave-energy-conversion>

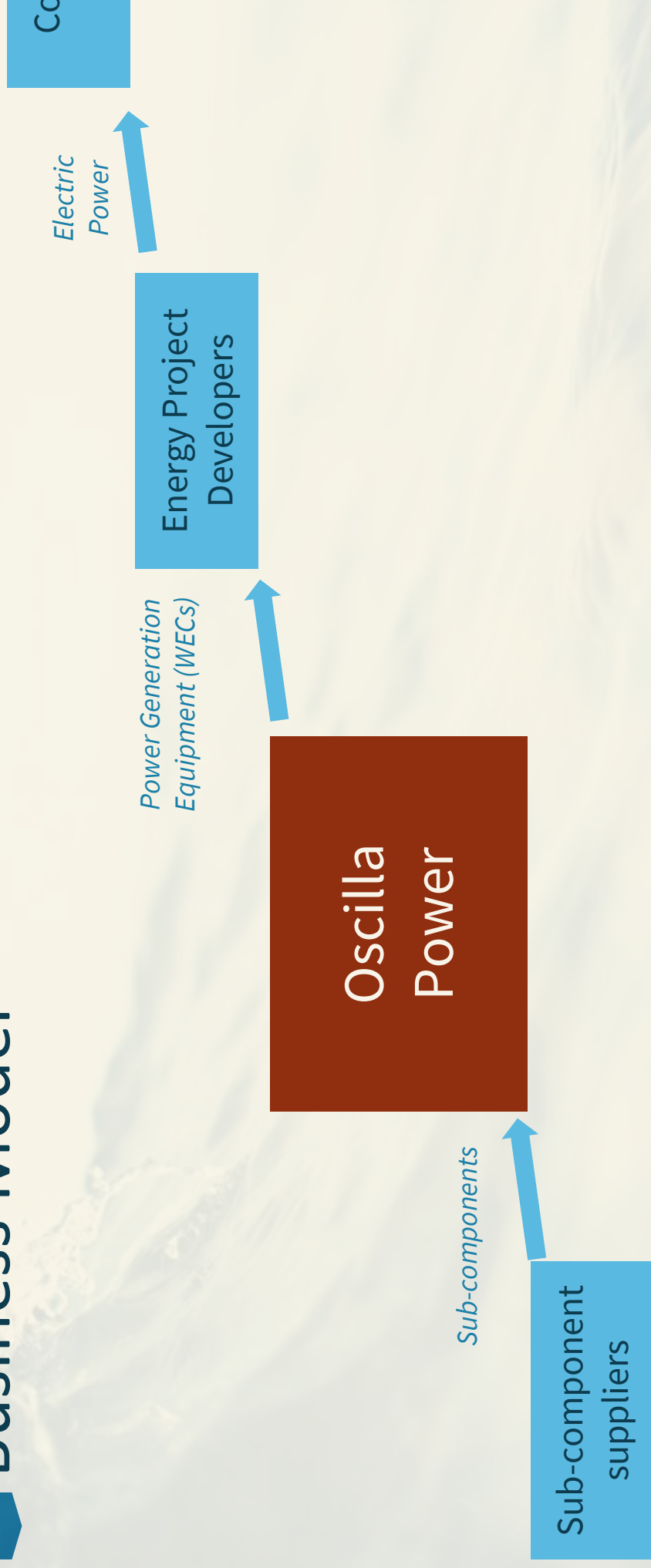


Test location:  
Kaneohe Bay (Hawaii)



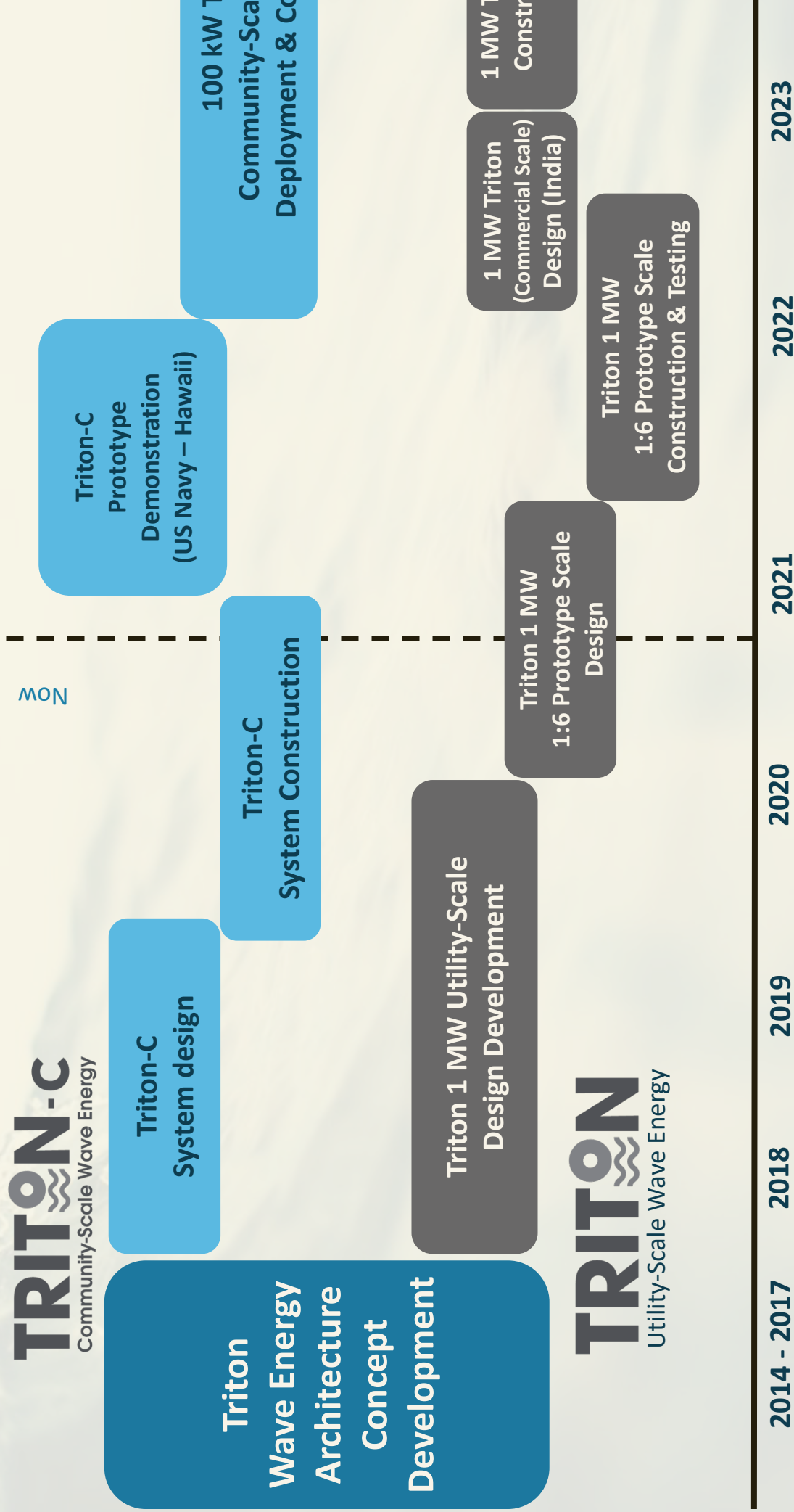


# Business Model



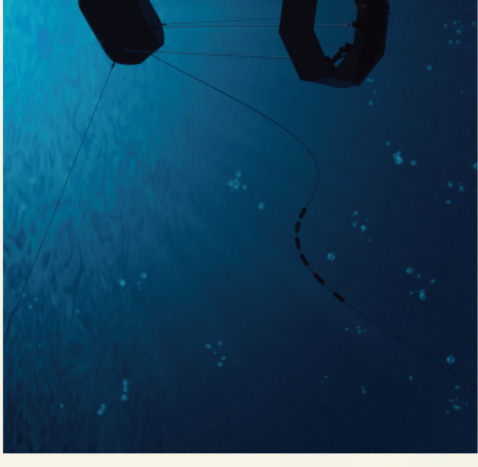
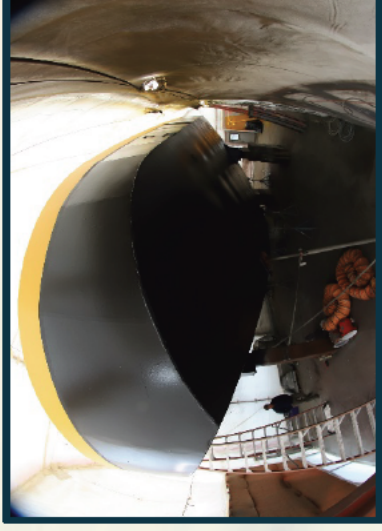
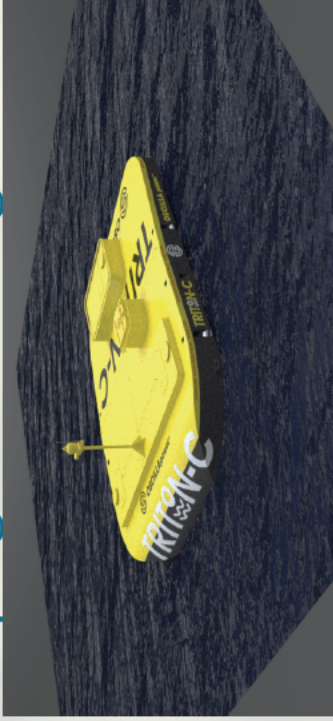
Oscilla Power anticipates selling Triton wave energy converter power generation equipment at \$2.5 Million per 1 MW unit to energy project developers.

# 12 Triton – Development, Demo, & Commercialization



# Funding Round

- Complete construction of first commercial-scale deployment: Community-scale Triton C system in (Hawaii)
- Continue world-wide patent protection and further research and development
- Campaign marketing



Oscilla Power aims to sell the first commercially attractive ocean wave energy a subset of the broader ocean wave energy market, a projected \$21.65 Bn m

<https://www.fiormarkets.com/report/wave-energy-market-by-energy-type-tidal-wave-418573.html>



# Risk Disclosures

## Investment Risk

***An investment in the company is speculative, and as such is not suitable for anyone with a low tolerance for risk and a low need for liquidity.*** You should invest only if you are able to bear the risk of losing your entire investment. There can be no assurance that that investors will receive a return of capital or profit. Investors should have the financial ability and willingness to bear the risks (including, among other things, the risk of loss of their entire investment and the risk of illiquidity) that are characteristic of private placement investments. There will be no public offering of the securities being offered, applicable securities laws will restrict any transfer of the securities, and the securities will not be transferable without the company's consent.

The information provided herein is not intended to be, nor should it be construed as, an offer of investment, tax or legal advice, a recommendation to purchase, or an offer to sell securities of the company. You should rely on the offering statement and documents attached as exhibits to this offering statement when making any investment decision. An investment in the company is not suitable for all investors.





# Risk Disclosures

## Company Risk

*The company's industry is highly competitive, and the company may not be able to compete effectively against the other companies in its industry. The company is subject to a number of significant risks that could result in a reduction in its value and the company's securities, potentially including, but not limited to:*

- Rapidly changing consumer preferences and market trends,
- Inability to expand and maintain market acceptance for the company's services and products,
- Inability to gain access to international markets and comply with all applicable local laws and regulations,
- Inability to achieve management's projections for growth, to maintain or increase historical rates of growth, to meet or exceed past or current trends, or to effectively manage rapid growth,
- Inability to develop, maintain and expand successful marketing relationships, affiliations, joint ventures and partnerships, to be needed to continue and accelerate the company's growth and market penetration,
- Inability to keep pace with rapid industry, technological and market changes that could affect the company's securities and business,
- Technological problems, including potentially widespread outages and disruptions in Internet and mobile commerce,
- Potential costs and business disruption that may result if the company's customers complain or assert claims against the company's technology,
- Failure to adequately address data security and privacy concerns in compliance with U.S. and international laws and policies,
- Performance issues arising from infrastructure changes, human or software errors, website or third-party hosting issues, network disruptions or capacity constraints due to a number of potential causes including technical failures, security vulnerabilities, natural disasters or fraud,



# Risk Disclosures

## Company Risk (cont'd)

- Inability to adequately secure and protect intellectual property rights,
- Potential claims and litigation against the company for infringement of intellectual property rights and other alleged law,
- Difficulties in complying with applicable laws and regulations, and potential costs and business disruption if the company is subject to claims and litigation for legal non-compliance,
- Changes in laws and regulations materially affecting the company's business,
- Liability risks and labor costs and requirements that may jeopardize the company's business,
- Dependence on and inability to hire or retain key members of management and a qualified workforce,
- Ongoing need for substantial additional capital to support operations, to finance expansion and/or to maintain company position,
- Issuance of additional company equity securities at prices dilutive to existing equity holders,
- Potential significant and unexpected declines in the value of company equity securities, including prior to, during, and initial public offering, and
- Inability of the company to complete an initial public offering of its securities, merger, buyout or other liquidity event

**EXHIBIT F**

*Video Transcript*

[Text Overlay] The total theoretical wave energy potential on the world's shorelines is about 32,000 Terra-Watt hours - that's more than the world's total electricity consumption.

[Disclosure]

1. O. Edenhofer et al., "Theoretical Wave Energy Potential," in Renewable Energy Sources and Climate Change Mitigation Special Report of the Intergovernmental Panel on Climate Change. Cambridge University Press, 2011, p. 604
2. International Energy Agency, Data & Statistics: CO2 emissions from electricity generation factors, World 2000-2017, Retrieved 06/05/20.

Oscilla Power aims to bring the first commercially viable, ocean-wave energy systems to market.

[Text Overlay] Tim Mundon VP of Engineering – Oscilla Power

Oscilla Power is developing the Triton and the Triton-C wave energy devices. The Triton works by extracting energy in all modes of motion. Waves move the surface float of the Triton, which generates power inside three separate power takeout units. We can combine those together to be able to create more constant power. We spent a lot of time really getting the shape just right so that it moves as much as possible in ocean waves.

[Text Overlay] Brian Rosenberg Hydrodynamicist – Oscilla Power

[Disclosure] Statement refers to first prototype of the Triton C.

Because the Triton is the first of its kind, we've spent several years completing two types of analysis to understand how the device performs. We start out with a numerical model of the device. We then build small, physical prototypes of the device and test them in the laboratory.

[Text Overlay] Full-Scale Construction Seattle, WA

[Text Overlay] Kate Stinson Engineering Project Manager – Oscilla Power

In wave energy, we have the opportunity to solve problems by providing reliable and sustainable energy to coastal communities.

[Disclosure] No wave energy projects greater than 10 MW have been deployed anywhere in the world.

Wave energy is a really important part of the energy mix because it's complimentary to solar and wind. By mixing these three renewables together, we're able to significantly increase the amount of renewables that we can put onto the grid.



Wave energy has never been commercially applied at a meaningful scale before and we want to be the first people to do that.

Your investment will help us to construct and test the Triton C, our first commercial wave energy device. This will help us to reduce the cost of ocean energy and make a cleaner environment.

With your help in our fundraising campaign, we hope to be generating power in Hawaii by early next year.

Thank you for watching.

[Company Logo and Trademark on Screen] Oscilla power

Sources:

1. [https://books.google.com/books?id=AjP9sVg01zoC&pg=PA504&lpg=PA504&dq=total+global+incident+wave+energy+TWh&source=bl&ots=p\\_6VX-eRGO&sig=ACfU3U1DrVmD5z\\_Nbu3hygy1bn0KvX9TJA&hl=en&sa=X&ved=2ahUKEwj4n7bc79XpAhWCVs0KHYZcAsgQ6AEwFHoECAgQAQ#v=onepage&q=total%20global%20incident%20wave%20energy%20TWh&f=false](https://books.google.com/books?id=AjP9sVg01zoC&pg=PA504&lpg=PA504&dq=total+global+incident+wave+energy+TWh&source=bl&ots=p_6VX-eRGO&sig=ACfU3U1DrVmD5z_Nbu3hygy1bn0KvX9TJA&hl=en&sa=X&ved=2ahUKEwj4n7bc79XpAhWCVs0KHYZcAsgQ6AEwFHoECAgQAQ#v=onepage&q=total%20global%20incident%20wave%20energy%20TWh&f=false)
2. <https://www.iea.org/data-and-statistics?country=WORLD&fuel=Electricity%20and%20heat&indicator=Electricity%20consumption>