

OFFERING ST

1,000 Units of SAFE+RE	
	# Of Shares
Target Offering	1,000
Maximum Amount	107,000

THE COM

1. Name of issuer: Varner

ELIGIBI

2. Check this box to certify that all of the following
- Organized under, and subject to, the laws of a State of Columbia.
 - Not subject to the requirement to file reports pursuant to the Exchange Act of 1934.
 - Not an investment company registered or required to register under the Investment Company Act of 1940.
 - Not ineligible to rely on this exemption under the disqualification specified in Rule 503(a) of Regulation D, or other disqualifications, see Question 30 of this Questionnaire.
 - Has filed with the Commission and provided to investors the information required by Regulation Crowdfunding during the offering period of the offering statement (or for such shorter period that

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DIRECTORS OF T

Name: Michael Varner

Principal Occupation: Music Executive

Employer: N/A

Employer's principal business: Music

List all positions and offices with the issuer held and in the position or office: None.

Business Experience: List the employers, titles and d with an indication of job responsibilities:

Employer: Adient plc

Employer's principal business: Automotive

Title: Senior Analyst - Compensation

Responsibilities: Analyze compensation of s

Employer: Allergan plc

Employer's principal business: Pharmaceuti

Title: Senior Analyst – Compensation

Responsibilities: Analyze compensation of

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Responsibilities: Analyze compensation of s

Employer: Allergan plc

Employer's principal business: Pharmaceuti

Title: Senior Analyst – Compensation

Responsibilities: Analyze compensation of s

Employer: Institutional Shareholder Service

Employer's principal business: Corporate G

Title: Associate

Responsibilities: Write and review reports o

PRINCIPAL SECURITY

<i>Name of Holder</i>	<i>No. and Class Securities Now H</i>
<i>Michael Varner</i>	6,000,000 Shares of C Stock

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Collectively, indie labels are now bigger than any major label. Indies earned a 32.2% market share in a second straight year in the 3-year growth period. Indies earned, Indies took a 32.2% market share, outranking major labels group at 29.7%, Sony only took 21.9% of the market share².

Revenues for 2018 showed an increase in market share for independent formats. Indies achieved a 39.2% while UMG acquired 19.8% of the market share. Indies achieved a 41.2% market share in terms of publishing at an amazing 41.2% market share. Indies and UMG with 19.8% and Warner/Chappell music with 19.8%. Independent labels are the future of the music industry and are opening newer channels of growth for the industry.

L2 Records is an indie record label based in Detroit, USA. L2 Records is focused on signing artistes and producers in the music industry. L2 Records employs a hands-on method as opposed to simply signing by artists.

L2 Records is currently seeking an equity investment of \$1 million to fund its premiere artist and acquiring new artists and producers. L2 Records will fund their productions and promotions.

The company is looking to transit into a C Corp that acts as a public company. This would accommodate the acceptance of investment from the public.

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revenues accounted for a global total of \$5.3 billion⁷. The music entertainment market due to consumer preference entertainment solutions like streaming. The indie segment label's global sales, rising to 6 billion and a 0.9% rise in that around \$1.2 billion of indie label revenue was distributed in 2019 with the U.S market experiencing a market growth

Independent artists are now playing within a billion-dollar market experiencing a 3-year consecutive growth period after a long time for segments such as the indie segment to lead the growth the next decade. As the music industry grew at an overall rate, the indie sector alone made up 80% of the growth and accounted for revenues⁹.

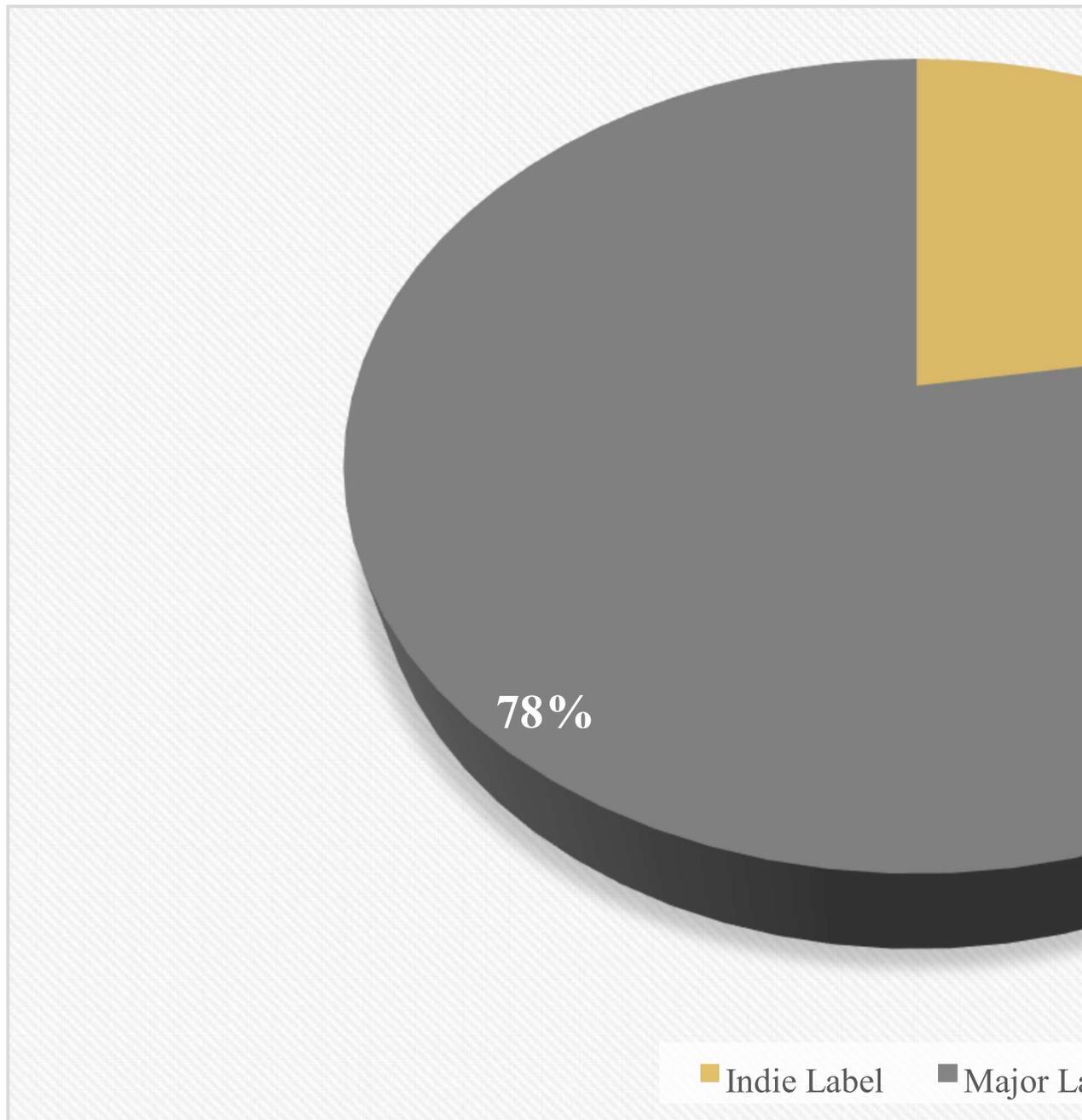
Our Services

Our services as an independent record label is to manage the promotional and distribution requirements of the music. We focus on deals within the value chain of the music entertainment market, including deals guiding the engagement with the artist under management.

MARKET ANALYSIS

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Streaming was the major driver of growth, increasing by

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GLOBAL RECORDED MUSIC REVENUES BY SEGMENT 2017



- Physical
- Digital (excluding streaming)
- Streaming
- Performance Rights
- Synchronisation Revenues

Julie Bergan courtesy of Warner Music Group

TOP TEN MU



1. USA
2. Japan
3. Germany
4. UK
5. France

The Independent Label Music Production in the US indu to reach revenue of \$456m in 2018. The number of bu

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consumer purchasing power increases, benefiting the disposable income is expected to increase in 2018, representing the music industry¹⁵.

The adoption of more digital solutions like cloud-based customer preference for downloads and physical form independent record labels are going about their operations managing the artistes and the music and less of the distribution generation from ticket sales from tours and concerts for the mainstream market. This is where the partnership between indie labels are fostered.

Target Market Segmentation

L2 Records is targeted at major stakeholders in the music industry: artists, major labels, media houses, digital video streaming platforms like YouTube, digital audio streaming platforms like SoundCloud.

Competitive Landscape

The increasing adoption of digital solutions in the music industry is a key trend in the indie music segment of the music industry. There are several

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Entertainment One Music

Entertainment One music has been founded since 1987 and have been responsible for some of the most important from the likes of KRS-One, Tha Dogg Pound, Public Enemy, The Game and Snoop Dogg.

Fool's Gold

Fool's Gold specializes in the EDM and Rock music genres. It is home to artistes such as Danny Brown, Brockhampton, Just Blaze, Party Supplies and Trackademicks. The label their release of the debut album by Run the Jewels.

Competitive Advantage

The competitive record at L2 Records is the dynamic artistes and their promotional campaigns owing to the experience from corporate America.

L2 Record adopts a Hands-on approach to the indie music ethics and passion to the music production and promotion.

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- **Business-to-customer objective:** Acquire new customers through our first campaign. By driving key engagement and increasing our fan base annually.
- **Business-to-Business objective:** Aggressively promote L2 Records within the independent music segment through social media platforms and referrals from strategic partners, major labels and music influencers.

Our aim is to become the most mentioned brand for independent music in the industry in 3 years.

Revenue Strategy

Our revenue is generated from percentage of profits from artist performance and other revenue from related advertisement campaigns.

L2 Records will also generate revenue from joint ventures and split costs and profits from promoting a new artist.

Marketing and Communications Strategy

Our promotion campaign would adopt a multifaceted approach

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Strategic Partnerships

L2 Records will establish strategic partnerships with producers, clubs, media firms and other affiliated organizations following amongst the B2B market and help with branding. We are expected to utilize these product features with their clients. The strategic partnerships with will be a unique market. We expects not to only provide great entertainment content, but also of independent music in the industry.

Critical Success Factors

L2 Records is positioned to be a long-term successful business. success in this business within the first three years of operation. The following are what we believe are keys to our success.

1. **Continuously developing our music quality.** We will focus on providing high-quality music to our consumers and constantly ensuring that they are satisfied. Our marketing and sales systems are key to our success.
2. **Having a loyal fan base.** We would host and manage our fan base to ensure they are engaged and loyal.

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wholly owns the LLC like a holding company, and then the holding company.

Michael Varner founded L2 Records in 2018 after spending time in America leading teams and solving problems in compensation. Michael Varner's venture into the music space was an engagement with a music producer, DJ Denz which eventually flourished in the music space. He identified his love for music producers and improving their work and became the founder of L2 which stands for Live Lit Records.

Music production isn't Michael's first time in the entertainment industry as a hobby for over 5 years and he has a love for theatre and comedy as an A&R Executive producer to mold artistes like Biggie. His work that will reflect his personal, enthusiastic energy expressed in his music.

Michael hails from Southfield, a suburb of Detroit, Michigan. His work will reflect the energy and enthusiasm of his personality by working with music artists.

Staffing Strategy

Sequel to the successful launch of the campaign, new staff

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- ✦ Accounting and Tax services
- ✦ Content Development & Management team
- ✦ Consumer and contents data gathering and resea
- ✦ Marketing & Promotions team

The label has already secured and utilized a number of v

FINANCIAL PROJECTIONS

The financial plan depends on a number of important a
are:

- A medium-growth economy, without a major re
- No unforeseen changes in technology to make o
- The Tax rate will be 19%.
- Cost of service delivery is 45% of total revenue

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The U.S. Securities and Exchange Commission does not pass upon the terms of the offering, nor does it pass upon the accuracy of the literature.

These securities are offered under an exemption from registration. The Exchange Commission has not made an independent determination of the registration.

Crowdfunding for early stage companies is relatively new. Offerings of the securities of early stage companies to raise capital in an industry that has only started to develop with the SEC's Crowdfunding and Regulation Crowdfunding on May 16, 2016. Early stage companies choose crowdfunding as a method of capital formation, which we do not choose from and less research for us to prepare. Alternative to crowdfunding as a viable investment substitute, which we do not choose from raising money and a smaller potential customer base. As a result, we have fewer customers or acquire customers at a slower pace than other companies.

- **This is a brand-new company.** We were formed in 2016. The company has not implemented its business plan or raised capital. We are an early stage company with debt on the books we consider a high risk investment objectives.

- **We are in a highly competitive niche.** The music industry is highly competitive and we are a small player in a large market.

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a dependency on raising additional capital until the co
failed to raise additional capital, the growth of the comp

- **It is difficult for us to accurately predict our earnings**
high cost in marketing and promotion, and who's revenue
contracts, we are not able to predict accurately the rev
projections are thus based on a generalization of our Stan
of commercialization results, yet are not based on factua

General Risks Associated with an Early Stage Comp

As a new company we have a limited operating histor
2019, the subsidiary we acquired was organized in 2018
which you may evaluate our business and prospects. W
have not yet commenced full-scale operations. Accordin
our activities to date have involved research and develop
efforts to raise startup capital. Our business and prosp
expense and difficulties frequently encountered by p
development, particularly companies in highly competi
effectively allocate our resources, manufacture our prod
customer base, our business operating results and financi
we may be unable to execute our business plan, and our

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assumptions, which assumptions may prove to be incor
limited to (i) the future status of local, regional and inter
for our products, (iii) anticipated costs associated w
distribution of our products, and (iv) anticipated proc
Accordingly, there can be no assurance that such pro
accurately predict future events or actual performance
considered speculative and are qualified in their entirety
disclosed in this Memorandum. Investors are advised to
business advisors concerning the validity and
reasonableness of the factual, accounting and tax ass
whatsoever are made by the Company, its affiliates or
profitability of the Company or the results of making
projections end up being significantly different than curr
impacted. Our business therefore may not be able to
revenues. The business could be at risk of closing, and
their investments.

We may not effectively manage growth. The anticipa
result in a corresponding growth in the demands on the
infrastructure and internal controls. While we are plann
may strain resources and operational, financial, human a
may not be adequate to support the Company's operatio
further management systems and procedures. There can

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on any of the Company's assets resulting in a material operating results or financial condition.

Many of our competitors have greater brand recognition and other resources. Many of our competitors have greater marketing, and other resources than the Company. Many have an agreement with the 3 major labels early on and receive support to build a brand, but also will receive support in marketing that provides a disproportionate advantage to an independent label like us with its own resources.

Management has broad discretion as to the use of proceeds. The Offering will be used for the purposes described under the prospectus. Management reserves the right to use the funds obtained from this Offering for other purposes not presently contemplated, which it deems to be in the best order to address changed circumstances or opportunities. Management is not relying on current use of proceed forecasts for the intent of a change of the use of these funds.

Management has voting control of the Company. Management holds a majority of the issued and outstanding voting common stock ownership and positions with the Company, the current intent is to control the affairs and management of the Company a

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General economic conditions, including a prolonged consumer purchases, which could adversely affect dependent on a number of factors impacting consumer business conditions; consumer confidence; wages and consumer debt levels; availability of consumer credit; energy shortages; taxes; general political conditions, customer traffic within department stores, malls and Consumer product purchases, including purchases of our periods. A prolonged downturn or an uncertain outlook affect our business, revenues and profits.

Indebtedness of the Issuer. Varner Enterprises, and its obligations on its books. Until we can repay back such d

Risks Associated with an Investment in Securities

Best efforts offering. This Offering is being made on a number of Shares required to be sold. As subscription periods expire), the subscription funds will be available intended use of proceeds. Subscriptions are irrevocable (subscribers will not have the opportunity to have their fu of success in recruiting other investors. Accordingly, init degree of risk. The Company has not engaged the ser

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resulting loss of all or part of investments made by the C
equity securities are issued in connection with future fin
shareholders could be diluted. Dilution of ownership per
securities issued pursuant
to possible sales or grants to existing shareholders, offic
employees.

We are relying on certain exemptions from registrat
reliance upon certain exemptions from the registratio
applicable state securities laws. If the sale of the Shares
purchasers may seek rescission of their purchases of th
obtain rescission, the Company would face significant
affect the Company as a whole, as well as any non-resci

The Shares are restricted securities and a market for
Investors should be aware of the potentially long-term r
Shares will be required to represent that it is purchas
investment purposes and not with a view to resale or dist
the economic risks of the investment for an indefinite
registered the Shares, nor any other securities under the
may not be able to sell or transfer their securities under
Moreover, there is no public market for the Company
develop prior to a registration undertaken by the Compa

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Sarbanes-Oxley Act—the most far reaching legislation a were created in the 1930’s—impacts everything from the trades by management, from committee independence to and from officer loans to employee whistle-blowing.

Public and registered companies are facing dramatic cha governance requirements under the Sarbanes-Oxley Act SEC, NASDAQ and the NYSE. While these new rules a companies, their influence on private companies is being

- A private company will become subject to the S statement with the SEC in anticipation of an IPO
- The Sarbanes-Oxley Act may result in incre considered for acquisition by a public company.
- In order to conduct an IPO, a private company w the requirements of the Sarbanes-Oxley Act and
- Full compliance with the Sarbanes-Oxley Act – – can significantly slow the efforts of private co to enter the public markets.

The Offering price is arbitrary. The price of the Share by the Company, without considering such matters development and the general condition of the industry i bears little relationship to the assets, net worth, or any c

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Varner Enterprises is raising capital to grow L2 Records marketing which is a critical activity to develop both to promote and expose current artists under contract production, and new “hits / singles” to release with artist’s catalogue. L2 Records needs to produce and secure a Co-Development agreement with a major record needs a minimum of \$250,000 per year to record and securing 1 co-development agreement with an award producing \$500,000 in new revenue to invest back in

As a new company Varner Enterprises needs an additional and marketing of its services to attract new talent.

10. How does the issuer intend to use the proceeds of this

Total Proceeds

Less: Offering Expenses (FP Fees)

Net Proceeds

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12. How can an investor cancel an investment commitment?

NOTE: Investors may cancel an investment commitment identified in these offering materials.

The intermediary will notify investors when the target offering amount is reached.

If the issuer reaches the target offering amount prior to the offering deadline, it may close the offering early if it provides at least five business days prior to such new offering. Investors who have made commitments that require an extension of the offering and reconfirmation of their investment will be notified.

If an investor does not cancel an investment commitment before the offering deadline, the funds will be released to the issuer. The investor will receive securities in exchange for his or her investment.

If an investor does not reconfirm his or her investment before the offering deadline, the investor's investment commitment will be canceled and the funds will be returned.

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	10,000,000	6,000,000

18. How may the rights of the securities being offered differ from the rights of any other class of security identified above?

None.

19. Are there any differences not reflected above between the terms of security of the issuer? Yes No

20. How could the exercise of rights held by the principal purchasers affect the purchasers of the securities being offered?

The securities being offered cannot be changed. How the conversion will be decided when or if the SAFE will get converted

21. How are the securities being offered being valued? How are the securities may be valued by the issuer in the future, if any?

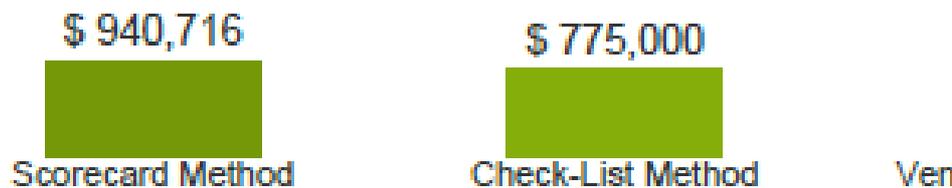
The valuation of the company has been performed based on the following information, including but not limited to: 1. the quality of the market of reference and business model; 2. the market of reference and business model; 3. the market of reference and business model;

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VALUATION

The 5 Methods Used



These methods are combined in a weighted average according to the stage of development of the company, with more emphasis on the 2 qualitative methods for early

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VALUATION

The Average Pre-Money valuation is:

Lower Bound

\$ 1,733,000

The valuation was calculated at pre-money: \$2,800,0

22. What are the risks to purchasers of the securities r

The right to demand current distributions from
owner, if she is committed to avoiding any distributio
any distributions of profits. By establishing generous
herself or her relatives at the high range of what is re
business or new equipment, leasing expensive cars, e
are rarely any profits to be distributed. So long as
investor probably won't be able to force the comp

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other similarly situated investors to the Investor, and to the Company concurrently.

A sale of the issuer or of assets of the issuer:

As a minority owner of the Company, the Investor will have the right to participate in the sale of the Company or a substantial portion of its assets. The Investor will work with the management of the Company and the Board of Directors to maximize value for shareholders.

Transactions with related parties:

The Investor should be aware that there will be occasional conflicts of interest in its operations. On any issue, the Investor will work with the management and the Board of Directors of the Company as to the Company's best interests. The Company may have subsidiaries or other related parties, which may be owned or controlled by the Investor. In all cases consistent with the duties of the management and interest in the company, the investor will be deemed to have acted in the best interests of the company. The investor will be deemed to have acted in the best interests of the company and to have disclosed such actual or potential conflicts of interest and to have acted in the best interests of the company arising from the existence of any such conflict of interest.

24. Describe the material terms of any indebtedness of the Company.

<u>Creditor(s)</u>	<u>Amount</u>	
	<u>Outstanding</u>	<u>Interest</u>
Navy Federal Credit	\$ 5,060	14.9%
Navy Federal Credit	\$7,053	14.9%

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FINANCIAL CONDITION

27. Does the issuer have an operating history? Yes
28. Describe the financial condition of the issuer, including its assets, liabilities, resources and historical results of operations.

Varner Enterprises and its subsidiary L2 Records are currently operating. Varner Enterprises is a self funded corporation with no liability obligations incurred through L2 Records. No positive revenue documented as of yet.

FINANCIAL INFORMATION

29. **Include the financial information specified below covering the last 3 years or the period(s) since inception, if shorter:**

Varner Enterprises is a Delaware Corporation formed in 2019. The provided Reviewed Financials which include the operating results of L2 Records which was acquired by Varner Enterprises and the company does not have a full fiscal year to report until 2020.



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CONSOLIDATED

Varner Enterprises Inc.
As of the date of Inception
Year Ended December
With Independent Accountants

VARNER ENTERPRISES

Consolidated Financial

As of the date of inception, February 5, 2019 and



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Fiona Hamza, CPA

Email: fhamzacpa@outlook.com

Ph: 502 396 1855

Independent Accountant's

The Board of Directors
Varner Enterprises Inc.

I have reviewed the accompanying consolidated financial statements which comprises the balance sheets as of February 5, 2019, and ended December 31, 2018, and the related consolidated statement of stockholders' deficit, and cash flows for the periods therein referred to in the financial statements. A review includes procedures that, in my opinion, provide substantially less in scope than an audit, the objective of which is to express an opinion regarding the financial statements as a whole. Accord

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States. This responsibility includes the design, implementation, and maintenance of internal control over financial reporting, the preparation and fair presentation of financial statements

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Varner Enterprises

Consolidated Balance Sheet

Assets

Current assets:

Cash and cash equivalents

Total current assets

Property plant and equipment:

Deferred tax asset (note 2)

Total assets

Liabilities and Stockholders' Equity (Deficit)

Current liabilities:

Accrued interest

Credit card payable

Line of credit (note 3)

Total current liabilities

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Varner Enterprises Consolidated Statements

Revenue

Expenses:

Advertising and marketing

Bank charges & credit card charges

Legal expenses

Travel and meals

Total operating expenses

Operating Loss

Other income / (expense)

Interest expense

Total other income

Net loss



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Varner Enterprises

Consolidated Statements of Change in Equity

	Common stock paid value \$.00001	
Balance at December 31, 2017	\$	60
Plus: Stockholders' Contributions		60
Less: Net Loss		
Balance at December 31, 2018	\$	60
Plus: Stockholders' Contributions		60
Less: Net Loss		
Balance at February 5, 2019	\$	60



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Varner Enterprises

Consolidated Statements

Operating activities

Net Loss

Increase (decrease) in interest expenses

Increase (decrease) in trades payables

Net cash used by operating activities

Investing activities

Property and equipment

Net cash used in investing activities

Financing activities

Proceeds from Line of credit

Proceeds from capital contribution

Net cash provided by financing activities

Net increase in cash and cash equivalents (note 1)

Cash and cash equivalents at beginning of year

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Varner Enterprises Inc. Notes to Consolidated Financial Statements February 5, 2013

1. Business and Summary of Significant Accounting Policies

Description of Business and Basis of Presentation

Varner Enterprises Inc., (the Company) is a development and production company. As its first asset, the Company has acquired an independent record label, a wholly owned subsidiary that works with artists in the pop, rock and hip-hop genres. Records deals with the end-to-end management of music, including recording, multimedia to produce, manage, promote and distribute.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. Intercompany accounts and transactions are eliminated in consolidation.

Use of estimates:



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Varner Enterprises
Notes to Consolidated Financial
February 5, 2019

Accounting Method

The Company's financial statements are prepared in accordance with this method of accounting, revenue earned and expenses are recognized in the period in which they are incurred. Expenses that are applicable to future periods are presented on the accompanying balance sheets.

2. Deferred Income Taxes

The Company files income tax returns in the U.S. jurisdiction. The Company has decided to set up valuation allowances to estimate the realization date. Following is the detail of

Tax Year	Tax benefit - Federal
2019	\$
2018	2,8

OFFERING STATEMENT

1,000 Units of SAFE+REV a		
	# Of Shares	Total
<i>Target Offering</i>	1,000	
<i>Maximum Amount</i>	107,000	\$

Varner Enterprises Notes to Consolidated Financial Statements February 5, 2020

4. Common Stock

The relative rights, powers, preferences, qualifications, and other characteristics of the Company's Common Stock, are as follow:

Each share of Class A Common Stock is entitled to

5. Commitments and Contingencies

As of the date of issuance of financials, February 12, 2020, there are no contingencies.

6. Subsequent Events

Management has evaluated subsequent events through the date of the financial statements were available to be issued.



OFFERING STATEMENT

1,000 Units of SAFE+REV a		
	<i># Of Shares</i>	<i>Total</i>
<i>Target Offering</i>	1,000	
<i>Maximum Amount</i>	107,000	\$

30. With respect to the issuer, any predecessor of the issuer, any promoter or managing member of the issuer, any beneficial owner of equity securities, calculated in the same form as described in the offering statement, any promoter connected with the issuer in any capacity at the time of the offering, any person who has received or is to receive any paid (directly or indirectly) remuneration for solicitation of the offering or any general partner, director, officer or managing member of the issuer:

- (1) Has any such person been convicted, within 10 years (or 5 years in the case of affiliated issuers) before the filing of this offering statement:
 - (i) in connection with the purchase or sale of any securities;
 - (ii) involving the making of any false filing with the SEC;
 - (iii) arising out of the conduct of the business of an issuer, investment adviser, funding portal or paid solicitor.

If Yes to any of the above, explain:

- (2) Is any such person subject to any order, judgment or decree within five years before the filing of the information required by this offering statement, restrains or enjoins such person from participating in the offering?

OFFERING STATEMENT

1,000 Units of SAFE+REV a		
	# Of Shares	Total
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Maximum Amount	107,000	\$

Yes No

- (ii) constitutes a final order based on a violation of the Securities Exchange Act of 1934 or Section 10(b) of the Securities Exchange Act or Section 203(e) or (f) of the Investment Advisers Act of 1940 or any other securities law, rule, or regulation, or manipulative or deceptive conduct and for which the issuer is responsible on the date of the filing of this offering statement?

If Yes to any of the above, explain:

- (4) Is any such person subject to an order of the Commission under Section 203(e) or (f) of the Investment Advisers Act of 1940 or any other securities law, rule, or regulation, or manipulative or deceptive conduct and for which the issuer is responsible on the date of the filing of this offering statement:

- (i) suspends or revokes such person's registration as an investment adviser or funding portal? Yes No
- (ii) places limitations on the activities, functions or operations of such person?
- (iii) bars such person from being associated with any person who is an investment adviser or funding portal on the offering of any penny stock? Yes No

If Yes to any of the above, explain:

- (5) Is any such person subject to any order of the Commission under Section 203(e) or (f) of the Investment Advisers Act of 1940 or any other securities law, rule, or regulation, or manipulative or deceptive conduct and for which the issuer is responsible on the date of the filing of this offering statement that, at the time of the filing of this offering statement, the person was committing or causing a violation or future violation of:



OFFERING STATEMENT

1,000 Units of SAFE+REV a		
	# Of Shares	Total
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Maximum Amount	107,000	\$

If Yes, explain:

- (8) Is any such person subject to a United States Postal Service order of suspension, suspension, or expulsion or bar before the filing of the information required by Section 4(a)(6) of the Securities Act, at any time of filing of this offering statement, subject to a temporary suspension, suspension, or expulsion or bar with respect to conduct alleged by the United States Postal Service to be in violation of the Act, or property through the mail by means of false representation?

Yes No

If Yes, explain:

If you would have answered “Yes” to any of these questions had an order of suspension, suspension, or expulsion or bar occurred or been issued after May 16, 2016, the offering would not be exempt from registration under Section 4(a)(6) of the Securities Act.

OTHER MATERIAL INFORMATION

31. In addition to the information expressly required to be included in this offering statement, we have the following information available by request:

We have available by request the Reviewed Financials, a business plan, and other information.



OFFERING STA

1,000 Units of SAFE+REV a		
	# Of Shares	Total
Target Offering	1,000	
Maximum Amount	107,000	\$

* * *

PART 240 - GENERAL RULES AND REGULATIONS, SECUR

9. The authority citation for part 240 continues to read, in p
77s, 77z-2, 77z-3, 77eee, 77ggg, 77nnn, 77sss,
77ttt, 78c, 78c-3, 78c-5, 78d, 78e, 78f, 78g, 78i, 78j, 78j-1, 78k, 78k
78q-1, 78s, 78u-5, 78w, 78x, 78ll, 78mm, 80a-20, 80a-23, 80a-29, 8
U.S.C. 2(c)(2)(E); 12 U.S.C. 5221(e)(3); 18 U.S.C. 1350; and P
otherwise noted.

10. Add § 240.12g-6 to read as follows:

§ 240.12g-6 Exemption for securities issued pursuant to section

(a) For purposes of determining whether an issuer is requi
to Section 12(g)(1) of the Act (15 U.S.C. 78l(g)(1)), the definitio
pursuant to the offering exemption under section 4(a)(6) of the Sec

(1) Is current in filing its ongoing annual reports required

chapter;

(2) Has total assets not in excess of \$25 million as of the c

(3) Has engaged a transfer agent registered pursuant to S



OFFERING STATEMENT

1,000 Units of SAFE+REV a		
	# Of Shares	Total
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Summary

SECURITY OFFERED FOR SALE

	EC
VALUATION CAP	\$2
DISCOUNTED RATE	N/A
MFN PROVISION	No
ANTI-DILUTION RIGHTS	No
TARGET NUMBER OF UNITS OF SAFE+REV^(TM)	1,0
MAXIMUM NUMBER OF UNITS OF SAFE+REV^(TM)	10
PURCHASE PRICE PER UNITS	\$10
MINIMUM UNITS PER INVESTOR	\$2



OFFERING STATEMENT

1,000 Units of SAFE+REV a		
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SAFE+REV Agr

This SAFE+REV Agreement is an agreement between _____ and _____ herein referred to as "Investor" for which SAFE+REV Units are comprised of a sum total of a:

- (A) **SAFE** (Simple Agreement for Future Equity) full
- (B) **REV** (Revenue Participation Rights Agreement)

Exhibit A and Exhibit B are attached hereto and made a part of this Agreement. Exhibit A and Exhibit B shall remain in full force and effect, and shall not be modified by or in conflict with the provisions of this SAFE+REV Agreement shall prevail.

Jurisdiction, Venue and Governing Law. Notwithstanding to what jurisdiction the SAFE+REV Agreement (including Exhibit A and Exhibit B) is made, the parties of _____, (herein referred to as the "Company") shall be governed by the law provisions of such jurisdiction. With respect to any action or proceeding relating to, this Agreement or transactions related to this Agreement, the parties consent and submit to the sole and exclusive jurisdiction of either (a) the courts of the State, or (b) State courts situated in the Governing State. The parties shall be notified by means registered mail sent to their last known physical address.



OFFERING STATEMENT

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Exhibit A: Simple Agreement for Future Equity

THIS INSTRUMENT AND ANY SECURITIES ISSUED HEREUNDER ARE REGISTERED UNDER THE SECURITIES ACT OF 1933, AND ANY SECURITIES OFFERED, SOLD OR OTHERWISE TRANSFERRED, IN ACCORDANCE WITH THE PERMITTED UNDER THE ACT AND APPLICABLE STATE LAWS. THIS OFFERING IS MADE EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION FROM REGISTRATION.

SAFE

(Simple Agreement for Future Equity)

THIS CERTIFIES THAT in exchange for the payment by [Investor] of the “Purchase Amount” on or about [Date of SAFE], [Company] (“Company”), hereby issues to the Investor the right to certain shares of common stock of the Company on the terms set forth below.

The “Valuation Cap” is \$2,800,000.

The “Discount Rate” is [100 minus the discount]%.

See Section 2 for certain additional defined terms.

1. Events

(a) **Equity Financing.** If there is an Equity Financing



OFFERING STATEMENT

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In connection with Section (b)(i), the Purchase Amount will be paid immediately prior to, or concurrent with, the consummation of the offering to pay the Investor and holders of other SAFEs (collectively, "Investors"). The Company's available funds will be distributed with equal priority in proportion to their Purchase Amounts, and the Cash-Out Investors will receive shares of Common Stock equal to the remaining unpaid Purchase Amounts. In the event of a Change of Control intended to qualify as a tax-free reorganization, the Purchase Amounts payable to the Cash-Out Investors by the Company will be paid in good faith to be advisable for such Change of Control to qualify as a tax-free reorganization for tax purposes, and in such case, the Cash-Out Investors will receive shares of Common Stock equal to the remaining unpaid Purchase Amounts.

(c) **Dissolution Event**. If there is a Dissolution Event, the Company will pay an amount equal to the Purchase Amount to the Cash-Out Investors immediately prior to, or concurrent with, the consummation of the Dissolution Event, in preference to any Distribution of any of the assets of the Company for any reason of their ownership thereof. If immediately prior to the consummation of the Dissolution Event, the Company legally available for distribution to the Cash-Out Investors ("Dissolving Investors"), as determined in good faith by the Board of Directors, permit the payment to the Dissolving Investors of their respective Purchase Amounts from the Company legally available for distribution will be distributed to the Dissolving Investors in proportion to the Purchase Amounts to be paid to them.



OFFERING STA

1,000 Units of SAFE+REV a		
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“**Company Capitalization**” means the sum, as of in shares of Capital Stock (on an as-converted basis) issued and outstanding vested and unvested options, warrants and ot instrument, (B) all other SAFEs, and (C) convertible promi reserved and available for future grant under any equity inc equity incentive or similar plan to be created or increased in c

“**Conversion Price**” means the either: (1) the SAFE P results in a greater number of shares of SAFE Preferred Stock

“**Discount Price**” means the price per share of the St multiplied by the Discount Rate.

“**Distribution**” means the transfer to holders of Cap cash or other property without consideration whether by way Common Stock payable in Common Stock, or the purchase its subsidiaries for cash or property other than: (i) repurchas directors or consultants of the Company or its subsidiaries p right of first refusal or a right to repurchase shares upon term services; or (ii) repurchases of Capital Stock in connection w

“**Dissolution Event**” means (i) a voluntary terminat benefit of the Company’s creditors or (iii) any other liquic



OFFERING STA

1,000 Units of SAFE+REV a		
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to (2) the total number of shares of outstanding Capital Stock of the Company prior to the issuance of the securities.

“SAFE” means an instrument containing a future right to purchase, in whole or in part, the securities described in this content to this instrument, purchased by investors for the purpose of raising capital.

“SAFE Preferred Stock” means the shares of a series of Preferred Stock in an Equity Financing, having the identical rights, privileges, preferences and dividends as the Preferred Stock, other than with respect to: (i) the per share amount of dividends, for the purposes of price-based anti-dilution protection, which will be based on the Conversion Price; and (ii) dividend rights, which will be based on the Conversion Price.

“SAFE Price” means the price per share equal to the Conversion Price of the Capitalization.

“Standard Preferred Stock” means the shares of a series of Preferred Stock in an investing new money in the Company in connection with the offering.

3. *Company Representations*

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation, and has the power and authority to enter into and perform its obligations on its business as now conducted.



OFFERING STATEMENT

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(e) To its knowledge, the Company owns or possesses sufficient legal rights to all patents, trademarks, service marks, information, processes and other intellectual property rights currently proposed to be conducted, without any conflict with

4. *Investor Representations*

(a) The Investor has full legal capacity, power and authority to perform its obligations hereunder. This instrument constitutes a valid and enforceable in accordance with its terms, except as limited by any court application relating to or affecting the enforcement of creditor

(b) The Investor is an accredited investor as such term is defined in the Securities Act. The Investor has been advised that this instrument is not registered under the Securities Act, or any state securities laws, and that no registration under the Securities Act and applicable state securities laws is available. The Investor is purchasing the units hereunder for its own account for investment or for resale in connection with, the distribution thereof, and is not granting any participation in, or otherwise distributing the same. The Investor represents in financial and business matters that the Investor is capable of making an investment and is able to incur a complete loss of such investment without impairment and is able to bear the economic risk of such investment for an indefinite



OFFERING STATEMENT

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including, without limitation, any general partner, managing member, or limited partner of any venture capital fund now or hereafter existing which is controlled by, or is a member of, or shares the same management company with, the Company. The Investor may assign this instrument in whole, without the consent of the Company, and the Company may change the Company's domicile.

(e) In the event any one or more of the provisions of this instrument are found to be illegal or unenforceable, in whole or in part or in any respect, the provisions of this instrument operate or would prospectively operate to render such provision(s) only will be deemed null and void and will not affect the remaining provisions of this instrument will remain operative and unaffected, prejudiced, or disturbed thereby.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be signed by the Investor:

Investor:

Signature:

Print Name:

Date:



OFFERING STA

1,000 Units of SAFE+REV a		
	# Of Shares	Total
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Maximum Amount	107,000	\$

Exhibit B: Revenue Participation Rights Agreement

THIS INSTRUMENT AND ANY SECURITIES ISSUED HEREUNDER ARE REGISTERED UNDER THE SECURITIES ACT OF 1933, UNDER THE SECURITIES LAWS OF CERTAIN STATES AND ARE NOT TO BE SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR ENCUMBERED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS WITHOUT REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM.

Revenue Participation Rights Agreement

For each Class A Revenue Share Unit purchased by the Investor, the Issuer shall pay to the Investor a RevShare. Payments of the RevShare will be made pursuant to the terms of this Revenue Participation Rights Agreement. This Revenue Participation Rights Agreement is herein referred to as the "Agreement".

Investor: _____ is herein referred to as the "Investor" and is a resident of _____ residing at _____)

Issuer: _____ is herein referred to as the "Issuer" and is a corporation whose registered agent address is: _____

Number of Units to Investor: Issuer hereby issues _____



OFFERING STATEMENT

1,000 Units of SAFE+REV a		
	# Of Shares	Total
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2. Annual Payment of RevShares. On or before March 31 of each year, Issuer will calculate the RevShare attributable to the Measurement Period occurring during the preceding calendar year. On the following March 21, or the first business day thereafter, Issuer will disburse the calculated RevShare(s), if any, for each of the said Class A RevShare Investor. The last such disbursement will occur upon the final payment of the Total Per Unit Defined Return for the said Class A RevShare Investor. All payments will be made in U.S. Dollars and by electronic transfer. Investor must maintain an account with a U.S. financial institution capable of receiving such payments. Issuer will provide Investor IRS 1099 notices of income, to the extent applicable, on or before the 31st day of each January. Issuer will allow Investor to elect to be treated pursuant to applicable tax law. In order for Issuer to disburse RevShares, Investor must submit with a properly completed Form w-9 (or equivalent if Issuer is a foreign investor).

3. Miscellaneous

(a) **Severability.** If any one or more of the provisions of this Agreement shall be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of any other provisions of this Agreement and this Agreement shall remain in full force and effect as if the unenforceable provisions had never been contained herein.

(b) **Communications in English.** All writings and communications under this Agreement shall be drawn up in the English language, and any communications in any language other than English shall not be valid or have any legal effect with respect to the obligations or rights under, or related to this Agreement.



OFFERING STATEMENT

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facsimile, electronic communications (including pdf or elect any counterpart so delivered shall be deemed to have been d for all purposes.

Investor: _____

Signature: _____

Print Name: _____

Date: _____

Issuer: _____

Signature: _____

Print Name: _____

Date: _____