

**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***

Mugatunes Inc.

***Legal status of issuer***

***Form***

Corporation

***Jurisdiction of Incorporation/Organization***

Delaware

***Date of organization***

February 11, 2015

***Physical address of issuer***

357 Commercial Street, # 321, Boston, MA 02109

***Website of issuer***

www.mugatunes.com

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

OpenDeal Inc. dba "Republic"

***CIK number of intermediary***

0001672732

***SEC file number of intermediary***

283874

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

007-00046

***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***

5.0% of the amount raised

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

2% of the Securities being issued in this Offering

***Type of security offered***

Crowd SAFE

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

50,000

***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:

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

\$500,000.00

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

July 30, 2018

**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*

0

|                                    | <b>Most recent fiscal year-end</b> | <b>Prior fiscal year-end</b> |
|------------------------------------|------------------------------------|------------------------------|
| <b>Total Assets</b>                | \$1,957.49                         | \$1,306.61                   |
| <b>Cash &amp; Cash Equivalents</b> | \$1,957.49                         | \$1,306.61                   |
| <b>Accounts Receivable</b>         | \$1,000.00                         | \$0.00                       |
| <b>Short-term Debt</b>             | \$0.00                             | \$0.00                       |
| <b>Long-term Debt</b>              | \$0.00                             | \$0.00                       |
| <b>Revenues/Sales</b>              | \$0.00                             | \$0.00                       |
| <b>Cost of Goods Sold</b>          | \$0.00                             | \$0.00                       |
| <b>Taxes Paid</b>                  | \$0.00                             | \$0.00                       |
| <b>Net Income</b>                  | \$0.00                             | \$0.00                       |

*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

**April 26, 2018**

**FORM C**

**Up to \$500,000.00**

**Mugatunes Inc.**



**Crowd SAFE**

This Form C (including the cover page and all exhibits attached hereto, the "Form C") is being furnished by Mugatunes Inc., a Delaware Corporation (the "Company," 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 SAFE of the Company (the "Securities"). Purchasers of Securities are sometimes referred to herein as "Purchasers." The Company intends to raise at least \$50,000.00 and up to \$500,000.00 from Purchasers in the offering of Securities described in this Form C (this "Offering"). The minimum amount of Securities that can be purchased is \$50.00 per Purchaser (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 and execute a Subscription Agreement. Purchases or "Subscriptions" 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 OpenDeal Inc. dba "Republic" (the "Intermediary"). The Intermediary will be entitled to receive 2% of the Securities being issued in this Offering related to the purchase and sale of the Securities.

|   | Price to Purchasers | Service Fees and Commissions (1) | Net Proceeds |
|---|---------------------|----------------------------------|--------------|
| <b>Minimum Individual Purchase Amount</b> | \$50.00             | \$2.50                           | \$47.50      |
| <b>Aggregate Minimum Offering Amount</b>  | \$50,000.00         | \$2,500.00                       | \$47,500.00  |
| <b>Aggregate Maximum Offering Amount</b>  | \$500,000.00        | \$25,000.00                      | \$475,000.00 |

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

(2) OpenDeal Inc. dba "Republic" will receive 2% of the Securities being issued in this Offering in connection with 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 literature. 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.mugatunes.com](http://www.mugatunes.com) no later than 120 days after the end of each fiscal year covered by the report. 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 March 15, 2018.

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 PURCHASER 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 CREATING 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 PURCHASER LIVES OUTSIDE THE UNITED STATES, IT IS THE PURCHASER'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 PURCHASER.

#### ***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.*

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## **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 April 30, 2019.

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

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

- (1) the Company is required to file reports under Section 13(a) or Section 15(d) of the Exchange Act;
- (2) the Company has filed at least three annual reports pursuant to Regulation CF and has total assets that do not exceed \$10,000,000;
- (3) the Company has filed at least one annual report pursuant to Regulation CF and has fewer than 300 holders of record;
- (4) 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
- (5) 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 Purchaser 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 Purchaser is urged to read this Form C and the Exhibits hereto in their entirety.

Mugatunes Inc. (the "Company") is a Delaware Corporation, formed on February 11, 2015. The Company is currently also conducting business under the name of Mugatunes.

The Company is located at 357 Commercial Street, # 321, Boston, MA 02109.

The Company's website is [www.mugatunes.com](http://www.mugatunes.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**

Mugatunes is a music sharing & curation platform. All content is user-generated by a community of 'Tastemakers'. Music enthusiasts apply to become Tastemakers. Once accepted as a Tastemaker, they blog about new songs, create playlists and write articles. We have had 400+ tastemakers contribute 200+ pieces of original content each month. The Problem: 1) Music enthusiasts, Disk Jockeys, Music Curators and Tastemakers do not have a platform to share or discuss new music discoveries. 2) Music fans are not satisfied with curation services available (top 40 radio, Pandora bots, recommendation algorithms). We give music enthusiasts a stage to share great new music, where there's an audience eager to find it. It is music curation from recommendations you can trust. No bots. No Algorithms. #NoShittyMusic We currently operate a digital agency business model. We offer digital advertising (native ads, campaigns) and marketing services (graphic design, web design, videography, etc.) to artists and brands. We also are beginning to sell merchandise. This offering is to expand team, scale user base, build out mobile application, and other marketing expenditures.

### **The Offering**

|  |   |
|--|---|
| <b>Minimum amount of Crowd SAFE being offered</b>                              | 50,000  |
| <b>Total Crowd SAFE outstanding after Offering (if minimum amount reached)</b> | 50,000  |
| <b>Maximum amount of Crowd SAFE</b>  | 500,000   |
| <b>Total Crowd SAFE outstanding after Offering (if maximum amount reached)</b> | 500,000   |
| <b>Purchase price per Security</b>   | \$1.00  |
| <b>Minimum investment amount per investor</b>                                  | \$50.00   |
| <b>Offering deadline</b>   | July 30, 2018   |
| <b>Use of proceeds</b>   | See the description of the use of proceeds on page 24 hereof. |

|  |   |
|--|---|
| <b>Voting Rights</b>   | See the description of the voting rights on page 34 hereof.   |
| <b>Minimum amount of Crowd SAFE being offered</b>                              | 50,000  |
| <b>Total Crowd SAFE outstanding after Offering (if minimum amount reached)</b> | 50,000  |
| <b>Maximum amount of Crowd SAFE</b>  | 500,000   |
| <b>Total Crowd SAFE outstanding after Offering (if maximum amount reached)</b> | 500,000   |
| <b>Purchase price per Security</b>   | \$1.00  |
| <b>Minimum investment amount per investor</b>                                  | \$50.00   |
| <b>Offering deadline</b>   | July 25, 2018   |
| <b>Use of proceeds</b>   | See the description of the use of proceeds on page 24 hereof. |
| <b>Voting Rights</b>   | See the description of the voting rights on page 34 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**

*In order for the Company to compete and grow, it must attract, recruit, retain and develop the necessary personnel who have appropriate experience.*

Recruiting and retaining highly qualified personnel is critical to our success. These demands may require us to hire additional personnel and will 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 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.

***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 its current CEO, Drew Meagher, 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. If Drew Meagher dies or becomes disabled, the Company will not receive any compensation to assist with the company in transitional operations of the company to new personal. The loss of such person could negatively affect the Company and its operations.

***The development and commercialization of our products & services is highly competitive.***

Our competitors include major media and music companies worldwide. Some of our competitors have significantly greater financial, technical and human resources than we have and superior expertise in research and development and marketing approved [products/services] and thus may be better equipped than us to develop and commercialize [products/services]. These competitors also compete with us in recruiting and retaining qualified personnel and acquiring technologies. Smaller or early stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. Accordingly, our competitors may commercialize products more rapidly or effectively than we are able to, which would adversely affect our competitive position, the likelihood that our [products/services] will achieve initial market acceptance and our ability to generate meaningful additional revenues from our products.

***Company intends for the proceeds of this Offering to contribute to the Company's ability to acquire appropriate technical talent, failure to raise sufficient funds may hurt the Company's future prospects."***

***We are subject to rapid technological change and dependence on new product development.***

The music industry is characterized by rapid and significant technological developments, frequent new product introductions and enhancements, continually evolving business expectations and swift changes. To compete effectively in such markets, we must continually improve and enhance our products and services and develop new technologies and services that incorporate technological advances, satisfy increasing customer expectations and compete effectively on the basis of performance and price. Our success will also depend substantially upon our ability to anticipate, and to adapt our products and services to our collaborative partner's preferences. There can be no assurance that technological developments will not render some of our products and services obsolete, or that we will be able to respond with improved or new products, services, and technology that satisfy evolving customers' expectations. Failure to acquire, develop or introduce new products, services, and enhancements in a timely manner could have an adverse effect on our business and results of operations. Also, to the extent one or more of our competitors introduces products and services that better address a customer's needs, our business would be adversely affected.

***We plan to implement new lines of business or offer new products and services within existing lines of business.***

There are some risks and uncertainties associated with these efforts. 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.

***The Company intends to use the proceeds from the Offering for unspecified working capital.***

This means that the Company has ultimate discretion to use the proceeds as it sees fit and has chosen not to set forth any specific uses for you to evaluate. The net proceeds from this Offering will be used for the purposes, which our management deems to be in our best interests in order to address changed circumstances or opportunities. As a result of the foregoing, our success will be substantially dependent upon our discretion and judgment with respect to application and allocation of the net proceeds of this Offering. The Company may chose to use the proceeds in a manner that you do not agree with and you will have no recourse. A use of proceeds that does not further the Company's business and goals could harm the Company and its operations and ultimately cause a Purchaser to lose all or a portion of his or her investment.

***The Company's success depends on the abilities of the founders, board of directors, key employees, and team as a whole.***

In particular, the Company is dependent on Andrew Meagher who is CEO of the Company, respectively. The loss of Andrew Meagher 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 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 depend on third-party audible content providers Soundcloud & Youtube. If Soundcloud or Youtube were to dissolve, we'd be required to quickly change our tech to accept alternative streaming sources (Bandcamp, Audiomack, Spotify, fanburst, etc.).***

If outsourcing services are interrupted or the performance is poor, this could impact our user's experience. Such interruptions could result in our inability to meet customer expectations, damage our reputation and customer relationships and adversely affect our business.

***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.

***Our success depends on consumer acceptance of our content and we may be adversely affected if our content fails to achieve sufficient consumer acceptance or the costs to create or acquire content increase.***

We create and acquire media and entertainment content, the success of which depends substantially on consumer tastes and preferences that change in often unpredictable ways. The success of these businesses depends on our ability to consistently create, acquire, market and distribute music curation and other content that meet the changing preferences of the broad domestic and international consumer market. We have invested, and will continue to invest, substantial amounts in our content, including in the production of original content, before learning the extent to which it would earn consumer acceptance.

We also obtain a significant portion of our content from third parties. Competition for popular content is intense, and we may have to increase the price we are willing to pay or be outbid by our competitors for popular content. If our content does not achieve sufficient consumer acceptance, or if we cannot obtain or retain rights to popular content on acceptable terms, or at all, our businesses may be adversely affected.

***Our business could be adversely affected if there is a decline in advertising spending.***

A decline in the economic prospects of advertisers or the economy in general could cause current or prospective advertisers to spend less on advertising or spend their advertising dollars in other media. Advertising expenditures also could be negatively affected by (i) increasing audience fragmentation caused by increased availability of alternative forms of leisure and entertainment activities; (ii) pressure from public interest groups to reduce or eliminate advertising of certain products; (iii) new laws and regulations that prohibit or restrict certain types of advertisements; and (iv) natural disasters, extreme weather, acts of terrorism, political uncertainty or hostilities, because there may be uninterrupted news coverage of such events that disrupts regular ad placement. In addition, advertisers' willingness to purchase advertising time from the Company may be adversely affected by a decline in the monthly reach of our content.

***We derive substantial revenues from the sale of advertising, and a decrease in overall advertising expenditures could lead to a reduction in the amount of advertising that companies are willing to purchase and the price at which they purchase it.***

Expenditures by advertisers tend to be cyclical and have become less predictable in recent years, reflecting domestic and global economic conditions. If the economic prospects of advertisers or current economic conditions worsen, such conditions could alter current or prospective advertisers' spending priorities. In particular, advertisers in certain industries that are more susceptible to weakness in domestic and global economic conditions, such as beauty, fashion and retail and food, account for a significant portion of our advertising revenues, and weakness in these industries could have a disproportionate negative impact on our advertising revenues. Declines in consumer spending on advertisers' products due to weak economic conditions could also indirectly negatively impact our advertising revenues, as advertisers may not perceive as much value from advertising if consumers are purchasing fewer of their products or services. As a result, our advertising revenues are less predictable.

***Our operating results may fluctuate due to factors that are difficult to forecast and not within our control.***

Factors that may contribute to fluctuations include:

- \* changes in aggregate capital spending, cyclical and other economic conditions, or domestic and international demand in the industries we serve;
- \* our ability to effectively manage our working capital;
- \* our ability to satisfy consumer demands in a timely and cost-effective manner;
- \* pricing and availability of labor and materials;
- \* our inability to adjust certain fixed costs and expenses for changes in demand;
- \* shifts in geographic concentration of customers, supplies and labor pools; and
- \* seasonal fluctuations in demand and our revenue.

***We may be adversely affected by cyclical, volatility or an extended downturn in the United States or worldwide economy, or in or related to the industries we serve.***

Our operating results, business and financial condition could be significantly harmed by an extended economic downturn or future downturns, especially in regions or industries where our operations are heavily concentrated. Further, we may face increased pricing pressures during such periods as customers seek other advertising services, which may adversely affect our financial condition and results of operations.

***Failure to obtain new clients or renew client contracts on favorable terms could adversely affect results of operations.***

We may face pricing pressure in obtaining and retaining our clients. Our clients may be able to seek price reductions from us when they renew a contract, when a contract is extended, or when

the client's business has significant volume changes. They may also reduce services if they decide to move services in-house. On some occasions, this pricing pressure results in lower revenue from a client than we had anticipated based on our previous agreement with that client. This reduction in revenue could result in an adverse effect on our business and results of operations.

Further, failure to renew client contracts on favorable terms could have an adverse effect on our business. Our contracts with clients generally run for several years and include liquidated damage provisions that provide for early termination fees. Terms are generally renegotiated prior to the end of a contract's term. If we are not successful in achieving a high rate of contract renewals on favorable terms, our business and results of operations could be adversely affected.

***We have little operating history upon which you can evaluate our performance, and accordingly, our prospects must be considered in light of the risks that any new company encounters.***

While Mugatunes as a publication has existed since 2015, the current platform/product was launched in April of 2017. Accordingly, we have little history upon which and evaluation of our prospects and future performance can be made. Our proposed operations are subject to all business risks associated with new enterprises. You should consider the Company's business operations and prospects in light of the risks, expenses and challenges faced as an early-stage company.

## **Risks Related to the Securities**

***The Units of SAFE (Simple Agreement for Future Equity) will not be freely tradable until one year from the initial purchase date. Although the Units of SAFE (Simple Agreement for Future Equity) 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 Units of SAFE (Simple Agreement for Future Equity). Because the Units of SAFE (Simple Agreement for Future Equity) have not been registered under the Securities Act or under the securities laws of any state or non-United States jurisdiction, the Units of SAFE (Simple Agreement for Future Equity) 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 Units of SAFE (Simple Agreement for Future Equity) may also adversely affect the price that you might be able to obtain for the Units of SAFE (Simple Agreement for Future Equity) 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.

***A majority of the Company is owned by a small number of owners.***

Prior to the Offering the Company's current owners of 20% or more beneficially own up to 94.0% of the Company. Subject to any fiduciary duties owed to our other owners or investors under Delaware law, these owners may be able to exercise significant influence over matters requiring owner approval, including the election of directors or managers and approval of significant Company transactions, and will have significant control over the Company's management and policies. Some of these persons may have interests that are different from yours. For example, these owners may support proposals and actions with which you may disagree. The concentration of ownership could delay or prevent a change in control of the Company or otherwise discourage a potential acquirer from attempting to obtain control of the Company, which in turn could reduce the price potential investors are willing to pay for the Company. In addition, these owners could use their voting influence to maintain the Company's existing management, delay or prevent changes in control of the Company, or support or reject other management and board proposals that are subject to owner approval.

***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 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.

***Purchasers will not become equity holders until the Company decides to convert the Securities into CF Shadow Securities or until an IPO or sale of the Company.***

Purchasers will not have an ownership claim to the Company or to any of its assets or revenues for an indefinite amount of time, and depending on when and how the Securities are converted, the Purchasers may never become equity holders of the Company. Purchasers will not become equity holders of the Company unless the Company receives a future round of financing great enough to trigger a conversion and the Company elects to convert the Securities. The Company

is under no obligation to convert the Securities into CF Shadow Securities (the type of equity Securities Purchasers are entitled to receive upon such conversion). In certain instances, such as a sale of the Company, an IPO or a dissolution or bankruptcy, the Purchasers may only have a right to receive cash, to the extent available, rather than equity in the Company.

***Purchasers will not have voting rights, even upon conversion of the Securities into CF Shadow Securities.***

Purchasers will not have the right to vote upon matters of the Company even if and when their Securities are converted into CF Shadow Securities. Upon such conversion, CF Shadow Securities will have no voting rights and even in circumstances where a statutory right to vote is provided by state law, the CF Shadow Security holders are required to vote with the majority of the security holders in the new round of equity financing upon which the Securities were converted. For example, if the Securities are converted upon a round offering Series B Preferred Shares, the Series B-CF Shadow Security holders will be required to vote the same way as a majority of the Series B Preferred Share holders vote. Thus, Purchasers will never be able to freely vote upon any director or other matters of the Company.

***Purchasers will not be entitled to any inspection or information rights other than those required by Regulation CF.***

Purchasers will not have the right to inspect the books and records of the Company or to receive financial or other information from the Company, other than as required by Regulation CF. Other security holders may have such rights. Regulation CF requires only the provision of an annual report on Form C and no additional information. This lack of information could put Purchasers at a disadvantage in general and with respect to other security holders.

***In a dissolution or bankruptcy of the Company, Purchasers will be treated the same as common equity holders.***

In a dissolution or bankruptcy of the Company, Purchasers of Securities which have not been converted will be entitled to distributions as if they were common stock holders. This means that such Purchasers will be at the lowest level of priority and will only receive distributions once all creditors as well as holders of more senior securities, including any preferred stock holders, have been paid in full. If the Securities have been converted into CF Shadow Securities, the Purchasers will have the same rights and preferences (other than the ability to vote) as the holders of the Securities issued in the equity financing upon which the Securities were converted.

***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. The Company has ultimate discretion as to whether or not to convert the Securities upon a future equity financing and Purchasers have no right to demand such conversion. Only in limited circumstances, such as a liquidity event, may the 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 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**

Mugatunes is a music sharing & curation platform. All content is user-generated by a community of 'Tastemakers'. Music enthusiasts apply to become Tastemakers. Once accepted as a Tastemaker, they blog about new songs, create playlists and write articles. We have had 400+ tastemakers contribute 200+ pieces of original content each month. The Problem: 1) Music enthusiasts, Disk Jockeys, Music Curators and Tastemakers do not have a platform to share or discuss new music discoveries. 2) Music fans are not satisfied with curation services available (top 40 radio, Pandora bots, recommendation algorithms). We give music enthusiasts a stage to share great new music, where there's an audience eager to find it. It is music curation from recommendations you can trust. No bots. No Algorithms. #NoShittyMusic We currently operate a digital agency business model. We offer digital advertising (native ads, campaigns) and marketing services (graphic design, web design, videography, etc.) to artists and brands. We also are beginning to sell merchandise. This offering is to expand team, scale user base, build out mobile application, and other marketing expenditures.

### **Business Plan**

Mugatunes is a music curation and discovery platform. It is a hybrid between curation services like Hype Machine, and publications like Pitchfork. The content is 100% user generated and comes in the form of new songs, custom playlists, and articles on the industry. Users must apply to become curators and are highly vetted. To date we've had 400+ curators, who we call 'Tastemakers'. It is often described as Medium for music. We'll monetize the platform with a

media publication/agency business model. Current revenue comes from multi-faceted digital advertising campaigns, as well as marketing services for artists and brands (song submissions, featured posts, branding, web design, social media management). Our advertising revenue directly correlates with our platform’s total reach, and our agency revenue is highly dependent on our client lead generation. As our user base grows we’ll continue to add features that make the platform a more social experience. We’ll organically develop the first social media platform around music sharing/discovery. We’ll experiment with freemium models as well as sell data on our users.

## History of the Business

### The Company’s Products and/or Services

| Product / Service                               | Description  | Current Market  |
|---|--|---|
| Music Curation/Discovery/<br>Streaming platform | Platform solves two problems: 1) Provides the most passionate music fans a place to share and discuss new music. 2) Provides all music fans a seamless way to discover, listen and save new music & playlists. Curated 100% by humans - no bots or algorithms. | Current reach is 200,000/month. Market potential is all music fans. 180,000,000 music streaming users in 2018 <a href="https://www.statista.com/statistics/669113/number-music-streaming-subscribers/">https://www.statista.com/statistics/669113/number-music-streaming-subscribers/</a> |
| Digital Advertising                             | Campaigns & Native Advertising   | We’ll be executing our second ad-campaign in February 2018. Brands trying to reach our audience + bridge their story with music. \$204,000,000,000 Digital Ad spend in 2017   |
| Digital Agency Services for Artists + Brands    | Logo Design, Cover Art Design, Web Design, Brand Strategy,   | Artists: Vocalists, DJs, Producers, Bands, Rappers, etc. Brands: companies of all sizes.  |

This offering will finance the development of our mobile app, which will be a streaming and sharing application on IOS/Android.

Curated music and content is distributed through the platform, and further distributed through our social media channels. Agency style services are distributed digitally.

## Competition

The Company's primary competitors are Music Curators: 8 Tracks, Hype M, Pitchfork, Complex, etc. .

The market for music curation services and music publications are both highly competitive, but we're combining both. We're a music publication with 100% UGC (User Generated Content), combined with a music curation service. Curation communities like 8 Tracks and HypeM provide similar services but have struggled to reach sustainability. We're a curation service with a media publication business model.

### **Supply Chain and Customer Base**

All audible content comes from either Soundcloud and Youtube via their API's. Platform content (blog posts, playlists, articles) is created by our writers (we call them tastemakers).

Customers of content & curation are music fans, mostly 18-24 y/o. Digital Agency customers are brands of all sizes. Artist Services customers are vocalists, DJ's, producers, bands, PR Firms, Record Labels.

### **Intellectual Property**

The Company is dependent on the following intellectual property:

### **Governmental/Regulatory Approval and Compliance**

N/A

### **Litigation**

None

### **Other**

The Company's principal address is 357 Commercial Street, # 321, Boston, MA 02109

The Company has the following additional addresses:

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.

### **USE OF PROCEEDS**

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

| <b>Use of Proceeds</b>                               | <b>% of Minimum Proceeds Raised</b> | <b>Amount if Minimum Raised</b> | <b>% of Maximum Proceeds Raised</b> | <b>Amount if Maximum Raised</b> |
|--|-------------------------------------|---------------------------------|-------------------------------------|---------------------------------|
| Intermediary Fees                                    | 5.00%                               | \$2,500                         | 5.00%                               | \$25,000                        |
| Campaign marketing expenses or related reimbursement | 2.00%                               | \$1,000                         | 0.20%                               | \$1,000                         |
| General Marketing                                    | 10.00%                              | \$5,000                         | 15.80%                              | \$79,000                        |
| Research and Development                             | 10.00%                              | \$5,000                         | 10.00%                              | \$50,000                        |
| Manufacturing  | 1.00%                               | \$500                           | 1.00%                               | \$5,000                         |
| Equipment Purchases                                  | 1.00%                               | \$500                           | 2.00%                               | \$10,000                        |
| Future Wages   | 40.00%                              | \$20,000                        | 40.00%                              | \$200,000                       |
| General Working Capital                              | 31.00%                              | \$15,500                        | 26.00%                              | \$130,000                       |
| <b>Total</b>   | <b>100.00%</b>                      | <b>\$50,000</b>                 | <b>100.00%</b>                      | <b>\$500,000</b>                |

The Company does have discretion to alter the use of proceeds as set forth above. The Company may alter the use of proceeds under the following circumstances: Any.

## **DIRECTORS, OFFICERS AND EMPLOYEES**

### **Directors**

The directors or managers 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*

Robert Gau

#### *All positions and offices held with the Company and date such position(s) was held with start and ending dates*

President 2/11/2015 - 12/18/2016 Advisor & Part-Time CFO - 12/18/2016 - Present

***Principal occupation and employment responsibilities during at least the last three (3) years with start and ending dates***

Editor In Chief & Content Manager 2/11/2015 - 12/18/2016 Financial Management (budgeting, expenses, incorporation etc.) 2/11/2015 - Present

***Education***

Trinity College, Bachelor Degree, 2015 Staples High School, 2011

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***Name***

Andrew Meagher

***All positions and offices held with the Company and date such position(s) was held with start and ending dates***

Co-Founder & CEO, 2/11/15 - Present

***Principal occupation and employment responsibilities during at least the last three (3) years with start and ending dates***

Product, Marketing, Editor In Chief, Fundraising, Content Management, Vision 2/11/2015 - Present

***Education***

Trinity College, Bachelor Degree, 2015 Worcester Academy, 2011

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**Officers**

The 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***

Robert Gau

***All positions and offices held with the Company and date such position(s) was held with start and ending dates***

President 2/11/2015 - 12/18/2016 Advisor & Part-Time CFO - 12/18/2016 - Present

***Principal occupation and employment responsibilities during at least the last three (3) years with start and ending dates***

Editor In Chief & Content Manager 2/11/2015 - 12/18/2016 Financial Management (budgeting, expenses, incorporation etc.) 2/11/2015 - Present

***Education***

Trinity College, Bachelor Degree, 2015 Staples High School, 2011

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**Name**

Andrew Meagher

**All positions and offices held with the Company and date such position(s) was held with start and ending dates**

Co-Founder & CEO, 2/11/15 - Present

**Principal occupation and employment responsibilities during at least the last three (3) years with start and ending dates**

Product, Marketing, Editor In Chief, Fundraising, Content Management, Vision 2/11/2015 - Present

**Education**

Trinity College, Bachelor Degree, 2015 Worcester Academy, 2011

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**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 0 employees.

**CAPITALIZATION AND OWNERSHIP****Capitalization**

The Company has issued the following outstanding Securities:

|                             |   |
|-----------------------------|---|
| <b>Type of security</b>     | SAFE (Simple Agreement for Future Equity) |
| <b>Amount outstanding</b>   | 95,950                                    |
| <b>Voting Rights</b>        | none                                      |
| <b>Anti-Dilution Rights</b> | none                                      |

|   |      |
|---|------|
| <b>How this Security may limit, dilute or qualify the Notes/Bonds issued pursuant to Regulation CF</b>  | none |
| <b>Percentage ownership of the Company by the holders of such Securities (assuming conversion prior to the Offering if convertible securities).</b> | 4.8% |

|   |   |
|---|---|
| <b>Type of security</b>   | Issued shares to founders. Common Stock |
| <b>Amount outstanding</b>   | 100                                     |
| <b>Voting Rights</b>  | Relative to % owned.                    |
| <b>Anti-Dilution Rights</b>   | none                                    |
| <b>How this Security may limit, dilute or qualify the Notes/Bonds issued pursuant to Regulation CF</b>  | none                                    |
| <b>Percentage ownership of the Company by the holders of such Securities (assuming conversion prior to the Offering if convertible securities).</b> | N/A                                     |

The Company has the following debt outstanding:

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> |
|---|--------------------|---------------------|--|-------------------------------|--|
| SAFE (Simple Agreement for Future Equity) | 9                  | \$95,950.00         | Develop online music sharing & discovery platform (tech). New platform launched in April 2017. | 12/16/16 - 12/23/17<br>506(b) |  |

### ***Valuation***

The Company has ascribed no valuation in conjunction with this Offering.

Before making an investment decision, you should carefully consider this valuation and the factors used to reach such valuation.

### **Ownership**

94% of the Company is owned by Andrew Meagher. Fellow co-founders/advisors Rob Gau and Stefan Harnes own 3% each. There's \$95,950 in SAFE notes (\$2M Cap) notes pending.

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.

| <b>Name</b>    | <b>Percentage Owned Prior to Offering</b> |
|----------------|---|
| Andrew Meagher | 94.0%                                     |

Following the Offering, the Purchasers will own of the Company if the Minimum Amount is raised and if the Maximum Amount is raised.

## **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**

The company intends to reach profitability in the next 12 months. We currently have a total reach of 200,000K/month and expect to generate \$2000/month in agency revenue next month. With this offering we expect to be at 2,000,000 monthly reach with \$20,000 in agency revenue.

### **Liquidity and Capital Resources**

The offering proceeds are essential to the acceleration of our growth. 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 little cash on hand which will be augmented by the Offering proceeds and used to execute our business strategy.

The Company does not have any additional sources of capital other than the proceeds from the Offering.

## **Capital Expenditures and Other Obligations**

The Company does not intend to make any material capital expenditures in the future.

## **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 500,000 of Crowd SAFE for up to \$500,000.00. The Company is attempting to raise a minimum amount of \$50,000.00 in this Offering (the "Minimum Amount"). The Company must receive commitments from investors in an amount totaling the Minimum Amount by July 30, 2018 (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. 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 \$500,000.00 (the "Maximum Amount") and the additional Securities will be allocated on a First-come, first-served basis.

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 PrimeTrust, LLC 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 Minimum Amount is reached, 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. Any Purchaser funds received after the initial closing will be released to the Company upon a subsequent closing and the Purchaser will receive Securities via Electronic Certificate/PDF in exchange for his or her investment as soon as practicable thereafter.

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 \$50.00.

The Offering is being made through OpenDeal Inc. dba "Republic", the Intermediary. The following two fields below sets forth the compensation being paid in connection with the Offering.

***Commission/Fees***

5.0% of the amount raised

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

2% of the Securities being issued in this 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 organizational documents in conjunction with the following summary information.

**Authorized Capitalization**

At the initial closing of this Offering (if the minimum amount is sold), our authorized capital stock will consist of (i) 1500 shares of common stock, par value \$0.0001 per share, of which 100 common shares will be issued and outstanding, and (ii) 0 shares of preferred stock, par value \$0.0001 per share, of which 0 preferred shares will be issued and outstanding.

**Not Currently Equity Interests**

The Securities are not currently equity interests in the Company and can be thought of as the right to receive equity at some point in the future upon the occurrence of certain events.

**Dividends**

The Securities do not entitle the Purchasers to any dividends.

## **Conversion**

Upon each future equity financing of greater than \$1,000,000.00 (an "Equity Financing"), the Securities are convertible at the option of the Company, into CF Shadow Series Securities, which are securities identical to those issued in such future Equity Financing except 1) they do not have the right to vote on any matters except as required by law, 2) they must vote in accordance with the majority of the investors in such future Equity Financing with respect to any such required vote and 3) they are not entitled to any inspection or information rights (other than those contemplated by Regulation CF). The Company has no obligation to convert the Securities in any future financing.

### ***Conversion Upon the First Equity Financing***

If the Company elects to convert the Securities upon the first Equity Financing following the issuance of the Securities, the Purchaser will receive the number of CF Shadow Series Securities equal to the greater of the quotient obtained by dividing the amount the Purchaser paid for the Securities (the "Purchase Amount") by:

(a) the quotient of \$4,000,000.00 divided by the aggregate number of issued and outstanding shares of capital stock, assuming full conversion or exercise of all convertible and exercisable Securities then outstanding, including shares of convertible preferred stock and all outstanding vested or unvested options or warrants to purchase capital stock, but excluding (i) the issuance of all shares of capital stock reserved and available for future issuance under any of the Company's existing equity incentive plans, (ii) convertible promissory notes issued by the Company, (iii) any Simple Agreements for Future Equity, including the Securities (collectively, "Safes"), and (iv) any equity Securities that are issuable upon conversion of any outstanding convertible promissory notes or Safes,

OR

(b) the lowest price per share of the Securities sold in such Equity Financing multiplied by 80.00%.

The price (either (a) or (b)) determined immediately above shall be deemed the "First Financing Price" and may be used to establish the conversion price of the Securities at a later date, even if the Company does not choose to convert the Securities upon the first Equity Financing following the issuance of the Securities.

### ***Conversion After the First Equity Financing***

If the Company elects to convert the Securities upon an Equity Financing after the first Equity Financing following the issuance of the Securities, the Purchaser will receive the number of CF Shadow Series Securities equal to the quotient obtained by dividing (a) the Purchase Amount by (b) the First Financing Price.

### ***Conversion Upon a Liquidity Event Prior to an Equity Financing***

In the case of an initial public offering of the Company ("IPO") or Change of Control (see below) (either of these events, a "Liquidity Event") of the Company prior to any Equity Financing, the Purchaser will receive, at the option of the Purchaser, either (i) a cash payment

equal to the Purchase Amount (subject to the following paragraph) or (ii) a number of shares of common stock of the Company equal to the Purchase Amount divided by the quotient of (a) \$4,000,000.00 divided by (b) the number, as of immediately prior to the Liquidity Event, of shares of the Company's capital stock (on an as-converted basis) outstanding, assuming exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, but excluding: (i) shares of common stock reserved and available for future grant under any equity incentive or similar plan; (ii) any Safes; and (iii) convertible promissory notes.

In connection with a cash payment described in the preceding paragraph, the Purchase Amount will be due and payable by the Company to the Purchaser immediately prior to, or concurrent with, the consummation of the Liquidity Event. If there are not enough funds to pay the Purchasers and holders of other Safes (collectively, the "Cash-Out Investors") in full, then all of the Company's available funds will be distributed with equal priority and pro rata among the Cash-Out Investors in proportion to their Purchase Amounts.

"Change of Control" as used above and throughout this section, means (i) a transaction or transactions in which any person or group becomes the beneficial owner of more than 50% of the outstanding voting securities entitled to elect the Company's board of directors, (ii) any reorganization, merger or consolidation of the Company, in which the outstanding voting security holders of the Company fail to retain at least a majority of such voting securities following such transaction(s) or (iii) a sale, lease or other disposition of all or substantially all of the assets of the Company.

#### ***Conversion Upon a Liquidity Event Following an Equity Financing***

In the case of a Liquidity Event following any Equity Financing, the Purchaser will receive, at the option of the Purchaser, either (i) a cash payment equal to the Purchase Amount (as described above) or (ii) a number of shares of the most recently issued preferred stock equal to the Purchase Amount divided by the First Financing Price. Shares of preferred stock granted in connection therewith shall have the same liquidation rights and preferences as the shares of preferred stock issued in connection with the Company's most recent Equity Financing.

#### **Dissolution**

If there is a Dissolution Event (see below) before the Securities terminate, the Company will distribute, subject to the preferences applicable to any series of preferred stock then outstanding, all of its assets legally available for distribution with equal priority among the Purchasers, all holders of other Safes (on an as converted basis based on a valuation of common stock as determined in good faith by the Company's board of directors at the time of the Dissolution Event) and all holders of common stock.

A "Dissolution Event" means (i) a voluntary termination of operations by the Company, (ii) a general assignment for the benefit of the Company's creditors or (iii) any other liquidation, dissolution or winding up of the Company (excluding a Liquidity Event), whether voluntary or involuntary.

#### **Termination**

The Securities terminate upon (without relieving the Company of any obligations arising from a prior breach of or non-compliance with the Securities) upon the earlier to occur: (i) the issuance of shares in the CF Shadow Series to the Purchaser pursuant to the conversion provisions or (ii) the payment, or setting aside for payment, of amounts due to the Purchaser pursuant to a Liquidity Event or a Dissolution Event.

### **Voting and Control**

The Securities have the following voting rights:

The Company does not have any voting agreements in place.

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

### **Anti-Dilution Rights**

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 were transferred: 1) to the Company, 2) to an accredited investor, as defined by Rule 501(d) of Regulation D of the Securities Act of 1933, as amended, 3) as part of an Offering registered with the SEC or 4) to a member of the family of the Purchaser or the equivalent, to a trust controlled by the Purchaser, to a trust created for the benefit of a family member of the Purchaser or the equivalent, or in connection with the death or divorce of the Purchaser 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.

### **Other Material Terms**

The Company does not have the right to repurchase the Crowd SAFE.

### **TAX MATTERS**

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

**TO INSURE 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 Purchasers 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 PURCHASER 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:

### **Conflicts of Interest**

The Company has engaged in the following transactions or relationships, which may give rise to a conflict of interest with the Company, its operations and its securityholders:

## **OTHER INFORMATION**

None.

### **Bad Actor Disclosure**

None

## 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/Andrew Meagher

(Signature) \_\_\_\_\_

Andrew Meagher

(Name) \_\_\_\_\_

CEO

(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/Robert Gau

(Signature) \_\_\_\_\_

Robert Gau

(Name) \_\_\_\_\_

Advisor & Part-Time CFO

(Title) \_\_\_\_\_

(Date) \_\_\_\_\_

/s/Andrew Meagher

(Signature) \_\_\_\_\_

Andrew Meagher

(Name) \_\_\_\_\_

CEO

(Title) \_\_\_\_\_

(Date) \_\_\_\_\_

***Instructions.***

1. The form shall be signed by the issuer, its principal executive officer or officers, its principal financial officer, its controller or principal accounting officer and at least a majority of the board of directors or persons performing similar functions.

2. The name of each person signing the form shall be typed or printed beneath the signature.

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

**EXHIBITS**

|           |                        |
|-----------|------------------------|
| Exhibit A | Financial Statements   |
| Exhibit B | Offering Page          |
| Exhibit C | Video Transcript       |
| Exhibit D | Form of the Crowd Safe |

**EXHIBIT A**

*Financial Statements*

**MUGATUNES INC.**

Unaudited Financial Statements for the Years Ended

December 31, 2017 and 2016



## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

April 9, 2018

To: Board of Directors of Mugatunes Inc.  
Attn: Drew Meagher

Re: 2017 and 2016 Financial Statement Review  
Mugatunes Inc.

We have reviewed the accompanying financial statements of Mugatunes Inc. (the "Company"), which comprise the balance sheet as of December 31, 2017 and December 31, 2016, and the related statements of income and cash flows for the calendar year periods thus 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 limited in scope compared to 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**

As discussed in the Notes and Additional Disclosures, certain conditions indicate the Company may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments which might be necessary should the Company be unable to continue as a going concern. Our conclusion is not modified with respect to that matter.

Sincerely,



IndigoSpire CPA Group

IndigoSpire CPA Group, LLC  
Aurora, CO

**MUGATUNES INC.**  
**BALANCE SHEET**  
**As of December 31, 2017 and 2016**  
**(Unaudited)**

| <b>ASSETS</b>  | <b>2017</b>   | <b>2016</b>     |
|--|---------------|-----------------|
| Current Assets:  |               |                 |
| Cash and cash equivalents  | \$ 957        | \$ 1,307        |
| Prepaid  | 0             | 0               |
| Total Current Assets   | 957           | 1,307           |
| Property and equipment, net  | 0             | 0               |
| <b>TOTAL ASSETS</b>  | <b>\$ 957</b> | <b>\$ 1,307</b> |
| <br><b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>   |               |                 |
| Liabilities:   |               |                 |
| Current Liabilities:   |               |                 |
| Accounts payable   | \$ 0          | \$ 0            |
| Advances from founder  | 6,500         | 1,700           |
| Total Current Liabilities  | 6,500         | 1,700           |
| <b>TOTAL LIABILITIES</b>   | 6,500         | 1,700           |
| Stockholders' Equity:  |               |                 |
| Common Stock \$0.0001 par value, 1,500 shares<br>authorized, 100 shares issued as of<br>December 31, 2017 and 2016, respectively | 0             | 0               |
| Additional paid in capital   | 0             | 0               |
| Additional paid in capital – SAFE (see Note 6)   | 95,950        | 10,750          |
| Retained earnings  | (101,493)     | (11,143)        |
| Total Stockholders' Equity   | (5,543)       | (393)           |
| <b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>  | <b>\$ 957</b> | <b>\$ 1,307</b> |

**MUGATUNES INC.**  
**STATEMENT OF OPERATIONS**  
**For the Years Ended December 31, 2017 and 2016**

|                            | <b>2017</b>        | <b>2016</b>        |
|----------------------------|--------------------|--------------------|
| Revenues                   | \$ 0               | \$ 0               |
| Operating Expenses:        |                    |                    |
| General and administrative | 22,700             | 518                |
| Tech expenses              | 67,650             | 10,625             |
| Total Operating Expenses   | <u>90,350</u>      | <u>11,143</u>      |
| Operating Income (Loss)    | (90,350)           | (11,143)           |
| Other Expense              |                    |                    |
| Interest expense           | <u>0</u>           | <u>0</u>           |
| Total Other Expense        | 0                  | 0                  |
| Net Loss                   | <u>\$ (90,350)</u> | <u>\$ (11,143)</u> |

**MUGATUNES INC.**  
**STATEMENT OF STOCKHOLDERS' EQUITY**  
**For the Years Ended December 31, 2017 and 2016**  
**(Unaudited)**

|  | <u>Common<br/>Stock<br/>(Shares)</u> | <u>Common<br/>Stock<br/>(Value)</u> | <u>Additional<br/>Paid in<br/>Capital</u> | <u>Additional<br/>Paid in<br/>Capital –<br/>SAFE</u> | <u>Accumulated<br/>Deficit</u> | <u>Total<br/>Stockholders'<br/>Equity</u> |
|--|--------------------------------------|-------------------------------------|---|--|--------------------------------|---|
| Balance<br>as of<br>December<br>31, 2015 | 100                                  | \$ 0                                | \$ 0                                      | \$ 0   | \$ 0                           | \$ 0                                      |
| Issuance<br>of SAFEs                     | 0                                    | 0                                   | 0   | 10,750   | 0                              | 10,750                                    |
| Net<br>Income<br>(Loss)                  | <u>0</u>                             | <u>0</u>                            | <u>0</u>                                  | <u>0</u>   | <u>(11,143)</u>                | <u>(11,143)</u>                           |
| Balance<br>as of<br>December<br>31, 2016 | <u>100</u>                           | <u>0</u>                            | <u>0</u>                                  | <u>10,750</u>  | <u>(11,143)</u>                | <u>(393)</u>                              |
| Issuance<br>of SAFEs                     | 0                                    | 0                                   | 0   | 85,200   | 0                              | 85,200                                    |
| Net<br>Income<br>(Loss)                  | <u>0</u>                             | <u>0</u>                            | <u>0</u>                                  | <u>0</u>   | <u>(90,350)</u>                | <u>(90,350)</u>                           |
| Balance<br>as of<br>December<br>31, 2017 | <u>100</u>                           | <u>\$ 0</u>                         | <u>\$ 0</u>                               | <u>\$ 95,950</u>                                     | <u>\$ (101,493)</u>            | <u>\$ (5,543)</u>                         |

**MUGATUNES INC.**  
**STATEMENT OF CASH FLOWS**  
**For the Years ended December 31, 2017 and 2016**  
**(Unaudited)**

|  | <b>2017</b> | <b>2016</b> |
|--|-------------|-------------|
| <b>Cash Flows From Operating Activities</b>                                    |             |             |
| Net Loss   | \$ (90,350) | \$ (11,143) |
| Add back:  |             |             |
| SAFE issued in lieu of payment to vendor                                       | 37,000      |             |
| Depreciation   | 0           | 0           |
| Adjustments to reconcile net loss to net cash used<br>in operating activities: |             |             |
| Changes in operating assets and liabilities:                                   |             |             |
| (Increase) Decrease in prepaid   | 0           | 0           |
| Net Cash Used In Operating Activities  | (53,350)    | (11,143)    |
| <b>Cash Flows From Investing Activities</b>                                    |             |             |
| Purchase of property and equipment   | 0           | 0           |
| Net Cash Used In Investing Activities  | 0           | 0           |
| <b>Cash Flows From Financing Activities</b>                                    |             |             |
| Advances from founder  | 4,800       | 1,700       |
| Issuance of SAFEs  | 48,200      | 10,750      |
| Net Cash Provided By Financing Activities                                      | 53,000      | 12,450      |
| Net Change In Cash and Cash Equivalents  | (350)       | (1,307)     |
| Cash and Cash Equivalents at Beginning of Period                               | 1,307       | 0           |
| Cash and Cash Equivalents at End of Period                                     | \$ 957      | \$ 1,307    |
| <b>Supplemental Disclosure of Cash Flow Information</b>                        |             |             |
| Cash paid for interest   | \$ 0        | \$ 0        |
| Cash paid for income taxes   | 0           | 0           |

**MUGATUNES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Years ended December 31, 2017 and 2016**  
**(unaudited)**

**NOTE 1 - NATURE OF OPERATIONS**

Mugatunes Inc. (which may be referred to as the “Company,” “we,” “us,” or “our”) is music sharing & discovery platform that empowers fans and artists to tell their stories. Our platform is powered by college tastemakers from campuses around the country. Over 350 contributors from 100 campuses blog about new songs, create playlists, and write articles about the industry.

Since Inception, the Company has relied on raising capital to fund its operations. As of December 31, 2017, the Company had negative capital and will likely incur losses prior to generating positive working capital. These matters raise substantial concern about the Company’s ability to continue as a going concern. During the next 12 months, the Company intends to fund its operations with funding from a crowdfunding campaign (see Note 8) and funds from revenue producing activities. If the Company cannot secure additional short-term capital, it may cease operations. These financial statements and related notes thereto do not include any adjustments that might result from these uncertainties.

The Company incorporated on February 11, 2015 in the State of Delaware. The Company is headquartered in Boston, Massachusetts. The Company began operations in 2016.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America ("GAAP").

**Use of Estimates**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the footnotes thereto. Actual results could differ from those estimates. It is reasonably possible that changes in estimates will occur in the near term.

**Risks and Uncertainties**

The Company has a limited operating history. The Company's business and operations are sensitive to general business and economic conditions in the United States. A host of factors beyond the Company's control could cause fluctuations in these conditions. Adverse conditions may include: recession, downturn or otherwise, local competition or changes in consumer taste. These adverse conditions could affect the Company's financial condition and the results of its operations. As of December 31, 2017, the Company is operating as a going concern. See Note 1 and Note 7 for additional information.

**Concentration of Credit Risk**

The Company maintains its cash with a major financial institution located in the United States of America, which it believes to be credit worthy. The Federal Deposit Insurance Corporation insures balances up to \$250,000. At times, the Company may maintain balances in excess of the federally insured limits.

**Cash and Cash Equivalents**

The Company considers short-term, highly liquid investment with original maturities of three months or less at the time of purchase to be cash equivalents. Cash consists of funds held in the Company’s checking account. As of December 31, 2017, and 2016, the Company had cash on hand totaling \$957 and \$1,307, respectively.

**Receivables and Credit Policy**

Trade receivables from customers are uncollateralized customer obligations due under normal trade terms, primarily requiring payment before services are rendered. Trade receivables are stated at the amount billed to the customer. Payments of trade receivables are allocated to the specific invoices identified on the customer's remittance advice or, if unspecified, are applied to the earliest unpaid invoice. The Company, by policy, routinely assesses the financial strength of its customer. As a result, the Company believes that its accounts receivable credit risk exposure is limited and it has not experienced significant write-downs in its accounts receivable balances. Most of the revenue is recorded through on-line prepayments. Refunds are charged against revenue. As of December 31, 2017 and 2016, the Company did not have any outstanding accounts receivable.

#### Property and Equipment

Property and equipment are recorded at cost. Expenditures for renewals and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. Expenditures for maintenance and repairs are expensed as incurred. When equipment is retired or sold, the cost and related accumulated depreciation are eliminated from the balance sheet accounts and the resultant gain or loss is reflected in income.

Depreciation is provided using the straight-line method, based on useful lives of the assets which range from three to five years.

The Company reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition, and other economic factors. The Company had no impairment as of December 31, 2017.

#### Fair Value Measurements

The Company has determined the fair value of certain assets and liabilities in accordance with United States generally accepted accounting principles ("GAAP"), which provides a framework for measuring fair value.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques should maximize the use of observable inputs and minimize the use of unobservable inputs.

A fair value hierarchy has been established, which prioritizes the valuation inputs into three broad levels. Level 1 inputs consist of quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset or liability. Level 3 inputs are unobservable inputs related to the asset or liability.

#### Income Taxes

Income taxes are provided for the tax effects of transactions reporting in the financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between the basis of receivables, inventory, property and equipment, intangible assets, and accrued expenses for financial and income tax reporting. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

There is no income tax provision for the Company for the period from Inception through December 31, 2017 as the Company had no taxable income

The Company evaluates its tax positions that have been taken or are expected to be taken on income tax returns to determine if an accrual is necessary for uncertain tax positions. As of December 31, 2017, the unrecognized tax benefits accrual was zero.

## Revenue Recognition

The Company recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the fee for the arrangement is fixed or determinable and collectability is reasonably assured.

## Advertising Expenses

The Company expenses advertising costs as they are incurred.

## Organizational Costs

In accordance with FASB ASC 720, organizational costs, including accounting fees, legal fee, and costs of incorporation, are expensed as incurred.

## Software Development Costs

The Company applies the principles of ASC 985-20, Software-Costs of Computer Software to be Sold, Leased, or Otherwise Marketed ("ASC 986-20"). ASC 985-20 requires that software development costs be charged to research and development expense until technological feasibility is established. With the Company's current technology, technological feasibility of the underlying software is not established until substantially all product development and testing is complete, which generally includes the development of a working model. Prior to a product's release, if and when the Company believes capitalized costs are not recoverable, the costs capitalized to date will be expensed as part of cost of sales.

## Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, "Revenue from Contracts with Customers". Under this guidance, revenue is recognized when promised goods or services are transferred to customers in an amount that reflects the consideration expected to be received for those goods or services. The updated standard will replace most existing revenue recognition guidance under U.S. GAAP when it becomes effective and permits the use of either the retrospective or cumulative effect transition method. Early adoption is not permitted. The updated standard for nonpublic entities will be effective after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. We are currently evaluating the effect that the updated standard will have on our financial statements and related disclosures.

In February 2016, FASB issued ASU No. 2016-02, Leases, that requires organizations that lease assets, referred to as "lessees", to recognize on the balance sheet the assets and liabilities for the rights and obligations created by those leases with lease terms of more than 12 months. ASU 2016-02 will also require disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases and will include qualitative and quantitative requirements. The new standard for nonpublic entities will be effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020, and early application is permitted. We are currently evaluating the effect that the updated standard will have on our financial statements and related disclosures.

In August 2016, FASB issued ASU No. 2016-15, "Statement of Cash Flows (Topic 230)." ASU 2016-15 provides classification guidance for certain cash receipts and cash payments including payment of debt extinguishment costs, settlement of zero-coupon debt instruments, insurance claim payments and distributions from equity method investees. The standard is effective on January 1, 2018, with early adoption permitted. The Company is currently in the process of evaluating the impact the adoption will have on its financial statements and related disclosures.

The FASB issues ASUs to amend the authoritative literature in ASC. There have been a number of ASUs to date, including those above, that amend the original text of ASC. Management believes that those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, (iii) are not applicable to us or (iv) are not expected to have a significant impact our balance sheet.

## NOTE 3 – INCOME TAX PROVISION

The Company has filed its corporate income tax return for the year ended \ December 31, 2016. The Company has not yet filed its income tax return for the year ended December 31, 2017, which will remain subject to examination

by the Internal Revenue Service under the statute of limitations for a period of three years from the date it is filed. The Company incurred a loss during the period from Inception through December 31, 2017.

#### NOTE 4 – RELATED PARTY TRANSACTIONS

##### Advances from Related Party

From time-to-time, the founders have advanced the Company short-term loans. In aggregate, \$6,500 and \$1,700 was advanced and outstanding as of December 31, 2017 and 2016, respectively. This amount was classified as current debt on the accompanying Balance Sheet.

#### NOTE 5 – COMMITMENTS AND CONTINGENCIES

##### Legal Matters

Company is not currently involved with and does not know of any pending or threatening litigation against the Company or its member.

#### NOTE 6 – STOCKHOLDERS' EQUITY

##### Completed Private Offering

The Company issued 85,200 and 10,750 units of Simple Agreements for Future Equity ("SAFEs") for proceeds totaling \$30,650 and \$10,750 (the "Crowdfunded Offering") during the year ended December 31, 2017 and 2016, respectively. The above totals include 37,000 units of SAFEs that were issued in lieu of payment to a vendor during the year ended December 31, 2016.

Upon each future equity financing (an "Equity Financing"), the SAFEs are convertible, into Standard Preferred Stock which are securities identical to those issued in the Equity Financing.

Upon conversion, the Company will issue to the investor a number of shares of the Standard Preferred Stock sold in the Equity Financing. The number of shares of the CF Shadow Series of such capital stock issued shall equal the quotient obtained by dividing the amount paid by the investors by either the SAFE price (valuation cap of \$2,000,000 to \$2,500,000 divided by the fully diluted capitalization of the Company) or in the case that the pre-money valuation of \$2,000,000 to \$2,500,000 is not reached, the price at which the capital stock is sold whichever generates the highest number of equities ("Conversion Price"). The valuation cap is \$2,500,000 on \$52,000 of the notes. The remainder of the notes totaling \$43,950 are subject to a valuation cap of \$2,000,000.

#### NOTE 7 – GOING CONCERN

These financial statements are prepared on a going concern basis. The Company began operation in 2015 and incurred a loss for the period from Inception through December 31, 2017. The Company's ability to continue is dependent upon management's plan to raise additional funds (see Note 7) advances from the founder and the ability to achieve profitable operations. The financial statements do not include any adjustments that might be necessary if the Company is not able to continue as a going concern.

#### NOTE 8– SUBSEQUENT EVENTS

##### Anticipated Crowdfunded Offering

The Company is offering (the "Crowdfunded Offering") SAFEs for up to \$1,070,000.

The Crowdfunded Offering is being made through OpenDeal Inc. (the "Intermediary" aka "Republic" or "Republic.co"). The Intermediary will be entitled to receive a 5% commission fee and 2% of the securities issued in this offering.

##### Management's Evaluation

Management has evaluated subsequent events through April 9, 2018, the date the financial statements were available to be issued. Based on this evaluation, no additional material events were identified which require adjustment or disclosure in the financial statements.





**Company Name** Mugatunes

**Logo**



**Headline** Music Discovery & Curation Powered by Tastemakers

**Cover photo**



Hero  
Image



Tags Music, B2C, Tech, Social Media

Pitch  
text

## Deal Highlights

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### Music Discovery & Curation, Powered by Tastemakers

- The nex-gen platform where music enthusiasts share new songs, curate playlists, and write articles \*\*\*\*\*
- #1 Indie Music Publication - [Tunemunk](#).
- 'Top Music Publication' - [Refinery 29](#)
- Launched full service digital agency for Artists & Brands - [Muga Media](#)
- 250+ pieces of user generated content each month
- 250,000+ monthly reach to the target demographic
- Raised ~\$100,000 in 2017

## The Problem

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### Music Discovery is Broken

- **Music Enthusiasts** don't have a platform to share discoveries where people are listening - The experience of sharing music with friends doesn't exist digitally.
- **The Radio** regurgitates the same Top 40 mainstream songs, heavily influenced by major labels and special interests.
- Bot-curation services (**Pandora**) have limited skips and don't include underground music, remixes, or brand new songs.
- **Soundcloud, Spotify and Youtube's** recommendations are curated by algorithms and popular playlists include [paid-placements](#) (upwards of \$10,000 a song). Discovering quality content can be overwhelming and takes practice.
- **Music Blogs** are the go-to place to discover breaking music, but there's thousands of blogs all with niche genres of expertise.

## The Solution

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Music Curation from Tastes You Can Trust.



**How it works**

- Music enthusiasts [apply](#) to become **Tastemakers**. Applications include background information, music tastes and a short playlist.
- Once accepted, Tastemakers post new songs (and write about them), curate hand-picked playlists and write articles.



- Listeners enjoy free, human curated music with seamless streaming.
- Content is ranked by up-votes, creating a trending chart that resets each week.
- Users can save their favorite songs and create their own custom playlist.

# Our Buzz is Building

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"It's like getting personal stories from a huge group of friends."



**Rolling Stone**



"The gateway to education, the future of education."

**MLU**

#1 Indie Music Shop: Reputation, Influence, Quality of Content, and Fan Voting



**CD Baby**



"It's not all the go online market solution, but created by founders of such all around the world"

**Forbes**

# Tastemakers Drive Our Growth

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**Tastemakers:**

- Create content, drive traffic and get involved across the business.
- Are proud of their content and share their profiles with their networks
- Take ownership in the company and rep our brand
- **In return** get recognition for their discoveries, an audience looking for music curation, free brand merchandise, blogging experience, and a shiny new trophy for their resume.



# A Glimpse at Our Community

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# Trusted by Artists

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- They're proud to have their music featured by our Tastemakers
- They share our social media posts and point their audience to our platform
- They participate in our exclusive content:

## 'Explain That Gram' Interview Series

#1 - [Nora En Pure](#)

#2 - [Cheat Codes](#)

#3 - [A R I Z O N A](#)

#4 - [Hotel Garuda](#)

#5 - [Cash Cash](#)

#6 - [Elephante](#)

#7 - [Caye](#)

#8 - [Shaun Frank](#)

#9 - [Two Friends](#)

#10 - [B.o.B.](#)

#11 - [Young Bombs](#)

#12 - [Chelsea Cutler](#)

# Business Model

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We recently launched our digital agency, [Muga Media](#).

The logo for Muga Media, featuring the words "muga" and "media" stacked vertically in a lowercase, rounded, sans-serif font. The text is a light red color.

## We Connect Brands & Artists with Our Audience

- Our **advertisements** come in the form of multi-faceted, engaging, and authentic campaigns. We bridge brands' stories with music, engaging our audience through creative and genuine content.
- We **introduce artists to our fans** through music submissions, featured posts, native ads, and playlist placements. We only work with artists whose music we believe in.
- We also include **ad-hoc branding services** including; web design, videography, logo design, consulting, social management.

## A Winning Formula

|  |  |
|--|--|
| <p><b>BARSTOOL SPORTS</b></p>  <p>MEDIA BUSINESS MODEL<br/>AUTHENTIC BRAND<br/>\$100M VALUATION</p> | <p><b>SPINNIN RECORDS</b></p>  <p>MUSIC CURATION<br/>DISTRIBUTION CHANNEL<br/>ACQUIRED FOR \$100M</p> |
|--|--|

## Previous Investments

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|   |  |
|---|--|
|  <p><b>Angel SAFE Round</b><br/>Approximately <b>\$100k</b> in 2017<br/>Average Valuation of <b>\$2M</b></p> |  <p>Investors include wall street professionals, seasoned angel investors, and <b>4 active CEO's</b>.</p> |
|---|--|

What Our Investors are Saying





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I've watched Mugatunes grow from an idea, to an MVP, to a leader in the music discovery space. They have a very high ceiling without changing much.

BRETT MAULDER  
CEO AT LADDER FIT

||

Mugatunes is rethinking the music business from the ground floor. Their passionate community of tastemakers, content platform and media business model will drive the next generation of music innovation.

NATHAN DIONNE  
EPO AT NORTHOUT  
FORMER CTO AT BARSTOOL SPORTS



||

Mugatunes has a fantastic opportunity in front of them. Drew has the company well positioned to evolve into the next music platform of choice for fans, artists and brands alike.

DAVE CARPENTER  
CEO AT RED BULL

## Where We're Going

We aim to own the discovery space and leverage our network to create the first fully integrated music ecosystem. From the recording, to the chart, to the concerts.





# Our Story



## Born Out Of Necessity

In college we spent hours discovering new music, only to return to our dorm and fight over the speaker. There had to be a better way to share great new music. Our solution was a dropbox folder titled *"No Sh\*tty Music"*.

The dropbox turned into a blog, and a few months later there were 14 writers from 6 colleges. We realized we weren't alone, and began accepting applications for new 'Tastemakers'.

Since then we've had hundreds Tastemakers curate thousands of songs on the platform. Our mission is to build tools that empower fans to curate, discover & experience music.

# A Word From Our CEO

A screenshot of a crowdfunding campaign post. On the right side is a black and white portrait of a young man with short hair, smiling. To the left of the portrait is text that reads: "During our first fundraising round, countless people from our community expressed interest in investing. Unfortunately, most of them couldn't afford our minimum investment. That never sat well with us. That's why we're choosing equity crowdfunding with Republic. Our tastemakers, artists, and listeners already take a lot of ownership in our company, and now they can have a real stake. If you have more questions about what we're up to, hit us up in the discussion section below and I'll get back to you right away. Otherwise hit that blue button below and join the movement. #NoShittyInvestors". At the bottom right of the text, it says "DREW MENDHAM CEO AT MUGATUNES".

**Invest in Mugatunes**



|              |   |   |                      |  |
|--------------|---|---|----------------------|--|
| <b>Team</b>  |    | Drew Meagher  | CEO & Co-            | Editor In Chief    Branding & Marketing    Business Dev                                |
| <b>Perks</b> |    | Brett Maloley   | Investor & Advisor   | CEO at Ladder.fit    Former CEO at Game Plan    Former Co-Founder at Office To Octagon |
|              | <b>\$50</b>   | 'Partner' badge next to your username. Mention on our website (with your consent)   |                      |  |
|              |    | Nathan Dionne   | Investor & Advisor   | Founder & CPO at NorthOut    Former CTO at Barstool Sports    Founder GameDual         |
|              | <b>\$100</b>  | All the above, a sticker & merch care package, and a shoutout on our Instagram, Facebook & Snapchat                         |                      |  |
|              |    | Eric Engdahl  | Investor & Advisor   | Founding Partner at Powerhouse Capital LLC   |
|              | <b>\$250</b>  | All the above, plus a 'Mugatunes Partner' Tee Shirt   |                      |  |
|              |    | Dave Carpentier   | Investor & Advisor   | Founder & CEO at Assurely  |
|              | <b>\$500</b>  | All the above, plus a 'Mugatunes Partner' Hoodie  |                      |  |
|              | <b>\$1,000</b>  | All the above, plus any tee shirt or poster from our store - <a href="http://www.muga.media/store">www.muga.media/store</a> |                      |  |
|              |    | Tom Digan   | Investor & Advisor   | Partner & Head of Trading at Sorin Capital Management                                  |
|              | <b>\$2,500</b>  | All the above, plus lunch with the CEO & Team   |                      |  |
|              |   | Anthony Dignan  | Investor & Advisor   | Director of Digital and Communications at Bamboo Technologies    CEO at ADC Strategy   |
|              | <b>\$3,000</b>  | All the above, plus a seat on our advisory board.   |                      |  |
|              | <b>\$10,000</b>   | All the above, plus (2) life-time VIP tickets to Mugatunes concerts & events. CEO at Concertpass    CEO at Live Media Labs  |                      |  |
| <b>FAQ</b>   |  | William Wisseman  | CTO                  | Full stack software engineer    Crawl Engineer at Hanzo Archives                       |
|              |  | Rob Gau   | Co-founder & Advisor | Music Aficianado    Sales at Warner Media  |
|              |  | Justin Albaniel   | Videography          | Co-Founder at Wooden Grain Co.   |



Music Discovery is Broken.

Thousands of songs are uploaded every day from the most talented artists around the world.

But this also includes a lot of shitty music. So how do you separate the two?

You could discover music by taking recommendations from data driven algorithms (clip), or out of touch radio DJs (clip 0:50-1:05). Or you could use our complex curation system, the human ear.

Our tastemakers do the dirty work so you don't have to. They share the best new songs and videos, curate hand picked playlists, and write articles on the industry. .

It's human curation from tastes you can trust. No algorithms. No bots. No shitty music.

Our brand is blowing up, and our community of music enthusiasts drives our growth.

They create content. Drive traffic. And get involved across the business. They're proud of their content and share their profiles with their networks. They take ownership of the company and help spread our brand. (Clips from previous concert videos and best images.)

Artists trust our platform and are excited to work with us. (montage of 'hey this is XYZ, #NoShittyMusic)

Now we're giving our community, artists, and our listeners the opportunity to own a piece of Mugatunes.

Learn more about our offering and join the movement below.

And remember No Shitty Music.