

Dated: October 24, 2023



**EMOTIONTRAC, INC.**

**TOTAL OFFERING: \$500,000**

**200,000 SHARES OF CLASS A COMMON STOCK AT \$2.50 PER SHARE**

**MINIMUM SUBSCRIPTION: 10,000 SHARES OR \$25,000 (THE "UNITS")**

*[FOR ACCREDITED INVESTORS ONLY]*

THIS CONFIDENTIAL PRIVATE OFFERING MEMORANDUM HAS NOT BEEN FILED WITH OR REVIEWED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION ("SEC") ANY OTHER COMMISSION OR REGULATORY AUTHORITY, NOR HAS ANY SUCH COMMISSION OR REGULATORY AUTHORITY DETERMINED WHETHER IT IS ACCURATE OR COMPLETE OR PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THESE SECURITIES OFFERED HEREBY ARE SPECULATIVE AND ANY INVESTMENT INVOLVES A HIGH DEGREE OF RISK. SEE "RISK FACTORS" BELOW.

THE SHARES OFFERED PURSUANT TO THIS MEMORANDUM ARE FOR SALE ONLY TO ACCREDITED INVESTORS (AS DEFINED IN "MEMORANDUM SUMMARY – INVESTOR SUITABILITY REQUIREMENTS" AND SECTION 501(a) OF REGULATION D PROMULGATED BY THE SEC UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") IN RELIANCE UPON THE EXEMPTION CONTAINED IN RULE 506(b), A "SAFE HARBOR" UNDER SECTION 4(A)(2) OF THE ACT.

This CONFIDENTIAL PRIVATE OFFERING MEMORANDUM (the "Memorandum") relates to the offer and sale (the "Offering") to accredited investors of up to 200,000 shares of Class A Common Stock (the "Shares" or "Class A Common Stock") of EMOTIONTRAC, Inc., a Florida corporation with offices located at 10802 Lake Wynds Court, Boynton Beach, Florida 33437 (the "Company") The Offering is being at an offering price of \$2.50 per Share (the "Offering Price"), for an aggregate offering price of \$500,000<sup>(1)</sup>. The Company will only accept subscriptions for a minimum of 10,000 Shares of EMOTIONTRAC, Inc. (the "Minimum Subscription"), which shall equal a minimum investment of \$50,000. This Offering is being made without registration under the Securities act of 1933, as amended (the "Act") in reliance upon the exemption contained in Regulation 506(b) promulgated by the United States Securities and Exchange Commission under the Act and Section 4(2) of the Act.

**The Minimum Subscription of 10,000 Shares for a minimum investment of \$25,000, may be defined herein as a "Unit." The Company reserves the right, in its sole discretion, to accept subscriptions for partial Units.**

All of the Shares subject to this Offering will be sold on a "best-efforts" basis which means that net Offering proceeds will be available to the Company upon receipt, acceptance and clearance thereof and that no minimum number of Share sales will be required in order to complete and close this Offering. There can be no assurance that all of the Shares offered will be subscribed for. The Company also reserves the right, in its sole discretion, to terminate this Offering, whether or not all of the 200,000 Shares contained in the Offering are subscribed for by accredited investors.

In the event you decide not to participate in this Offering, please return the entire CONFIDENTIAL PRIVATE OFFERING MEMORANDUM to the principal office of the Company as set forth below:

**EMOTIONTRAC, INC.  
10802 Lake Wynds Court  
Boynton Beach, Florida 33437**

(1) Before deducting Offering expenses payable by the Company, estimated to be up to \$35,000, and, in the event the Company elects to retain a qualified placement agent, excluding potential commissions paid to such placement agent(s) in accordance with federal securities law and the securities law of the various states, including but not limited to and subject to applicable securities laws and the rules and regulations of the SEC under the Act.

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The Shares will be offered and sold on behalf of the Company by certain officers, directors and/or duly authorized representatives of EMOTIONTRAC, Inc., none of whom will be paid any commissions or other compensation. The Company may also utilize the services of selected broker-dealers who are members of the Financial Industry Regulatory Authority ("FINRA") in connection with the offer and sale of the Shares.

All of the 200,000 Shares subject to this Offering will be sold based upon an Offering Price of \$2.50 per Share, on a "best efforts" basis, or up to the total. Offering of \$500,000. There can be no assurance that all of Shares will be sold.

An investment in the Shares involves a high degree of risk. Prospective investors in the Shares should thoroughly consider this Confidential Private Offering Memorandum and certain special considerations concerning the Company described herein. See "RISK FACTORS" below. An investment in the Shares offered hereby is suitable only for, and may be made only by, accredited investors who have no need for liquidity of investment and understand and can afford the high financial risks of an investment in the Shares, including the potential for a complete loss of their investment. There is currently no trading market for any securities of the Company, nor is it expected or assured that such market will develop in the foreseeable future.

The Shares have not been approved or disapproved by the SEC or any state securities commission, nor has the SEC or any state securities commission passed upon the accuracy or adequacy of this Memorandum. Any representation to the contrary is a criminal offense.

The Shares of the Company are speculative by nature and are intended for a limited number of accredited investors. Each prospective investor should carefully review this Memorandum and the relevant documents referred to herein before deciding to invest in the Company.

**THE MEMORANDUM IS SUBMITTED TO YOU ON A CONFIDENTIAL BASIS SOLELY IN CONNECTION WITH YOUR CONSIDERATION OF AN INVESTMENT IN THE COMMON SHARES DUE TO THE CONFIDENTIAL NATURE OF THIS MEMORANDUM, ITS USE FOR ANY OTHER PURPOSE MIGHT INVOLVE SERIOUS LEGAL CONSEQUENCES. CONSEQUENTLY, THIS MEMORANDUM MAY NOT BE REPRODUCED IN WHOLE OR IN PART, AND MAY NOT BE DELIVERED TO ANY OTHER PERSON (OTHER THAN YOUR FINANCIAL ADVISOR) WITHOUT THE PRIOR WRITTEN CONSENT OF EMOTIONTRAC, INC.**

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## GENERAL NOTICES AND REPRESENTATIONS

This Memorandum is furnished on a confidential basis. This Memorandum constitutes an offer of Class A Common Stock (or “Sharers”) only to the person to whom it is specifically delivered for that purpose and is provided solely for the purpose of evaluating an investment in the Company. By accepting delivery of this Memorandum and receiving any other oral or written information provided by the Company in connection with the Offering, each Offeree agrees (a) to keep confidential the contents of this Memorandum and such other information and not to disclose the same to any third party or otherwise use the same for any purpose other than evaluating an investment in the Company, and (b) not to copy, in whole or in part, this Memorandum or any other written information provided by the Company in connection herewith. Each Offeree further agrees to return this Memorandum and any such written information to EmotionTrac, Inc. 10802 Lake Wynds Court Boynton Beach, Florida 33437. In the event that (i) the Offeree does not subscribe to purchase any Shares, (ii) no portion of the Offeree's subscription is accepted, or (iii) the Offering is terminated or withdrawn.

To the extent applicable, the Shares offered hereby have not been registered under the Securities Act of 1933, as amended (the “Act”) or any state securities laws, in reliance upon exemptions therefrom. If applicable, the Shares may not be sold, transferred, pledged or otherwise disposed of in the absence of registration under the Act and under any applicable US state securities or blue-sky laws unless pursuant to exemptions therefrom. This Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any Shares offered hereby to any person in any jurisdiction in which it is unlawful to make such an offer or solicitation to such person. This Memorandum does not constitute an Offer if the prospective investor is not qualified under applicable securities laws.

In determining whether to invest in the Shares, each person must rely upon his, her or its own examination of the Company and the terms of the Offering made hereby, including the merits and risks involved. The Company expects that, prior to the closing for the Offering made hereby, it will afford prospective investors in the Shares an opportunity to ask questions of representatives of the Company concerning the Company and the terms of the Offering and to obtain additional relevant information to the extent the Company possesses such information or can obtain it without unreasonable effort or expense. Except as aforesaid, no person is authorized in connection with the Offering to give any information or make any representation not contained in this Memorandum, and, if given or made, such information or representation must not be relied upon as having been authorized by the Company. The information contained in this Memorandum also supersedes any information concerning the Company or the terms of any investment therein provided to any prospective investor prior to the date of this Memorandum.

The Company makes no express or implied representation or warranty as to the attainability of any forecasted financial information that may be expressed or implied herein or as to the accuracy or completeness of the assumptions from which that forecasted information is derived. It must be recognized that the projections of the Company's future performance are necessarily subject to a high degree of uncertainty, that actual results can be expected to vary from the results projected and that such variances may be material and adverse. Prospective investors are expected to conduct their own investigation with regard to the Company and its prospects. It is expected that each Offeree will pursue his, her or its own independent investigation with respect to the forecasted financial information included herein. Prospective investors in the Shares are not to construe the contents of this Memorandum as legal, business or tax advice. Each prospective investor in the Shares should consult his, her or its own attorney, business advisor and tax advisor as to the legal, business, tax and related matters concerning this Offering.

This Memorandum has been prepared solely for the purpose of the proposed offering of the Shares. The Company reserves the right to reject any subscription for the Shares, in whole or in part, or to allot less than the number of Shares as to which any prospective investor in the Shares has subscribed.

**THIS OFFERING IS NOT UNDERWRITTEN. THE OFFERING PRICE HAS BEEN ARBITRARILY SET BY THE MANAGEMENT. THERE CAN BE NO ASSURANCE THAT ANY OF THE SHARES WILL BE SOLD. THE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE US SECURITIES AND EXCHANGE COMMISSION OR ANY US STATE SECURITIES AGENCY, NOR HAS ANY SUCH REGULATORY BODY REVIEWED THIS OFFERING MEMORANDUM FOR ACCURACY OR COMPLETENESS. BECAUSE THESE SHARES HAVE NOT BEEN SO REGISTERED, THERE MAY BE RESTRICTIONS ON THEIR TRANSFERABILITY OR RESALE BY AN INVESTOR. EACH PROSPECTIVE INVESTOR SHOULD PROCEED ON THE ASSUMPTION THAT HE MUST BEAR THE ECONOMIC RISKS OF THE INVESTMENT FOR AN INDEFINITE PERIOD, SINCE THE SHARES MAY NOT BE SOLD UNLESS, AMONG OTHER THINGS, THEY ARE SUBSEQUENTLY REGISTERED UNDER THE APPLICABLE SECURITIES ACTS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. THERE IS NO TRADING MARKET FOR THE COMPANY'S SECURITIES AND THERE CAN BE NO ASSURANCE THAT ANY MARKET WILL DEVELOP IN THE FUTURE OR THAT THE SHARES WILL BE ACCEPTED FOR INCLUSION ON NASDAQ OR ANY OTHER TRADING EXCHANGE AT ANY TIME IN THE FUTURE. THE**

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**COMPANY IS NOT OBLIGATED TO REGISTER FOR SALE UNDER EITHER U.S. FEDERAL OR STATE SECURITIES LAWS THE SHARES PURCHASED PURSUANT HERETO, AND THE ISSUANCE OF THE SHARES IS BEING UNDERTAKEN PURSUANT TO CERTAIN EXEMPTIONS FROM REGISTRATION UNDER THE SECURITIES ACT, WHICH MAY INCLUDE WITHOUT LIMITATION THE APPLICABLE RULES UNDER REGULATION D AND/OR REGULATION S UNDER THE SECURITIES ACT. ACCORDINGLY, THE SALE, TRANSFER, OR OTHER DISPOSITION OF ANY OF THE SHARES, WHICH ARE PURCHASED PURSUANT HERETO, MAY BE RESTRICTED BY APPLICABLE U.S. FEDERAL OR STATE SECURITIES LAWS AND/OR THE SECURITIES LAWS OF ONE OR MORE FOREIGN COUNTRIES (DEPENDENT ON THE RESIDENCY OF THE INVESTOR) AND BY THE PROVISIONS OF THE SUBSCRIPTION AGREEMENT REFERRED TO HEREIN. THE OFFERING PRICE OF THE SHARES TO WHICH THE MEMORANDUM RELATES HAS BEEN ARBITRARILY ESTABLISHED BY THE COMPANY AND DOES NOT NECESSARILY BEAR ANY SPECIFIC RELATION TO THE ASSETS, BOOK VALUE OR POTENTIAL EARNINGS OF THE COMPANY OR ANY OTHER RECOGNIZED CRITERIA OF VALUE.**

The Company's management has prepared and provided all of the information contained herein. The Company makes no express or implied representation or warranty as to the completeness of this information or, in the case of projections, estimates, future plans, or forward-looking assumptions or statements, as to their attainability or the accuracy and completeness of the assumptions from which they are derived, and it is expected that each prospective investor will pursue his, her, or its own independent investigation. It must be recognized that estimates of the Company's performance are necessarily subject to a high degree of uncertainty and may vary materially from actual results.

This Offering is being made in reliance upon the exemption set forth in Rule 506(b) promulgated by the SEC under Regulation D under the Act. As a result, no general solicitation or advertising in whatever form will or may be employed in this Offering of the Shares and as promulgated pursuant to Section 201(a) of the Jumpstart Our Business Startups Act.

This Memorandum has been prepared solely for the information of the person(s) to whom it has been delivered by or on behalf of the Company. Distribution of this Memorandum to any person other than the prospective investor to whom this Memorandum is delivered by the Company and those persons retained to advise them with respect thereto is unauthorized. Any reproduction of this Memorandum, in whole or in part, or the divulgence of any of the contents without the prior written consent of the Company is strictly prohibited. This Offering is made subject to withdrawal, cancellation, or modification by the Company without notice and solely at the Company's discretion. Each prospective investor, by accepting delivery of this Memorandum, agrees to return it and all other documents received by them to the Company if the prospective investor's subscription is not accepted or if the Offering is terminated.

By acceptance of this Memorandum, prospective investors recognize and accept the need to conduct their own thorough investigation and due diligence before considering a purchase of the Shares.

#### **U.S. JURISDICTIONAL (NASAA) LEGENDS**

The presence of the following legends for any given state reflects only that a legend may be required by that state and should not be construed to mean an offer or sale is being or may be made in that particular state.

If you are uncertain as to whether or not offers or sales may be lawfully made in your state, you are hereby advised to contact the Company. The Shares described in this Memorandum have not been registered under the Act or any state securities laws (commonly called "Blue Sky" laws. These Shares must be acquired for investment purposes only and may not be sold or transferred in the absence of an effective registration of such Shares under such laws, or an opinion of counsel acceptable to the Company that such registration is not required.

The Company intends to offer and sell the Shares only to accredited investors through the use of general solicitation in accordance with the provisions of Rule 506(b) under Regulation D of the Act, as promulgated pursuant to Section 201(a) of the Jumpstart Our Business Startups Act of 2012.

**NOTICE TO ALABAMA RESIDENTS ONLY:** THESE SHARES MAY BE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE ALABAMA SECURITIES ACT. A CONFIDENTIAL OFFERING MEMORANDUM RELATING TO THESE SHARES HAS NOT BEEN FILED WITH THE ALABAMA SECURITIES COMMISSION. THE COMMISSION DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

**NOTICE TO ARIZONA RESIDENTS ONLY:** THESE SHARES MAY BE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF ARIZONA. NEITHER THE ARIZONA CORPORATION COMMISSION NOR THE DIRECTOR OF SECURITIES

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HAVE REVIEWED OR PASSED UPON THE ACCURACY OR COMPLETENESS OF THIS MEMORANDUM OR OTHER SELLING LITERATURE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

**NOTICE TO CALIFORNIA RESIDENTS ONLY:** THE SALE OF THE SHARES WHICH ARE THE SUBJECT OF THIS OFFERING HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SHARES OR PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFORE PRIOR TO SUCH QUALIFICATIONS IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY THE APPLICABLE PROVISIONS OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS OFFERING ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATIONS BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

**NOTICE TO CONNECTICUT RESIDENTS ONLY:** THESE SHARES HAVE NOT BEEN REGISTERED UNDER THE CONNECTICUT UNIFORM SECURITIES ACT AND ARE BEING SOLD IN RELIANCE UPON THE APPLICABLE EXEMPTIONS CONTAINED IN SAID ACT. THEY CANNOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER SAID ACT OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. THESE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE BANKING COMMISSIONER OF THE STATE OF CONNECTICUT NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

**NOTICE TO DELAWARE RESIDENTS ONLY:** IF YOU ARE A DELAWARE RESIDENT, YOU ARE HEREBY ADVISED THAT THESE SHARES MAY BE OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE DELAWARE SECURITIES ACT. THE SHARES CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION, WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

**NOTICE TO FLORIDA RESIDENTS ONLY:** THE SHARES DESCRIBED HEREIN HAVE NOT BEEN REGISTERED WITH THE FLORIDA DIVISION OF SECURITIES AND INVESTOR PROTECTION UNDER THE FLORIDA SECURITIES ACT. THE SHARES REFERRED TO HEREIN MAY ONLY BE SOLD TO, AND ACQUIRED BY THE HOLDER IN A TRANSACTION EXEMPT UNDER THE APPLICABLE PROVISIONS OF SAID ACT. THE SHARES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF FLORIDA. IN ADDITION, ALL OFFEREEES WHO ARE FLORIDA RESIDENTS SHOULD BE AWARE THAT SECTION 517.061(11)(a)(5) OF THE ACT PROVIDES, IN RELEVANT PART, AS FOLLOWS: "WHEN SALES ARE MADE TO FIVE OR MORE PERSONS IN FLORIDA, ANY SALE IN FLORIDA MADE PURSUANT TO THIS SECTION IS VOIDABLE BY THE PURCHASER IN SUCH SALE EITHER WITHIN 3 DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE PURCHASER TO THE ISSUER, AN AGENT OF THE ISSUER OR AN ESCROW AGENT OR WITHIN 3 DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO SUCH PURCHASER, WHICHEVER OCCURS LATER." THE AVAILABILITY OF THE PRIVILEGE TO VOID SALES PURSUANT TO SECTION 517.061(11) IS HEREBY COMMUNICATED TO EACH FLORIDA OFFEREE. EACH PERSON ENTITLED TO EXERCISE THE PRIVILEGE TO AVOID SALES GRANTED BY SECTION 517.061 (11)(A)(5) AND WHO WISHES TO EXERCISE SUCH RIGHT, MUST, WITHIN 3 DAYS AFTER THE TENDER OF ANY AMOUNT TO THE COMPANY OR TO ANY AGENT OF THE COMPANY (INCLUDING THE SELLING AGENT OR ANY OTHER DEALER ACTING ON BEHALF OF THE COMPANY OR ANY SALESMAN OF SUCH DEALER) OR AN ESCROW AGENT CAUSE A WRITTEN NOTICE OR TELEGRAM TO BE SENT TO THE COMPANY AT THE ADDRESS PROVIDED IN THIS MEMORANDUM. SUCH LETTER OR TELEGRAM MUST BE SENT AND, IF POSTMARKED, POSTMARKED ON OR PRIOR TO THE END OF THE AFOREMENTIONED THIRD DAY. IF A PERSON IS SENDING A LETTER, IT IS PRUDENT TO SEND SUCH LETTER BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ASSURE THAT IT IS RECEIVED AND ALSO TO EVIDENCE THE TIME IT WAS MAILED. SHOULD A PERSON MAKE THIS REQUEST ORALLY, HE MUST ASK FOR WRITTEN CONFIRMATION THAT HIS REQUEST HAS BEEN RECEIVED.

**NOTICE TO GEORGIA RESIDENTS ONLY:** THESE SHARES MAY BE ISSUED OR SOLD IN RELIANCE ON THE APPLICABLE EXEMPTIONS CONTAINED IN THE GEORGIA SECURITIES ACT OF 1973, AND MAY NOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SUCH ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SUCH ACT.

**NOTICE TO ILLINOIS RESIDENTS ONLY:** THESE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECRETARY OF THE STATE OF ILLINOIS NOR HAS THE STATE OF ILLINOIS PASSED UPON THE ACCURACY OR ADEQUACY OF THE MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

**NOTICE TO INDIANA RESIDENTS ONLY:** THESE SHARES HAVE NOT BEEN REGISTERED UNDER THE INDIANA BLUE SKY LAW AND MAY ONLY BE OFFERED AND SOLD IN RELIANCE UPON THE APPLICABLE EXEMPTIONS THEREFROM. THEY CANNOT BE RESOLD OR TRANSFERRED UNLESS THEY ARE REGISTERED UNDER THE LAW OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

**NOTICE TO KENTUCKY RESIDENTS ONLY:** THESE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE COMMISSIONER OF THE DEPARTMENT OF FINANCIAL INSTITUTIONS OF KENTUCKY NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

**NOTICE TO MARYLAND RESIDENTS ONLY:** THESE SHARES HAVE NOT BEEN REGISTERED UNDER THE MARYLAND SECURITIES ACT AND MAY ONLY BE OFFERED AND SOLD IN RELIANCE UPON APPLICABLE EXEMPTIONS CONTAINED IN SAID ACT. THEY CANNOT BE RESOLD OR TRANSFERRED UNLESS THEY ARE REGISTERED UNDER SAID ACT OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

**NOTICE TO MASSACHUSETTS RESIDENTS ONLY:** (1) THESE SHARES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES ACT OF THIS COMMONWEALTH, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER. THESE SHARES CANNOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACTS OF 1933, AS AMENDED, OR THE SECURITIES ACT OF THIS COMMONWEALTH, IF SUCH REGISTRATION IS REQUIRED, OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES DIVISION OF THE COMMONWEALTH OF MASSACHUSETTS NOR HAS THE

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SECURITIES DIVISION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

**NOTICE TO MICHIGAN RESIDENTS ONLY:** THESE SHARES HAVE NOT BEEN REGISTERED UNDER THE MICHIGAN SECURITIES ACT AND, IF OFFERED IN MICHIGAN OR TO RESIDENTS OF MICHIGAN, ARE BEING SOLD IN RELIANCE UPON THE APPLICABLE EXEMPTIONS CONTAINED IN SUCH ACT. THESE SHARES MAY NOT BE RESOLD OR TRANSFERRED UNLESS THEY ARE REGISTERED UNDER THE ACT OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

**NOTICE TO MINNESOTA RESIDENTS ONLY:** THESE SHARES HAVE NOT BEEN REGISTERED UNDER THE MINNESOTA BLUE SKY LAW AND MAY ONLY BE SOLD TO MINNESOTA RESIDENTS IN RELIANCE UPON THE APPLICABLE EXEMPTIONS THEREFROM. THEY CANNOT BE RESOLD OR TRANSFERRED UNLESS THEY ARE REGISTERED UNDER THE LAW OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

**NOTICE TO MISSISSIPPI RESIDENTS ONLY:** IN MAKING INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SHARES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THESE SHARES HAVE NOT BEEN REGISTERED WITH NOR 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. THESE SHARES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE. INVESTORS SHOULD BE AWARE THAT THEY WOULD BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

**NOTICE TO MISSOURI RESIDENTS ONLY:** THESE SHARES HAVE NOT BEEN REGISTERED UNDER THE MISSOURI SECURITIES ACT, AND IF OFFERED IN MISSOURI OR TO RESIDENTS OF MISSOURI, WILL BE SOLD TO, AND ACQUIRED BY, PURCHASERS IN RELIANCE ON AN APPLICABLE EXEMPTION THEREFROM. UNLESS THE SHARES ARE REGISTERED, THEY MAY NOT BE REOFFERED FOR SALE OR RESOLD IN THE STATE OF MISSOURI, EXCEPT AS A SECURITY, OR IN A TRANSACTION, EXEMPT UNDER SUCH ACT.

**NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY:** THESE SHARES HAVE NOT BEEN REGISTERED UNDER THE NEW HAMPSHIRE SECURITIES ACT, AND IF OFFERED IN NEW HAMPSHIRE OR TO RESIDENTS OF NEW HAMPSHIRE, WILL ONLY BE SOLD TO, AND ACQUIRED BY, PURCHASERS IN RELIANCE ON AN APPLICABLE EXEMPTION THEREFROM. UNLESS THE SHARES ARE REGISTERED, THEY MAY NOT BE REOFFERED FOR SALE OR RESOLD IN THE STATE OF NEW HAMPSHIRE, EXCEPT AS A SECURITY, OR IN A TRANSACTION, EXEMPT UNDER SUCH ACT.

**NOTICE TO NEW JERSEY RESIDENTS ONLY:** THESE SHARES HAVE NOT BEEN REGISTERED UNDER THE NEW JERSEY UNIFORM SECURITIES LAW, AND IF OFFERED IN NEW JERSEY OR TO RESIDENTS OF NEW JERSEY, WILL ONLY BE SOLD TO, AND ACQUIRED BY, PURCHASERS IN RELIANCE ON THE APPLICABLE EXEMPTIONS THEREFROM. IF YOU ARE A NEW JERSEY RESIDENT AND YOU ACCEPT AN OFFER TO PURCHASE THESE SHARES PURSUANT TO THIS MEMORANDUM, YOU ARE HEREBY ADVISED THAT THIS MEMORANDUM HAS NOT BEEN FILED WITH OR REVIEWED BY THE BUREAU OF SECURITIES OF THE STATE OF NEW JERSEY. THE BUREAU OF SECURITIES OF THE STATE OF NEW JERSEY HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

**NOTICE TO NEW YORK RESIDENTS ONLY:** THIS DOCUMENT HAS NOT BEEN REVIEWED BY THE ATTORNEY GENERAL OF THE STATE OF NEW YORK PRIOR TO ITS ISSUANCE AND USE. THE ATTORNEY GENERAL OF THE STATE OF NEW YORK HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THE COMPANY HAS TAKEN NO STEPS TO CREATE AN AFTERMARKET FOR THE SHARES OFFERED HEREIN AND HAS MADE NO ARRANGEMENTS WITH BROKERS OR OTHERS TO TRADE OR MAKE A MARKET IN SUCH SHARES. AT SOME TIME IN THE FUTURE, THE COMPANY MAY ATTEMPT TO ARRANGE FOR INTERESTED BROKERS TO TRADE OR MAKE A MARKET IN THE SHARES AND TO QUOTE THE SAME IN A PUBLISHED QUOTATION MEDIUM, HOWEVER, NO SUCH ARRANGEMENTS HAVE BEEN MADE AND THERE IS NO ASSURANCE THAT ANY BROKERS WILL EVER HAVE SUCH AN INTEREST IN THE SHARES OF THE COMPANY OR THAT THERE WILL EVER BE A MARKET THEREFORE.

**NOTICE TO NEVADA RESIDENTS ONLY:** IF ANY INVESTOR ACCEPTS ANY OFFER TO PURCHASE THE SHARES, THE INVESTOR IS HEREBY ADVISED THE SHARES WILL ONLY BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE APPLICABLE PROVISIONS OF THE NEVADA SECURITIES LAW. THE INVESTOR IS HEREBY ADVISED THAT THE ATTORNEY GENERAL OF THE STATE OF NEVADA HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING AND THE FILING OF THE OFFERING WITH THE BUREAU OF SECURITIES DOES NOT CONSTITUTE APPROVAL OF THE ISSUE, OR SALE THEREOF, BY THE BUREAU OF SECURITIES OR THE DEPARTMENT OF LAW AND PUBLIC SAFETY OF THE STATE OF NEVADA. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

**NOTICE TO NORTH CAROLINA RESIDENTS ONLY:** THESE SHARES MAY BE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE NORTH CAROLINA SECURITIES ACT. THE

NORTH CAROLINA SECURITIES ADMINISTRATION NEITHER RECOMMENDS NOR ENDORSES THE PURCHASE OF ANY SECURITIES, NOR HAS THE ADMINISTRATOR PASSED UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION PROVIDED HEREIN. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

**NOTICE TO NORTH DAKOTA RESIDENTS ONLY:** THESE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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**NOTICE TO PENNSYLVANIA RESIDENTS ONLY:** EACH PERSON WHO ACCEPTS AN OFFER TO PURCHASE SECURITIES EXEMPTED FROM REGISTRATION BY THE APPLICABLE PROVISIONS OF THE PENNSYLVANIA SECURITIES ACT, DIRECTLY FROM THE ISSUER OR AFFILIATE OF THIS ISSUER, SHALL HAVE THE RIGHT TO WITHDRAW HIS ACCEPTANCE WITHOUT INCURRING ANY LIABILITY TO THE SELLER, UNDERWRITER (IF ANY) OR ANY OTHER PERSON WITHIN TWO (2) BUSINESS DAYS FROM THE DATE OF RECEIPT BY THE ISSUER OF HIS WRITTEN BINDING CONTRACT OF PURCHASE OR, IN THE CASE OF A TRANSACTION IN WHICH THERE IS NO BINDING CONTRACT OF PURCHASE, WITHIN TWO (2) BUSINESS DAYS AFTER HE MAKES THE INITIAL PAYMENT FOR THE SHARES BEING OFFERED. IF YOU HAVE ACCEPTED AN OFFER TO PURCHASE THESE SHARES MADE PURSUANT TO A PROSPECTUS WHICH CONTAINS A NOTICE EXPLAINING YOUR RIGHT TO WITHDRAW YOUR ACCEPTANCE PURSUANT TO SECTION 207(m) OF THE PENNSYLVANIA SECURITIES ACT OF 1972 (70 PS § 1-207(m)), YOU MAY ELECT, WITHIN TWO (2) BUSINESS DAYS AFTER THE FIRST TIME YOU HAVE RECEIVED THIS NOTICE AND A PROSPECTUS TO WITHDRAW FROM YOUR PURCHASE AGREEMENT AND RECEIVE A FULL REFUND OF ALL MONEYS PAID BY YOU. YOUR WITHDRAWAL WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, YOU NEED ONLY SEND A LETTER OR TELEGRAM TO THE ISSUER (OR UNDERWRITER IF ONE IS LISTED ON THE FRONT PAGE OF THE PROSPECTUS) INDICATING YOUR INTENTION TO WITHDRAW. SUCH LETTER OR TELEGRAM SHOULD BE SENT AND POSTMARKED PRIOR TO THE END OF THE AFOREMENTIONED SECOND BUSINESS DAY. IF YOU ARE SENDING A LETTER, IT IS PRUDENT TO SEND IT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ENSURE THAT IT IS RECEIVED AND ALSO EVIDENCE THE TIME WHEN IT WAS MAILED. SHOULD YOU MAKE THIS REQUEST ORALLY, YOU SHOULD ASK WRITTEN CONFIRMATION THAT YOUR REQUEST HAS BEEN RECEIVED. THE SHARES HAVE BEEN ISSUED PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENT OF THE PENNSYLVANIA SECURITIES ACT OF 1972. NO SUBSEQUENT RESALE OR OTHER DISPOSITION OF THE SHARES MAY BE MADE WITHIN 12 MONTHS FOLLOWING THEIR INITIAL SALE IN THE ABSENCE OF AN EFFECTIVE REGISTRATION, EXCEPT IN ACCORDANCE WITH WAIVERS ESTABLISHED BY RULE OR ORDER OF THE COMMISSION, AND THEREAFTER ONLY PURSUANT TO AN EFFECTIVE REGISTRATION OR EXEMPTION.

**NOTICE TO TEXAS RESIDENTS ONLY:** THE SHARES OFFERED HEREUNDER HAVE NOT BEEN REGISTERED UNDER APPLICABLE TEXAS SECURITIES LAWS AND, THEREFORE, ANY PURCHASER THEREOF MUST BEAR THE ECONOMIC RISK OF THE INVESTMENT FOR AN INDEFINITE PERIOD OF TIME BECAUSE THE SHARES CANNOT BE RESOLD UNLESS THEY ARE SUBSEQUENTLY REGISTERED UNDER SUCH SECURITIES LAWS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. FURTHER, PURSUANT TO §109.13 UNDER THE TEXAS SECURITIES ACT, THE COMPANY IS REQUIRED TO APPRISE PROSPECTIVE INVESTORS OF THE FOLLOWING: A LEGEND SHALL BE PLACED, UPON ISSUANCE, ON CERTIFICATES REPRESENTING SHARES PURCHASED HEREUNDER, AND ANY PURCHASER HEREUNDER SHALL BE REQUIRED TO SIGN A WRITTEN AGREEMENT THAT HE WILL NOT SELL THE SUBJECT SHARES WITHOUT REGISTRATION UNDER APPLICABLE SECURITIES LAWS, OR EXEMPTIONS THEREFROM.

**NOTICE TO WASHINGTON RESIDENTS ONLY:** THE ADMINISTRATOR OF SECURITIES HAS NOT REVIEWED THE OFFERING OR THIS MEMORANDUM, AND THE SHARES HAVE NOT BEEN REGISTERED IN RELIANCE UPON APPLICABLE EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS CONTAINED IN THE SECURITIES ACT OF WASHINGTON, AND THEREFORE, CANNOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

### **OFFERS AND SALES MADE OUTSIDE THE UNITED STATES WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933**

Our Shares may be offered and sold to purchasers outside the United States (“Non U.S. Persons”) in reliance upon the exemption contained in Regulation S promulgated by the SEC under the Securities Act of 1933, as amended (the “Act”), and/or such other rules and regulations, as may be applicable under the circumstances. Accordingly, the sale, transfer, or other disposition of any of our Shares that are purchased by non U.S. Persons pursuant hereto, may be restricted by applicable federal securities laws and/or the laws of one or more countries outside of the United States (depending on the residency of the investors who are Non U.S. Persons) and by the provisions of the subscription agreement executed by such purchaser.

In the event that Regulation S applies, each distributor selling securities to a distributor, a dealer, or a person receiving a selling commission, fee or other remuneration, prior to the expiration of a one-year distribution compliance period in the case of equity securities, must send a confirmation or other notice to each such Non U.S. Person/foreign investor stating that such Non U.S. Person/foreign investor is subject to the same restrictions on offers and sales that apply to a distributor.

This Memorandum does not constitute an offer to sell or a solicitation of an offer to buy to anyone in any jurisdiction in which such offer or solicitation would be unlawful or is not authorized or in which the person making such offer or solicitation is not qualified to do so.

Attempted compliance with any provision in Regulation S does not act as an exclusive election; the Company may also claim the availability of any applicable exemption from the registration requirements of the Act. The availability of the Regulation S safe harbor to offers and sales that occur outside of the United States will not be affected by the subsequent offer and sale of these Shares into the United States or to U.S. Persons during the distribution compliance period, as long as the subsequent offer and sale are made pursuant to registration or an exemption therefrom under the Act.

During the course of the Offering and prior to any sale, each Offeree of the Shares and his or her professional advisor(s), if any, are invited to ask questions concerning the terms and conditions of the Offering and to obtain any additional information



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necessary to verify the accuracy of the information set forth herein. Such information will be provided to the extent the Company possesses such information or can acquire it without unreasonable effort or expense.

### FOREIGN JURISDICTIONAL LEGEND

**FOR PERSONS WHO ARE NEITHER NATIONALS, CITIZENS, RESIDENTS NOR ENTITIES OF THE UNITED STATES:** THESE SHARES HAVE NOT AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT AND, INsofar AS SUCH SHARES ARE OFFERED AND SOLD TO PERSONS WHO ARE NEITHER NATIONALS, CITIZENS, RESIDENTS NOR ENTITIES OF THE UNITED STATES, THEY MAY NOT BE TRANSFERRED OR RESOLD DIRECTLY OR INDIRECTLY IN THE UNITED STATES, ITS TERRITORIES OR POSSESSIONS, RESIDENTS OR ENTITIES NORMALLY RESIDENT THEREIN (OR TO ANY PERSON ACTING FOR THE ACCOUNT OF ANY SUCH NATIONAL, CITIZEN, ENTITY OR RESIDENT). FURTHER RESTRICTIONS ON TRANSFER WILL BE IMPOSED TO PREVENT SUCH SHARES FROM BEING HELD BY UNITED STATES PERSONS.

### CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Memorandum and the exhibits attached hereto include "*forward- looking statements*" within the meaning of the Act. All statements other than statements of historical fact are forward-looking statements.

Forward-looking statements are subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those projected. Among those risks, trends and uncertainties are the Company's ability to raise sufficient working capital to carry out the business plans, the long-term efficacy of the business plans, the ability to protect its intellectual property, and general economic conditions.

Although we believe that in making such forward-looking statements, expectations are based upon reasonable assumptions; such statements may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. We cannot assure you that the assumptions upon which these statements are based will prove to have been correct.

When used in this Memorandum, the words "*expect*," "*anticipate*," "*intend*," "*plan*," "*believe*," "*seek*," "*estimate*" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Because these forward-looking statements involve risks and uncertainties, actual results could differ materially from those expressed or implied by these forward-looking statements for a number of important reasons, including those discussed under "*Risk Factors*" and elsewhere in this Memorandum.

You should read these statements carefully because they discuss the Company's expectations about its future performance, contain projections of its future operating results or its future financial condition, or state other "*forward-looking*" information. Before you invest in the Shares, you should be aware that the occurrence of any of the contingent factors described under "*Risk Factors*" could substantially harm the business, results of operations and financial condition. Upon the occurrence of any of these events, you could lose all or part of your investment.

We cannot guarantee any future results, levels of activity, performance or achievements. Except as required by law, we undertake no obligation to update any of the forward-looking statements in this Memorandum after the date of this Memorandum.

Forward-looking statements are based on certain assumptions and analyses EmotionTrac, Inc. has made in light of its experience and its perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate. Whether actual results and developments will conform to EmotionTrac, Inc. expectations and predictions is subject to a number of risks and uncertainties, including, among others, the following:

The actual amount of capital and other costs required to complete EmotionTrac, Inc.'s Business Plan;

- Conflicts between any federal laws and regulations.
- The availability and adequacy of cash flow to meet its requirements.
- Economic, competitive, demographic, business and other conditions in our local, and regional markets.
- Actions taken or omitted to be taken by third parties including suppliers, competitors and contractors, as well as legislative, regulatory, judicial and other governmental authorities.
- Changes in EmotionTrac, Inc. or any of the business strategy or development plans.

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- The ability to deploy the funds raised in this Offering; and other factors discussed under “Risk Factors” or elsewhere in this Memorandum.

### ABOUT THIS MEMORANDUM

The terms “the Company,” “us,” “our” and “we,” as used in this Memorandum, refer to EmotionTrac, Inc., a Florida corporation.

You should rely only on the information contained in this Memorandum. The Company has not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. The Company is not making an offer to sell the shares of Class A Common Stock offered hereby in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this Memorandum is accurate as of the date on the front cover of this Memorandum only. The Company’s business, financial condition, results of operations and prospects may have changed since that date.

The following term sheet summarizes the basic terms and conditions on which the Company proposes to sell the Shares to certain accredited investors in an exempt offering, subject to documentation in definitive subscription agreements and to completion of all appropriate due diligence investigations. This summary is qualified in its entirety by the more detailed information appearing elsewhere in this Memorandum and in the documents relating to this transaction, including, without limitation, the Company’s articles of organization, and the subscription agreement for the Shares.

### MEMORANDUM SUMMARY

<b>The Business:</b>	EmotionTrac, Inc. is a Florida Corporation that operates nationally.
<b>The Company:</b>	The Company was initially founded in 2014 as a Florida LLC under the name Jinglz LLC and was reincorporated as a “C” corporation (as that term is defined in the Internal Revenue Code) under the laws of the State of Florida in 2017 as Jinglz, Inc. On February 15, 2022, the Company changed its name to EmotionTrac, Inc. to more accurately reflect the technology.
<b>The Offering:</b>	The Company proposes to sell the 200,000 Shares only to certain “accredited investors” (as that term is defined in Section 501(a) or Regulation D in an exempt, unregistered offering, through general solicitation, subject to documentation included in the Subscription Agreement.
<b>Offering Period:</b>	This Offering will end on Friday, December 29, 2023 or sooner terminated, unless extended by the Company, without further notice.
<b>Restrictions:</b>	Shareholders may not sell or transfer their Shares until conditions are met (sec 2.1 below).
<b>Use of Proceeds:</b>	We intend to use the net proceeds to implement the Company’s Business Plan.

#### Proposed Plan Distribution:

The Offering will be conducted by the Company on a best effort basis through its: directors and/or officers, none of whom will be entitled to any commission or other special consideration for their selling efforts. The Company may elect, at its discretion, to engage the services of a qualified broker-dealer(s) or outside salesperson(s) in connection with the Offering, subject to applicable securities laws.

#### Investor Suitability Requirements:

An investment in the Shares involves a high degree of risk and is suitable only for accredited investors who have no need for liquidity of investment and understand and can afford the high financial risks of such investment. It is expected that the Company will accept subscriptions for the Shares only from investors who are “accredited” within the meaning of Regulation D under the Act. In the case of individuals, persons who have had income of \$200,000 (or joint income with spouse of \$300,000) or more during the last two years and the same is reasonably expected for the current year, as well as persons with a net worth

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of \$1,000,000, excluding the value of the primary residence, are accredited. See “INVESTOR SUITABILITY REQUIREMENTS” below.

#### **Subscription Agreement:**

The investment will be made pursuant to a subscription agreement (“Subscription Agreement”) between the Company and each investor.

#### **Risks:**

See “RISK FACTORS” and the other information included in this Memorandum for a discussion of factors you should carefully consider before deciding to invest in the Company.

#### **Available Information**

The Company’s Officers will be available upon request to answer questions concerning the terms of this Offering, to provide any reasonably requested information necessary to verify the accuracy of the information contained in this Memorandum and to provide such other information reasonably requested by prospective investors, as they deem necessary for the purposes of considering an investment in the Company.

### **TERMS OF THE OFFERING**

#### **Offering of Shares**

The Shares are being offered to a limited number of accredited investors who meet the suitability requirements set forth below. See “INVESTOR SUITABILITY REQUIREMENTS” below. We are offering for sale up to 200,000 Class A Common Stock (the “Shares”) at an offering price of \$2.50 per Share for an aggregate offering price of \$500,000 (the “Offering”). This Offering provides for a minimum subscription of 10,000 Shares, representing \$25,000, which may be defined as the “Units.” However, the Company reserves the right in its sole discretion to sell partial Units.

There is no minimum aggregate number of subscriptions that is required for the initial acceptance of subscriptions and there is no offering escrow. The Offering will commence promptly after the date of this Memorandum and will terminate on the earlier of (i) December 29, 2023; or (ii) upon the sale of all of the 200,000 Shares of Class A Common Stock offered hereby. The Company reserves the right to terminate or extend this Offering at any time without notice as deemed necessary in the sole discretion of the Company’s management.

#### **Plan of Distribution**

General. The Shares will be offered and sold on behalf of the Company by certain directors, officers, and/or other employees of EMOTIONTRAC, Inc.

Shares will be issued to investors upon our acceptance of an investor’s Subscription Agreement. The Company shall have the sole discretion to accept or reject individual subscriptions and may, in its discretion, accept subscriptions for partial Units.

No Federal Registration. The Shares are not being registered for sale as securities under the Securities Act of 1933 (the “Act”) in reliance upon all available and applicable exemptions from registration under the Act, including, but not limited to, Rule 506(b) of Regulation D (as may be amended from time to time) under the Act.

Method of Subscription. Investors may subscribe to purchase the Shares by (a) completing, dating and signing the Subscription Agreement accompanying this Memorandum, and (b) delivering the signed documents to us (or placement agent, if any) and making payment in accordance with the Subscription Agreement accompanying this Memorandum. We reserve the right to accept or reject any subscription in whole or in part. If accepted in part, the rejected portion of the investor’s subscription will be refunded to the investor (together with accrued interest thereon, if any). No offer and sale of our Shares shall be considered to have been made until a fully completed set of subscription documents has been received and approved by our management.

## INVESTOR SUITABILITY REQUIREMENTS

### General

An investment in the Company involves risk and is suitable only for persons of adequate financial means who do not have liquidity requirements with respect to this investment and who can bear the economic risk of investment losses up through a complete loss of the investment made hereby. This offering is made in reliance on exemptions from the registration requirements of the Act and applicable state securities laws and regulations.

The suitability standards discussed below represent minimum suitability standards for prospective investors. The satisfaction of such standards by a prospective investor does not necessarily mean that our Shares are a suitable investment for such prospective investor. Prospective investors are encouraged to consult their personal financial advisors to determine whether the investment is appropriate.

In the form of a subscription agreement, we will require each investor to represent in writing, among other things, that (i) by reason of the investor's business or financial experience or that of the investor's professional advisor, the investor is capable of evaluating the merits and risks of an investment in the Company and of protecting its own interests in connection with the transaction, (ii) the investor is acquiring the Shares in the Company for its own account, for investment only and not with a view toward the resale or distribution thereof, (iii) the investor is aware that neither the Shares, have been registered under the Act or any state securities laws and that transfer thereof is restricted by the Act and applicable state securities laws, (iv) the investor is aware of the absence of a market for the Shares and underlying securities, and (v) such investor meets the suitability requirements set forth below.

### Suitability

Our Shares may be sold to an unlimited number of natural persons who have a net worth in excess of \$1,000,000, excluding value of primary residence; a net income of \$200,000 per year; or a net income with their spouse of \$300,000 per year; or who are otherwise "accredited investors" as defined in Rule 501(a) of Regulation D under the Act.

### Accredited Investors

To be an accredited investor, an investor must fall within *any* of the following categories at the time of the sale of a Share(s) to that investor:

- (1) A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of such person's purchase of our Shares exceeds \$1,000,000, excluding value of primary residence; or a natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;
- (2) A trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Shares offered hereby, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D;
- (3) An organization described in Section 501(c)(3) of the U.S. Internal Revenue Code, a limited liability company, a corporation, a Massachusetts or similar business trust, or a partnership, not formed for the specific purpose of acquiring the Shares, with total assets in excess of \$5,000,000;
- (4) A bank as defined in Section 3(a)(2) of the Securities Act, or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to Section 15 of the Securities and Exchange Act of 1934 (the "Exchange Act"); an insurance company as defined in Section 2(13) of the Securities Act; an Investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of the Investment Company Act; a Small Business Investment Company licensed by the United States Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; a plan established and maintained by a state, its political subdivisions, or any agency

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or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of the Employee Retirement Income Security Act, which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with the investment decisions made solely by persons that are accredited investors;

- (5) A private business development company as defined in Section 202(22) of the Investment Advisers Act of 1940;
- (6) An executive officer or other person otherwise deemed an insider of the Company; or
- (7) An entity in which all of the equity owners are accredited investors (as defined above).

As used in this Memorandum, the term “net worth” means the excess of total assets over total liabilities, excluding value of primary residence. In determining income, an investor should add to the investor’s adjusted gross income any amounts attributable to tax exempt income received, losses claimed as a Shareholder, deductions claimed for depletion, contributions to an IRA or KEOGH retirement plan, alimony payments, and any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income.

In order to meet the conditions for exemption from the registration requirements under the securities laws of certain jurisdictions, investors who are residents of such jurisdictions may be required to meet additional suitability requirements.

### **PROCEDURE TO PURCHASE SHARES**

The suitability standards discussed under “INVESTOR SUITABILITY REQUIREMENTS” above represent minimum suitability standards for prospective investors. Each prospective investor, together with his, her or its investment, tax, legal, accounting and other advisors, should determine whether this investment is appropriate for such investor.

Each investor who wishes to subscribe for Shares must provide the Company with the following documents:

- (1) A completed and executed Subscription Agreement (which accompany this Memorandum);
- (2) A check for the full purchase price of the Shares for which the investor subscribes, payable to "EmotionTrac, Inc." or a wire transfer to the Company’s bank account.

Checks should be mailed to the Company at the following address:

EMOTIONTRAC, INC.  
10802 Lake Wynds Court  
Boynton Beach, Florida 33437

To wire funds to the Company, use the following wire transfer instructions:

<b>Bank:</b>	CITIBANK
<b>Address:</b>	10086 Jog Road, Boynton Beach, FL 33437
<b>Checking Account#:</b>	9117766753
<b>ABA Routing #:</b>	266086554
<b>Swift Code:</b>	CITIUS33 (International Wires Only)

**CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.**

**Dated: October 24, 2023**

**RISK FACTORS**

**AN INVESTMENT IN EMOTIONTRAC, INC. IS HIGHLY SPECULATIVE, ILLIQUID AND INVOLVES A HIGH DEGREE OF RISK.**

Prospective investors should carefully consider the Risk Factors and the other information in this Memorandum before making an investment decision.

**EMOTIONTRAC, INC. MAY NOT RAISE SUFFICIENT CAPITAL TO EXECUTE THEIR BUSINESS PLAN.**

EMOTIONTRAC Inc., the Company will use its “best efforts” to raise sufficient capital through this Offering. However, EmotionTrac, Inc. cannot guarantee the outcome of its capital raising efforts and the amount of capital raised.

**THE FUTURE SUCCESS OF EMOTIONTRAC, INC. BUSINESS IS DIFFICULT TO EVALUATE DUE TO ITS LIMITED OPERATING HISTORY**

**WE HAVE AN IMMEDIATE NEED FOR CAPITAL AND WE WILL BE UNABLE TO COMPLETE THE BUSINESS PLAN IF THE OFFERING IS NOT COMPLETED IN A TIMELY FASHION.**

EMOTIONTRAC, Inc.’s business strategy depends completely on our ability to sell the Class A Common Stock.

In addition, we may seek additional funds through an additional offering of our Class A Common Stock or by incurring additional indebtedness. We cannot assure any investor that any additional funds will be available or that sufficient funds will be available to us or that funds will be available in a timely way. Additional funds may not be available on terms acceptable to us. Any future capital that is available may be raised on terms in our offering.

There is no assurance that funds will be available from any source. If we are unable to secure sufficient capital in the future, the Company may be unable to pursue its business strategy and commence full operations. Future capital requirements depend upon many factors including, but not limited to the amount of money required.

**MANAGEMENT HAS BROAD DISCRETION TO DETERMINE HOW THE PROCEEDS FROM THE OFFERING ARE USED.**

EmotionTrac, Inc. will have broad discretion as to the use of the net proceeds from this Offering. This could result in the proceeds being applied to uses that investors may not deem desirable or with which they may not agree. Furthermore, EmotionTrac, Inc. cannot assure you that the proceeds as used by management will yield the projected return.

**THE MANAGEMENT MUST EFFECTIVELY MANAGE AND SUPPORT THE GROWTH OF THEIR BUSINESSES IN ORDER TO SUCCEED.**

The Management has full control in all areas of operations in order to execute their business strategy. Managing growth will place significant demands on the Management, as well as on their respective administrative, operational and financial systems and controls. The inability to effectively manage, finance or support its anticipated growth could have a material adverse effect on its business and the results of its operations.

**IT MAY BE DIFFICULT FOR EMOTIONTRAC, INC. TO EVALUATE ITS BUSINESS AND PROSPECTS AS MATURE COMPETITORS OR NEW BUSINESSES ENTER OUR MARKETPLACE.**

EmotionTrac, Inc. may be unable to recognize and respond to trends, changing preferences or competitive factors within the industry, which may result in a material adverse effect on its business and operations, including those of. EmotionTrac, Inc. and cannot assure you that it will be able to successfully use new business strategies effectively or adapt its business models to a changing market. EmotionTrac, Inc. is entirely reliant upon the Company’s ability to recognize and respond to trends, changing preferences or competitive factors within the commercial industry. The Company’s inability to respond effectively to changing customer requirements or market conditions would have a material adverse effect on its business, results of operations and financial condition.

**NO LEGAL COUNSEL OBTAINED FOR INVESTORS.**

We have not retained any independent professionals to review or comment on this Offering, this Memorandum or otherwise represent the interests of the investors. Any statement contained herein is that of EmotionTrac, Inc. and no independent counsel has been engaged on behalf of any prospective investor. EmotionTrac, Inc. counsel has not conducted any due diligence as to the truth or the reliability of any of the statements contained herein or related to this offering.

## **CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.**

**Dated: October 24, 2023**

### **EMOTIONTRAC, INC. WILL HAVE IMMEDIATE USE OF FUNDS GENERATED BY THE OFFERING.**

All proceeds from this Offering will be immediately accessible by EMOTIONTRAC, Inc., the Company. There is no assurance that EmotionTrac, Inc. will raise amounts sufficient to implement its Business Plan, the failure of which would result in material adverse consequences to EmotionTrac, Inc.

### **NO PUBLIC MARKET EXISTS FOR THE COMMON SHARES OF EMOTIONTRAC, INC.**

### **THE COMMON SHARES HAVE A LACK OF LIQUIDITY.**

There is no public market on which to trade the Class A Common Stock of EmotionTrac, Inc. We cannot assure you that a public market will ever develop or, if developed, will be sustained. If no public market exists for the Class A Common Stock it may be difficult for shareholders to sell them if they wish to do so. In addition, the state and federal Class A Common Stock laws place significant restrictions on the sale or transfer of the Class A Common Stock. EmotionTrac, Inc. cannot assure you that you will be able to sell your Class A Common Stock.

### **THERE HAS NOT BEEN AN INDEPENDENT VALUATION OF THE COMMON SHARES, WHICH MEANS THAT THE COMMON SHARES MAY BE WORTH LESS THAN THE PURCHASE PRICE.**

We have determined the purchase price of the Class A Common Stock without independent valuation of the Class A Common Stock. We established the purchase price based on our estimate of capital and expense requirements, not based on perceived market value, book value, or other established criteria. We did not obtain an independent appraisal opinion on the valuation of the Class A Common Stock. The Class A Common Stock may have a value significantly less than the Offering's prices and there is no guarantee that the Class A Common Stock will ever obtain a value equal to or greater than the Offering price.

## **USE OF PROCEEDS**

The net proceeds to be received by us from this Offering, after deducting estimated offering expenses, will be approximately Four Hundred Seventy-Two Thousand Five Hundred dollars (\$472,500) in the event that all Class A Common Stock in this Offering are sold.

We intend that the proceeds of the Offering will be used to carry out our Business Plan. The net proceeds from the sale of the Class A Common Stock in this Offering will be used for general working capital, including marketing and general administrative costs.

The use of Offering proceeds reflected herein represents our best estimate of how the proceeds of this Offering will be allocated based upon the current state of our business operation, our Business Plan and projected capital requirements. These estimates are subject to change based upon factors such as market developments, the availability of actual proceeds from this Offering, and changes in our business planning and operations. We believe the net offering proceeds will satisfy our projected cash requirements for the product development and marketing necessary to launch and generate revenue. We may need to raise additional money separate from this Offering. The precise amount and timing of future funding needs cannot be determined at this time.

## **THE OFFERING**

The Shares offered hereby are being offered and sold through the efforts of EmotionTrac, Inc., however the Company reserves the right to engage the services of broker-dealers who are member firms of the Financial Industry Regulatory Authority (FINRA). Sales of Class A Common Stock by such broker-dealers will be subject to the payment of commissions not to exceed ten percent (10%).

Each investor who proposes to purchase Shares will be required to deliver to EmotionTrac, Inc. an executed Subscription Agreement and Registration Rights Agreement.

## **ADDITIONAL INVESTMENT CONSIDERATIONS**

Because of the special considerations potentially affecting tax-exempt investors, any tax-exempt organization that is considering an investment should consult with its own tax and other advisors.

## CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.

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**We are dependent on the EmotionTrac, Inc. senior management.** The management of our operations is vested solely in the current management. In connection with the management of our business, the current management will devote only such time to our matters, as they deem appropriate. Our success will continue to be highly dependent upon the members of management. The loss of the services of one or more of them could have a material adverse effect upon our business and development.

**Management has broad discretion as to the use of proceeds.** The net proceeds from this Offering will be used for the purposes described under “Use of Proceeds.” The Company reserves the right to use the funds obtained from this Offering for other similar purposes not presently contemplated.

**Actual results of operations will vary from the Company’s projections.** Management has prepared projections regarding the Company’s anticipated financial performance. The Company’s projections are hypothetical and based upon a presumed financial performance of the Company’s business and other factors influencing our business. The projections are based on management’s best estimate of the probable results of operations of the Company, based on present circumstances. Any projected financial results prepared by or on behalf of the Company have not been independently reviewed, analyzed, or otherwise passed upon. Such “forward-looking” statements are based on various assumptions, which assumptions may prove to be incorrect. Such assumptions include but are not limited to (i) anticipated demand for our services, (ii) anticipated costs associated with sales and marketing, and (iii) anticipated procurement and retention of a customer base. Some assumptions upon which the projections are based, however, invariably will not materialize due the inevitable occurrence of unanticipated events and circumstances beyond our control. Therefore, actual results of operations will vary from the projections, and such variances may be material. Assumptions regarding future changes in sales and revenues are necessarily speculative in nature. In addition, projections do not and cannot take into account such factors as general economic conditions, unforeseen regulatory changes, the entry of additional competitors into our target market, the terms and conditions of future capitalization, and other risks inherent to our business. Accordingly, there can be no assurance that such projections, assumptions, and statements will accurately predict future events or actual performance. Any projections of cash flow should be considered speculative and are qualified in their entirety by the assumptions, information and risks disclosed in this Memorandum. Investors are advised to consult with their own independent tax and business advisors concerning the validity and reasonableness of the factual, accounting and tax assumptions. No representations or warranties whatsoever are made by the Company, its affiliates or any other person or entity as to the future profitability of the Company or the results of making an investment in the Shares.

### Risks Associated with an Investment in Shares

**Best efforts offering.** This Offering is being made on a “best efforts” basis with no minimum number of Shares required to be sold in the Offering before the Offering may be terminated by the Company, notwithstanding the fact that the Company’s plan is to only accept subscriptions from investors for at least 10,000 Shares or an investment of \$25,000. The Company may, at its discretion, accept subscriptions for less than 10,000 Shares (which may be referred to as “partial Units”). As subscriptions are accepted (and any required rescission periods expire), the subscription funds will be available for use by the Company immediately for its intended use of proceeds. Subscriptions are irrevocable (after expiration of any rescission period) and subscribers will not have the opportunity to have their funds returned notwithstanding any future lack of success in recruiting other investors. Accordingly, initial subscribers will necessarily have a greater degree of risk. The Company has not engaged the services of a placement agent or underwriter with respect to the Offering and will offer the Shares through its managers and executive officers at its discretion. Nevertheless, the Company may seek to elect, at its discretion, to engage the services of a qualified broker-dealer or outside salesperson in connection with the Offering.

**There is no minimum capitalization for this offering, and we will use investors’ subscription funds as soon as they are received.** There is no minimum capitalization required in this Offering. There is no assurance that all or a significant number of Shares may be sold in this Offering. We will use investors’ subscription funds as soon as they are received. If only small portions of the Shares are placed, then the Company may not have sufficient capital to operate. There is no assurance that we could obtain additional financing or capital from any source, or that such financing or capital would be available to us on terms acceptable to us. Under such circumstances, the Company’s plans may need to adjust, and this could have a material adverse effect on the Company’s business.

**Shares are not guaranteed and could become worthless.** The Shares are not guaranteed or insured by any government agency or by any private party. The amount of earnings is not guaranteed and can vary with market conditions. The return of all or any portion of capital invested in the Shares is not guaranteed, and the Shares could become worthless.

**We are relying on certain exemptions from registration.** The Shares are being offered for sale in reliance upon certain exemptions from the registration requirements of the Securities Act and applicable state securities laws. If the sale of the Shares were to fail to qualify for these exemptions, purchasers may seek rescission of their purchases of the Shares. If a number of purchasers were to obtain rescission, the Company would face significant financial demands, which could adversely affect the Company as a whole, as well as any non-rescinding purchasers.



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**We may be required to register our Shares under the Securities Exchange Act of 1934.** The Company may, at some point in time, will be required to conform to reporting rules promulgated by the SEC under the Securities Exchange Act of 1934 (the “Exchange Act”), as well as the rules and regulations promulgated under the various federal and state securities laws applicable to the conduct of its business. However, management does not believe that the Company’s activities, as presently contemplated, or the filing of a Form D with the SEC will require it to file periodic reports under the Exchange Act will require registration or qualification of the Company with any federal or state agency.

Although the Company does not intend to be required to register its Shares under the Exchange Act, it is possible that the SEC may require the Company to so register. For example, under Section 12(g)(1) of the Exchange Act (as amended by the JOBS Act of 2012), private companies with over 2,000 shareholders and over \$10,000,000 in assets, may be required to register with the SEC within 120 days after their fiscal year end. Such registration would increase the administrative and operational expenses of the Company which increased costs could be expected to reduce funds for its operating activities, thereby possibly having an adverse effect on its business.

**The Offering price is arbitrary.** The price of the Shares offered has been arbitrarily established by the Company, without considering such matters as the state of the Company’s business development and the general condition of the industry in which it operates. The price of the Shares bears little relationship to the assets, net worth, or any other objective criteria of value applicable to the Company.

**Additional unforeseen risks.** In addition to the risks described in this section, “RISK FACTORS,” and elsewhere in this Memorandum, other risks not presently foreseeable could negatively impact our business, could disrupt our operations and could cause the Company to fail. Ultimately, each investor in the Shares bears the risk of a complete and total loss of his/her/its investment.

### THE BUSINESS

#### The Company

EmotionTrac, Inc. was founded in 2014 as a Florida LLC and reincorporated as a Florida “C” Corporation in 2017.

#### Description of Business

EMOTIONTRAC has created platform technologies with patented, intellectual property and trade secrets that address a multiplicity of applications for industries that include lawyers, movie studios, political marketing, eCommerce and mobile advertising.

#### Product

**EmotionTrac** – is a software solution utilizing AI that deploys facial analysis tools producing premium quantitative data for emotional reaction and engagement to video. The cloud-based software as a service may be used to test audiences’ emotional reactions to legal cases for pre-trial preparation, TV and video ads, movie trailers and other video content to gain consumer insights.

### BUSINESS AND GENERAL OVERVIEW

The Company was initially organized as a limited liability company in the State of Florida under the name “Jinglze, LLC” on June 20, 2014, for the purpose of developing mobile device applications, marketing data & research products and an internet platform for the distribution of mobile advertising. On March 9, 2017, Jinglz, Inc. was incorporated and registered with the State of Florida as a “C” corporation (as defined under the IRS Code). On April 4, 2017, the LLC was dissolved, and the assets were sold to Jinglz, Inc. The partners in the LLC were issued 10,000,000 shares of the Company’s Class B Common Stock in consideration for their equity in the LLC. On February 15, 2022, the Company changed its name to EmotionTrac, Inc. to more accurately reflect the technology.

EmotionTrac has developed patented technology for measuring audience engagement and emotion. Our EmotionTrac AI technology measures slight changes in facial expressions to determine emotional reactions to video watched through a device providing a front facing camera including mobile phones, tablets, laptops and desk top computers. EmotionTrac™, our flagship product, is a self-serve software platform that empowers brands, ad agencies, lawyers, consumer insights and any market research firms to deploy on-demand audience testing that produce true quantitative data for emotional reactions and engagement to video content in multiple billion-dollar markets. Of course, there can be no assurance that the Company will be successful in penetrating these profitable markets.

Our EmotionTrac™ technology, using permission-based access of the front facing camera of a device, anonymously tracks a person’s emotions while panelists engage in a video. The technology utilizes machine learning and artificial intelligence to register emotional

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data. This data is then interpreted to deliver various reporting indexes and visual maps using data science. We provide the client with an end-to-end solution by making panel audiences available for the clients use for testing at costs significantly lower than traditional audience rentals.

Throughout this Memorandum references to “we”, “our”, “us”, “EmotionTrac”, “the Company”, and similar terms refer to EmotionTrac, Inc.

### **Competition**

To the best knowledge of the Company, there are only a handful of companies currently employing similar technology within our target markets. Some of the dominant players include: Affectiva, Tobii AB, Noldus, Realeyes OU. In all cases, the products these companies offer differ from that of the Company in their application, pricing, feature set, and delivery mechanism. Our competitive research reveals that our technology should offer substantial product differentiation while also providing additional value to potential our target customers.

### **Future Products using our core technology**

**VerusMedia** – is a Digital Video Advertising Network utilizing our VeriView Video Ad technology to provide verified viewed advertising to the millions of mobile app publishers that use video. 81% of all game apps and 40% of non-game apps display advertising received from advertising networks to generate revenue.

**PlayJinglz** – State-of-the-Art mobile App featuring our VeriView technology to validate users are engaged in advertising. The app features games and contests that rewards user for engaging in advertising.

**RewardzShop** – A loyalty platform where users manage and redeem awards received when engaging in advertising from app that offer VeriView Video ads. People redeem rewards for gift cards, merchandise, and even charitable contributions.

**Liabilities and Litigation** – The Company does not believe that it is exposed to any liability or litigation at this time. It is possible that from time to time in the ordinary course of business that the Company may be involved in legal proceedings or investigations, which could have an adverse impact on our reputation, business and financial condition and divert the attention of our management from the operation of our business. However, in the opinion of our Board of Directors, current legal proceedings are not expected to have a material adverse effect on our financial position or results of operations.

### **Technology and Intellectual Property**

The Company has been issued three patents that are non-provisional and provisional utility applications. These patents support our products and technology which detect emotions and engagement of a user while viewing video content. The Company also holds and has filed trademarks for their products. The Company incorporates viewer validation by having developed intellectual property and algorithms. These include facial, gaze and volume detection. The Company has also developed reporting metrics through its proprietary data science analysis. The Company also has developed products that address verification and ad fraud through its Verifiable Viewer View process.

### **IP, Algorithms, Trade Secrets**

- Image Verification
- Emotion Mapping Visualization
- Realtime Calculations for Audience Selection
- Data Visualization
- Contests
- Users, Roles, & Authentication
- Inventory (Video Serving)
- Point System / Logic
- Contest & Lottery Logic
- Verification System
- Integration’s – Transactional Email, Event and stat tracking, Cash Redemption, Hosting

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### **Employees**

As of the year ended December 31, 2022, the Company had 2 employees. The Company also has 4 dedicated subcontractors to support sales, marketing and general administrative functions.

### **Legal Proceedings**

There are no legal proceedings material to our business or financial condition pending and, to the best of our knowledge, there are no such legal proceedings contemplated or threatened.

### **RISK FACTORS**

Investing in our securities involves a great deal of risk. Careful consideration should be made of the following factors as well as other information included in this Annual Report before deciding to purchase our common stock. Our business, financial condition or results of operations could be affected materially and adversely by any or all these risks.

THE FOLLOWING MATTERS MAY HAVE A MATERIAL ADVERSE EFFECT ON OUR BUSINESS, FINANCIAL CONDITION, LIQUIDITY, RESULTS OF OPERATIONS OR PROSPECTS, FINANCIAL OR OTHERWISE. REFERENCE TO THIS CAUTIONARY STATEMENT IN THE CONTEXT OF A FORWARD-LOOKING STATEMENT OR STATEMENTS SHALL BE DEEMED TO BE A STATEMENT THAT ANY ONE OR MORE OF THE FOLLOWING FACTORS MAY CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE IN SUCH FORWARD-LOOKING STATEMENT OR STATEMENTS.

#### ***We have a limited operating history and have generated minimal revenues***

Our limited operating history makes evaluating our business and future prospects difficult and may increase the risk of investing. We are continually upgrading our product and have generated minimal revenues.

#### ***Our patents and intellectual property may be unenforceable or ineffective***

One of the Company's most valuable assets is its intellectual property. We currently have three patents that have been issued, as well as several trade secrets. The Company intends to continue to file additional patent applications, trademarks, copyrights, internet domain names and trade secrets to build its intellectual property portfolio as we discover new technologies.

#### ***There are several potential competitors who are better positioned to garner the majority of the market***

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

#### ***We may need to raise additional capital to fund continuing developments and an inability to raise the necessary capital or to do so on acceptable terms could threaten the success of our business.***

We estimate that we will require at least \$3 million to expand and scale our business. During the years ended December 31, 2022 and 2021, the Company raised \$262,999 and \$1,241,899, respectively, utilizing both a crowdfunding campaign and individual investors. If it is necessary to raise additional funds prior to the generation of revenue, we cannot be sure that any additional funding will be available on terms favorable to us or at all. Debt or equity financing may subject us to restrictive covenants and significant interest costs.

#### ***There is no current market for our common stock and there may never be an active market for our common stock, and we cannot assure you that the common stock will become liquid or that it will be listed on a securities exchange.***

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We are unable to assure investors that a market for our common stock will develop. If no public markets become available, stockholders will have difficulty selling shares. In addition, certain conditions imposed by the Securities Act must be satisfied prior to any sale, transfer, conversion or other disposition of our common stock.

### *Our business projections are only estimates*

There is no assurance that the Company will meet these estimated projects. There is also no assurance that there will be sufficient demand for our products.

### *Current management must effectively manage and support the growth of the business*

The management team has full control in all areas of operations to execute the business strategy. Managing growth will place significant demands on the management team as well as on individual administrative, operational and financial systems and controls. Any inability to effectively manage, finance or support the Company's anticipated growth could have a materially adverse effect on the business and the results of its operations.

### *The Company may have difficulty evaluating business and prospects as mature competitors or new business entities enter the marketplace*

The Company may be unable to recognize and/or respond to trends, changing preferences or competitive factors within the industry which may result in a material adverse effect on our business and operations. The Company cannot guarantee it will have the ability to successfully use new business strategies or adapt its business models in a changing market. The Company is entirely reliant on our ability to recognize and respond to trends, changing preferences or competitive factors within the commercial industry.

### *The Company's business model includes two areas-sweepstakes and privacy of personal information-regulated by the federal and state governments*

Although the Company believes it has taken adequate steps adequate for the Company with regards to the rules applicable to sweepstakes and compliance with privacy requirements, this is a highly regulated area, and the rules are subject to change and interpretation.

### *Management's ownership of Class B Common Stock makes change in Company control difficult*

At the year ended December 31, 2022, the Chief Executive Officer/Chairman owns 80% of the shares of Class B Common Stock that has 10 voting rights per share. Current investors in Class A common stock will have 1 vote per share. This disproportionate number of voting rights would make a change in control of the Company difficult and may adversely affect the value of the Class A common stock.

## DIRECTORS, EXECUTIVE OFFICERS AND SIGNIFICANT EMPLOYEES

Our directors and executive officers as of the date of this report are as follows:

<u>Name</u>	<u>Title</u>
Aaron Itzkowitz	Chief Executive Officer & Chairman
Ron Erickson	Director
David Markowski	President & Chief Financial Officer

*Aaron Itzkowitz, Chief Executive Officer and Chairman of the Board of Directors:* Mr. Itzkowitz has extensive experience in technology management and in growing traditional and start-up businesses to profitability. He has launched companies and worked as a business consultant for small to Fortune 100 companies to increase revenue, implement cost cutting programs and guide manufacturing and technology expansion. He led a Hewlett Packard initiative to build an on-demand solution to introduce their wide format printers. He also founded and served as CEO of FrameLogix Inc., an online photo framing fulfillment business. Partners included Snapfish.com, Kodak and AOL. He was an independent business consultant serving clients in various industries from September 2015 through March 2017. From September 2014 through August 2015, he led sales efforts for Bruce Fox Inc., a direct

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manufacturer of custom award products. In the years beginning November 2006 through August 2014, he led Successories.com and its subsidiaries as CEO, President and COO.

*David Markowski, President and Chief Financial Officer:* Mr. Markowski has served as the Company's Chief Financial Officer since July 2017 and was appointed President in December 2022. His past experiences with publicly traded companies include serving as CFO of eWellness Healthcare Corporation, Director of Corporate Development for Visualant, Inc. and Vice President of Finance for Medcom USA. He was formerly the CEO and co-founder of privately held Newsgrade, Inc. Throughout the 1980s and early 1990s he worked for several broker dealers and investment bankers including Lehman Brothers. During his career, Mr. Markowski and the projects he worked on have been featured in over 20 national publications including Barron's, USA Today, Money Magazine, Chicago Tribune, INC Magazine and Equities Magazine.

*Ron Erickson, Director:* Mr. Erickson has been a member of the board of directors since October 2017. He is a business executive, lawyer and angel investor based in Seattle. After co-founding Microrim in 1981, he has either founded or served as an executive for companies such as GlobalTel Resources, Inc., GlobalVision, Inc, Egghead Software, Inc. and Blue Frog Media. He was the sole investor in Double Down Interactive, a social video game studio that was sold for up to \$500 million in 2012. He has been CEO and Founder of Know Labs since March of 2003.

### SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND CAPITAL STRUCTURE

The following table lists the number of shares of Common Stock and shares of Series A Voting Preferred Stock of our Company as of September 30, 2023, that are beneficially owned by (i) each person or entity known to our Company to be the beneficial owner of more than 5% of the outstanding Common Stock; (ii) each officer and director of our Company; and (iii) all officers and directors as a group. The table also includes Information relating to beneficial ownership of Common Stock by our principal stockholders and management is based upon information furnished by each person using "beneficial ownership" concepts under the rules of the Securities and Exchange Commission. Under these rules, a person is deemed to be a beneficial owner of a security if that person has or shares voting power, which includes the power to vote or direct the voting of the security, or investment power, which includes the power to vote or direct the voting of the security. The person is also deemed to be a beneficial owner of any security of which that person has a right to acquire beneficial ownership within sixty (60) days. Under the rules of the SEC, more than one person may be deemed to be a beneficial owner of the same securities, and a person may be deemed to be a beneficial owner of securities as to which he/she may not have any pecuniary beneficial interest. Except as noted below, each person has sole voting and investment power.

The business address of each record and beneficial owner listed is in care of the Company at 10802 Lake Wynds Court, Boynton Beach, Florida 33437 unless otherwise noted. Except as otherwise indicated, the persons listed below have sole voting and investment power with respect to all shares of our Common Stock owned by them, except to the extent that power may be shared with a spouse.

As of September 30, 2023, we had 6,419,040 shares of Class A Common Stock and 10,100,000 shares of Class B Common Stock issued and outstanding, respectively. The shares of Class B Common Stock have ten (10) votes per share, on all matters subject to the vote of holders of our voting capital stock.

<u>Name of Beneficial Owner</u>	<u>Class A Common Stock (1)</u>	<u>Class B Common Stock (2)</u>	<u>Percentages of Class A and Class B Common Stock Owned (1), (2) and (3)</u>
Aaron Itzkowitz	6,024	8,180,000	76.1% (2)(3)
Ron Erickson	32,100 (4)	-	-
David Markowski	10,782 (4)	-	-
Directors and Officers as a Group (3 Persons)	48,906 (1)	81,800,000	76.1%

(1) Applicable percentage ownership of Class A Common Stock is based on 6,419,040 shares of Class A Common Stock outstanding as of September 30, 2023 and beneficial ownership percentages represent less than 1%. Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities.

(2) Applicable percentage ownership of Class B Common Stock is based on 10,100,000 shares of Class B Common Stock outstanding as of September 30, 2023. The shares of Class B Common Stock have 10 votes per share and, based upon such voting rights, Mr. Itzkowitz has voting rights equal to 81,800,000 votes which represent 76.1% of the total 107,419,040 shares of voting capital stock. This includes 101,000,000 votes applicable to the 10,100,000 outstanding shares of Class B Common Stock and 6,419,040 votes applicable to the 6,419,040 outstanding shares of Class A Common Stock as of September 30, 2023. As a result of Mr. Itzkowitz's ownership of 8,180,000 shares of Class B Common Stock having rights to vote 81,800,000 shares, representing 76.1% to the total 107,419,040, Mr. Itzkowitz may be deemed to be a "Control Person" of the Company, which means any Person or Persons (as defined under Section 2(a)2 of the Act) that possesses directly or

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indirectly, the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or contract or otherwise.

(3) The remaining 1,920,000 outstanding shares of Class B Common Stock are owned as follows: (i) 820,000 shares in the name of Mark Greenberger, having 8,200,000 votes (less than 10% of the total voting stock); (ii) 1,000,000 shares in the name of Rokk3r Labs, having 10,000,000 votes (less than 10% of the total voting stock); and (iii) 100,000 shares in the name of Dynasty Wealth, having 1,000,000 votes (less than 10% of the total voting stock).

(4) Shares of Common Stock do not include 150,000 warrants in the name of Ron Erickson nor 5,200,000 warrants in the name of David Markowski, none of which have been exercised.

### *Classes of Securities*

#### Preferred Stock

The Company is authorized to issue up to 50,000,000 shares of preferred stock. At the year ended December 31, 2022, there are no shares issued and outstanding. There are no voting rights or rights of distribution associated with the preferred stock.

#### Class A Common Stock

The Company is authorized to issue up to 80,000,000 shares of Class A Common Stock. At the year ended December 31, 2022, and the date of this Memorandum, there are 6,419,040 shares of Class A Common Stock issued and outstanding. The holders of Class A Common Stock have one voting right per share.

#### *Dividend Rights*

Subject to preferences that may be granted to any then outstanding preferred stock, holders of shares of Class A Common Stock are entitled to receive ratably such dividends as may be declared by the Board of Directors out of funds legally available for distribution as dividends. The payment of dividends on the Class A Common Stock will be a business decision made by the Board of Directors from time to time based on the results of operations and financial condition and any other factors considered to be relevant. Payment of dividends on the Class A Common Stock may be restricted by law and by loan agreements, indentures and other transactions entered into by the Company from time to time. The Company has never paid a dividend and does not intend to pay dividends in the foreseeable future.

#### *Liquidation Rights*

In the event of our liquidation, dissolution, or winding up, holders of Class A Common Stock are entitled to share ratably in all assets remaining after payment of liabilities and the liquidation preference of any then outstanding preferred stock.

#### *Rights and Preferences*

The rights, preferences and privileges of the holders of the Company's Class A Common Stock are subject to and may be adversely affected by the rights of the holders of shares of any series of the Company's Class B Common Stock, preferred stock and any additional classes of preferred stock that we may designate in the future.

#### Class B Common Stock

The Company is authorized to issue up to 20,000,000 shares of Class B Common Stock. At the year ended December 31, 2022, there are 10,100,000 shares of Class B Common Stock issued and outstanding, of which 8,180,000 are owned of record and beneficially by Aaron Itzkowitz, our CEO and Board Chairman. Holders of Class B Common Stock have ten (10) voting rights per share.

#### *Rights and Preferences*

The rights, preferences and privileges of the holders of the Company's Class B Common Stock are subject to and may be adversely affected by the rights of the holders of shares of any series of our Class A Common Stock, preferred stock and any additional classes of preferred stock that we may designate in the future.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULT OF OPERATION**

*The following discussion and analysis of financial condition and results of operations relates to the operations and financial condition reported in the financial statements of EmotionTrac, Inc. for the years ended December 31, 2022 and 2021 and should be read in conjunction with such financial statements and related notes included in this report.*

**Overview**

Our EmotionTrac™ technology, using permission-based access of the front facing camera of devices including laptops, desktop computers, tablet computers and mobile phones, anonymously tracks a person's emotions while panelists engage in a video. The technology utilizes machine learning and artificial intelligence to register emotional data. This data is then interpreted to deliver various reporting indexes and visual maps using data science. The videos are deployed through our CampaignTester mobile app. We also recruit and provide the client with an end-to-end solution by making panel audiences available for the client's use for testing at costs significantly lower than traditional audience rentals.

**Results of Operations of EmotionTrac for the Twelve-month Period Ended December 31, 2022 vs. 2021**

**NET REVENUES:** Total net revenues for the years ended December 31, 2022 and 2021 were \$241,781 and \$99,000, respectively. We anticipate a continuing increase of revenue in 2023 and beyond.

**COST OF REVENUE:** Total cost of revenues for the years ended December 31, 2022 and 2021 were \$27,220 and \$0, respectively. The increase in cost of revenue was the because of the increase in revenue.

**GROSS PROFIT:** Gross profit for the years ended December 31, 2022 and 2021 was \$214,561 and \$99,000, respectively. This is an increase of \$115,561 or 117%.

**OPERATING EXPENSES:** Total operating expenses increased to \$1,331,887 for the year ended December 31, 2022 from \$873,907 for the year ended December 31, 2021. The increase is primarily a result of increases in professional fees and general and administrative costs.

**LOSS:** The Company incurred a net loss of \$1,128,105 for the year ended December 31, 2022, compared with a net loss of \$649,630 for the year ended December 31, 2021, which reflects an increase of \$478,475. The increase in loss is primarily a result of increases in professional fees and general and administrative costs as noted above.

**Liquidity and Capital Resources**

As of December 31, 2022, we had negative working capital of \$708,345 compared to positive working capital of \$52,296 as of December 31, 2021. The main portion of the working capital decrease is the decrease of cash and decrease in accrued expenses and increase of short-term loans. Cash flows provided by financing activities were \$372,119 and \$1,320,455 for the years ended December 31, 2022 and 2010, respectively. The decrease in cash flows from financing activities was a decrease in the receipt of proceeds for the issuance of shares of Common Stock. The cash balance as of December 31, 2022 was \$83,149.

For the year ended December 31, 2022, there was a negative cash flow from operations of \$903,804 compared to a negative cash flow from operations of \$814,399 for the year ended December 31, 2021. This is due to an increase in loss offset by increase in accounts payable and accrued expenses. Our ability to meet our obligations depends on our ability to obtain additional financing if needed. We cannot predict whether this additional financing will be in the form of equity or debt or be in another form. We may not be able to obtain the necessary additional capital on a timely basis, on acceptable terms, or at all. In any of these events, we may be unable to implement our current plans which circumstances would have a material adverse effect on our business, prospects, financial conditions, and results of operations.

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**FINANCIAL STATEMENTS AND FOOTNOTES**

**EMOTIONTRAC, INC.**

**(formerly Jinglz, Inc.)**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021**

**Note 1. The Company**

The Company and Nature of Business

The Company was founded on June 20, 2014, under the name Jinglze, LLC as a Florida Limited Liability Company for the purpose of developing mobile device applications, marketing data & research products and an internet platform for the distribution of mobile advertising. On March 9, 2017, Jinglz, Inc. was incorporated and registered with the State of Florida. On April 4, 2017, Jinglz, LLC was dissolved, and the assets were sold to Jinglz, Inc. The partners in the LLC were issued 10,000,000 shares of Jinglz Class B common stock for their equity in the LLC. Jinglz, Inc. continues to provide the same service as the LLC. On February 15, 2022, the Company changed the name to from Jinglz, Inc. to EmotionTrac, Inc. to more accurately reflect the Company's technology and the nature of its business.

The Company has created patented technology for measuring audience engagement and emotion. Our EmotionTrac AI technology measures slight changes in facial expressions to determine emotional reactions to video watched through a mobile device. EmotionTrac™, our flagship product, is a self-serve software platform that empowers brands, ad agencies, lawyers, consumer insights and any market researcher to deploy on-demand focus group tests that produce true quantitative data for emotional reactions and engagement to video content in multiple billion-dollar markets.

Our EmotionTrac™ technology, using permission-based access of the front facing camera of a mobile device, anonymously tracks a person's emotions while panelists engage in a video. The technology utilizes machine learning and artificial intelligence to register emotional data. This data is then interpreted to deliver various reporting indexes using data science. The videos are deployed through our CampaignTester mobile app. We also recruit and provide the client with an end-to-end solution by making panel audiences available for the clients' use for testing at costs significantly lower than traditional audience rentals.

*Technology and Intellectual Property*

The Company incorporates machine learning, artificial intelligence and data science for tracking engagement and emotional responses to video presentations and reporting of results. The Company also delivers viewer validation and gamification with social rewards by having developed intellectual property and algorithms. These include facial, gaze, emotional intelligence, and volume detection. The Company has been issued three patents.

**Note 2. Summary of Significant Accounting Policies.**

Basis of Presentation

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

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense for each reporting period.

Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid instruments with original maturities of three months or less.



## CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.

Dated: October 24, 2023

### Going Concern

For the years ended December 31, 2022 and 2021, the Company had an accumulated deficit of \$6,102,518 and \$4,974,413, respectively. In view of these matters, there is substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue operations is dependent upon the Company's ability to raise additional capital and to ultimately achieve sustainable revenues and profitable operations, of which there can be no guarantee. The financial statements of the Company do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

### Property and Equipment

Property and equipment are recorded at historical cost. Minor additions and renewals are expensed in the year incurred. Major additions and renewals are capitalized and depreciated over their estimated useful lives. Depreciation is recorded over the estimated useful lives of the related assets using the straight-line method for financial statement purposes. The estimated useful lives for significant property and equipment categories are as follows:

Furniture and Fixtures	5-7 Years
Computer Equipment	5-7 Years
Software	3 Years

The Company regularly evaluates whether events or circumstances have occurred that indicate the carrying value of long-lived assets may not be recoverable. If factors indicate the asset may not be recoverable, we compare the related undiscounted future net cash flows to the carrying value of the asset to determine if impairment exists. If the expected future net cash flows are less than the carrying value, an impairment charge is recognized based on the fair value of the asset. For the years ended December 31, 2022 and 2021, there was no impairment recognized.

### Software Development Costs

During the development stage, the Company recorded software development costs as an asset. With the launching of the software in the year ended December 31, 2020, the Company began to amortize these costs over the useful life of seven years.

### Fair Value of Financial Instruments

Financial assets and liabilities recorded at fair value in the Company's Balance Sheet are categorized based upon the level of judgment associated with the inputs used to measure their fair value. The categories, as defined by the standard, are as follows:

- Level 1 – Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement dates.
- Level 2 – Inputs, other than quoted prices included in Level 1, which are observable for the asset or liability through corroboration with market data at the measurement date.
- Level 3 – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

For certain of our financial instruments, including accounts receivable, accounts payable, and accrued expenses, the carrying amounts are approximate fair value due to their short-term nature.

### Risks and Uncertainties

The Company has a limited operating history and has not generated revenue from intended operations. The Company's business and operations are sensitive to general business and economic conditions in the U.S. and worldwide along with local, state, and federal governmental policy decisions. A host of factors beyond the Company's control could cause fluctuations in these conditions. Adverse conditions may include recession, downturn or otherwise, competition, technological advancements that render our technology obsolete, or changes in governmental policy. These adverse conditions could affect the Company's financial condition and the results of its operations.

## CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.

Dated: October 24, 2023

### Stock-Based Compensation

The Company accounts for stock-based employee compensation arrangements in accordance with ASC 718, “Compensation — Stock Compensation”, which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors based on the estimated grant date fair value of the award. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in the Company’s statement of operations.

The Company estimates fair value of share-based awards using the Black-Scholes model. This model requires the Company to estimate the expected volatility and value of its Common Stock and the expected term of the stock options; all of which are highly complex and subjective variables. The variables take into consideration, among other things, actual and projected employee stock option exercise behavior. The Company uses an average of similar companies’ historical volatility as a basis for its expected volatility. Expected term is computed using the simplified method provided within Securities and Exchange Commission Staff Accounting Bulletin No. 110. The Company has selected a risk-free rate based on the implied yield available on U.S. Treasury securities with a maturity equivalent to the expected term of the stock option or warrant.

### Income Taxes

The Company accounts for income taxes under FASB ASC 740-10-30. Deferred income tax assets and liabilities are determined based upon differences between the financial reporting and tax basis of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. Accounting standards require the consideration of a valuation allowance for deferred tax assets if it is “more likely than not” that some component or all the benefits of deferred tax assets will not be realized.

### Recent Accounting Pronouncements

The Company has reviewed all recently issued, but not yet adopted, accounting standards in order to determine their effects, if any, on its results of operations, financial position or cash flows. Based on that review, the Company believes that none of these pronouncements will have a significant effect on its financial statements.

### **Note 3. Property and Equipment**

Property and equipment consist of computer equipment, furniture and fixtures and leasehold development that is stated at cost of \$27,654 and \$27,654 less accumulated depreciation of \$24,071 and \$19,451 for the years ended December 31, 2022 and 2021, respectively. Depreciation expense was \$4,620 and \$5,226 for the years ended December 31, 2022 and 2021, respectively

### **Note 4. Intangible Assets**

The Company recognizes the costs of software development as intangible assets. During the years ended December 31, 2022 and 2021, the Company recorded \$99,843 and \$99,843, respectively of software development costs.

### **Note 5. Income Taxes**

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. 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 the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Net deferred tax liabilities consist of the following components as of the years ended December 31, 2022 and December 31, 2021, respectively:

	2022	2021
Deferred tax assets:		

**CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.****Dated: October 24, 2023**

NOL Carryover	\$	983,969	\$	695,258
Deferred tax liabilities				
Depreciation				-
Valuation allowance		(983,969)		(695,258)
Net deferred tax asset	\$	-	\$	-

The income tax provision differs from the amount of income tax determined by applying the U.S. federal income tax rate to pretax income from continuing operations for the years ended December 31, 2022 and December 31, 2021, respectively, due to the following:

	2022	2021
Book Loss	\$ (236,902)	\$ (136,422)
Depreciation	-	-
Meals & Entertainment	-	247
Non-deductible expenses	-	-
Valuation allowance	236,902	136,175
	\$ -	\$ -

On December 31, 2022, the Company had net operating loss carryforwards of approximately \$4,685,569 that may be offset against future taxable income from the year 2023 through 2042. No tax benefit has been reported in the December 31, 2022 financial statements since the potential tax benefit is offset by a valuation allowance of the same amount.

Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carryforwards for federal income tax reporting purposes are subject to annual limitations. Should a change in ownership occur, net operating loss carryforwards may be limited in future years.

The Company's policy is to recognize potential interest and penalties accrued related to unrecognized tax benefits within income tax expense. For the years ended December 31, 2022 and 2021, the Company did not recognize any interest or penalties, nor did we have any interest or penalties accrued related to unrecognized benefits.

The tax years ended December 31, 2022, 2021 and 2020 are open for examination for federal income tax purposes and by other major taxing jurisdictions to which we are subject.

**Note 6. Advertising Expense**

Advertising costs are expensed as incurred. During the years ended December 31, 2022 and 2021, the Company recorded \$129,752 and \$125,804, respectively.

**Note 7. Non-Convertible Loans**

On September 12, 2022, the Company signed for a loan payable with AMEX for \$150,000. It is a 12-month loan with 9% interest. At the end of December 31, 2022, the balance on the loan was \$112,500.

At the years ended December 31, 2022 and December 31, 2021, the Company had loans payable of \$267,957 and \$154,937, respectively. The net increase in loans payable is as a result of the loan payable from AMEX.

**Note 10. Equity Transactions**Preferred Stock

The total number of shares of preferred stock which the Company shall have authority to issue is 50,000,000 shares with a par value of \$0.001 per share. There have been no preferred shares issued for the years ended December 31, 2022 or 2021.

**CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.****Dated: October 24, 2023****Common Stock**

The total number of shares of Common Stock which the Company shall have authority to issue is 100,000,000 shares with a par value of \$0.001 per share.

*Class A Common Stock*

Of the total number of shares of Common Stock authorized, 80,000,000 are Class A Common Stock with one (1) voting right per share.

During the year ended December 31, 2022, the Company issued 175,333 shares of Class A Common Stock for cash received totaling \$262,999.

At the year ended December 31, 2022, the Company had 5,540,805 shares of Class A Common Stock issued and outstanding.

*Class B Common Stock*

Of the total number of shares of Common Stock authorized, 20,000,000 are Class B Common Stock with ten (10) voting rights per share.

At the year ended December 31, 2022, the Company had 10,100,000 shares of Class B Common Stock issued and outstanding.

**Stock Options**

On October 9, 2017, the Board of Directors authorized the 2017 Jinglez Stock Incentive Plan. The Plan authorized the reservation of up to 3,500,000 shares of Common Stock. The plan authorizes the Board to determine from time-to-time eligible recipients, number of options to be issued, the exercise price and terms.

The following is a summary of the status of all Company's stock options as of December 31, 2022 and changes during the periods ended on December 31, 2022 and 2021, respectively:

	<b>Number of Stock Options</b>	<b>Weighted Average Exercise Price</b>	<b>Remaining Life (yrs)</b>
Outstanding at January 1, 2021	1,630,906	\$ 1.14	2.4
Granted	298,000	1.50	-
Exercised	-	-	-
Cancelled	-	-	-
Outstanding at December 31, 2021	1,928,906	\$ 1.14	2.4
Granted	385,000	1.50	-
Exercised	-	-	-
Cancelled	(105,000)	-	-
Outstanding at December 31, 2022	2,208,906	\$ 1.18	2.3
Options exercisable at December 31, 2022	1,432,704	\$ 1.16	2.3

**Warrants**

During the years ended December 31, 2022 and December 31, 2021, the Company issued 249,500 and 1,595,829 warrants, respectively, with exercise prices ranging from \$.01 to \$1.50 per share. Management determined that the value of the warrants was minimal.

The following is a summary of the status of all Company's stock options as of December 31, 2022 and changes during the periods ended December 31, 2022 and 2021, respectively.

**CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.****Dated: October 24, 2023**

	<b>Number of Warrants</b>	<b>Weighted Average Exercise Price</b>	<b>Remaining Life (yrs)</b>
Outstanding at January 1, 2021	4,053,557	\$ 0.30	4.7
Granted	1,595,829	.72	-
Exercised	(500,000)	1.00	-
Expired	(590,000)	0.01	-
Outstanding at December 31, 2021	4,559,386	\$ 0.43	4.7
Granted	249,500	1.50	-
Exercised	(25,000)	1.00	-
Expired	(274,892)	1.50	-
Outstanding at December 31, 2022	4,508,994	\$ 0.61	2.4
Warrants exercisable at December 31, 2022	4,491,680	\$ 0.61	2.4

**Crowdfunding**

During the years ended December 31, 2022 and 2021, the Company raised \$0 and \$165,998, respectively, through crowdfunding. For the crowdfunding investments, the Company issued 0 shares and 110,665 shares of Class A Common Stock for each of the respective years.

**Note 11. Commitments and Contingencies**

Lawsuits, claims and proceedings have been or may be instituted or asserted against the Company in the normal course of business. The Company is also subject to local, state and federal laws and regulations related to land development activities, house construction standards, sales practices, employment practices and environmental protection. As a result, the Company is subject to periodic examinations or inquiry by agencies administering these laws and regulations.

The Company records a reserve for potential legal claims and regulatory matters when they are probable of occurring and a potential loss is reasonably estimable. The Company accrues for these matters based on facts and circumstances specific to each matter and revises these estimates when necessary.

In view of the inherent difficulty of predicting outcomes of legal claims and related contingencies, the Company generally cannot predict their ultimate resolution, related timing or eventual loss. If the Company evaluations indicate loss contingencies that could be material are not probable, but are reasonably possible, the Company will disclose their nature with an estimate of possible range of losses or a statement that such loss is not reasonably estimable. At the years ended December 31, 2022 and 2021, there were no claims that met this criterion; therefore, the Company did not have any accruals for asserted or unasserted matters.

**Note 12. Subsequent Events**

During the first quarter of 2023, the Company issued 94,350 shares of Class A Common Stock to investors for a total investment of \$141,525.

During the first quarter of 2023, the Company issued 25,000 shares of Class A Common Stock for the exercise of a warrant issued in the year ended December 31, 2021 for \$25,000.

**CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.**

**Dated: October 24, 2023**

**EMOTIONTRAC, INC.  
BALANCE SHEETS  
(unaudited)**

	<u><b>December 31, 2022</b></u>	<u><b>December 31, 2021</b></u>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 83,149	\$ 614,834
Accounts receivable	13,975	-
Prepaid expenses	-	20,500
Total current assets	97,124	635,334
Property & equipment, net	3,583	8,203
Investment	5,000	5,000
Deposits	900	900
Software Development, net	399,372	499,215
<b>TOTAL ASSETS</b>	<b><u>\$ 505,979</u></b>	<b><u>\$ 1,148,652</u></b>
<b><u>LIABILITIES AND STOCKHOLDERS' EQUITY</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 243,349	\$ 121,932
Accrued compensation	298,063	306,169
Loan payable	264,057	154,937
Total current liabilities	805,469	583,038
Total Liabilities	805,469	583,038
<b>STOCKHOLDERS' EQUITY (DEFICIT)</b>		
Preferred stock, authorized, 50,000,000 shares, \$.001 par value, 0 shares issued and outstanding	-	-
Common stock, authorized 100,000,000 shares, \$.001 par value consisting of Class A common stock, 80,000,000 shares authorized, 5,540,805 and 5,365,472 shares issued and outstanding, respectively, and Class B common stock, 20,000,000 shares authorized, 10,100,000 and 10,100,000 shares issued and outstanding, respectively	15,641	15,466
Additional paid in capital	5,787,386	5,524,562
Accumulated deficit	(6,102,518)	(4,974,413)
Total Stockholders' Equity (Deficit)	(299,491)	565,615
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>	<b><u>\$ 505,979</u></b>	<b><u>\$ 1,148,652</u></b>

**CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.****Dated: October 24, 2023**

The accompanying notes are an integral part of these financial statements

**EMOTIONTRAC, INC.  
STATEMENTS OF OPERATIONS  
(unaudited)**

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
<b>REVENUE</b>		
Service income	\$ 408,145	\$ 128,475
Discounts	166,364	29,475
Net Revenue	241,781	99,000
<b>COST OF REVENUE</b>		
Cost of revenue	27,220	-
Total Cost of Revenue	27,220	-
<b>GROSS PROFIT</b>	214,561	99,000
<b>OPERATING EXPENSES</b>		
Executive compensation	92,862	103,200
General and administrative	880,876	558,000
Professional fees	358,149	212,707
Total Operating Expenses	1,331,887	873,907
Loss from Operations	(1,117,325)	(774,907)
<b>OTHER INCOME (EXPENSE)</b>		
Interest income	1,533	2
Loan forgiveness – PPV	-	138,180
Interest expense	(12,312)	(12,905)
Net Loss before Income Taxes	(1,128,105)	(649,630)
Income tax expense	-	-
Net Loss	<u>\$ (1,128,105)</u>	<u>\$ (649,630)</u>

The accompanying notes are an integral part of these financial statements

**CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.**

**Dated: October 24, 2023**

**EMOTIONTRAC, INC.  
STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)  
(Unaudited)**

	<u>Common Shares - Class A</u>		<u>Common Shares - Class B</u>		<u>Additional Paid in Capital</u>	<u>Accumulated Deficit</u>	<u>Total Stockholders' Equity (Deficit)</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>			
<b>Balance at December 31, 2020</b>	<u>4,378,334</u>	<u>\$ 4,378</u>	<u>10,100,000</u>	<u>\$ 10,100</u>	<u>\$4,283,650</u>	<u>\$ (4,324,783)</u>	<u>\$ (26,654)</u>
Shares issued for cash received	987,138	987	-	-	1,240,912	-	1,241,899
Net loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(649,630)</u>	<u>(649,630)</u>
<b>Balance at December 31, 2021</b>	<u>5,365,472</u>	<u>\$ 5,366</u>	<u>10,100,000</u>	<u>\$ 10,100</u>	<u>\$5,524,562</u>	<u>\$ (4,974,413)</u>	<u>\$ 565,615</u>
Shares issued for cash received	175,333	175	-	-	262,824	-	262,999
Net loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,128,105)</u>	<u>(1,128,105)</u>
<b>Balance at December 31, 2022</b>	<u>5,540,805</u>	<u>\$ 5,541</u>	<u>10,100,000</u>	<u>\$ 10,100</u>	<u>\$5,787,386</u>	<u>\$ (6,102,518)</u>	<u>\$ (299,491)</u>

The accompanying notes are an integral part of these financial statements



**CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.****Dated: October 24, 2023****EMOTIONTRAC, INC.  
STATEMENT OF CASH FLOWS  
(Unaudited)**

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Cash flows from operating activities		
Net loss	\$ (1,128,105)	\$ (649,630)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	4,620	5,226
Amortization of software development costs	99,844	99,843
PPV loan forgiveness	-	(138,180)
Changes in operating assets and liabilities		
Accounts receivable	(13,975)	1,600
Prepaid expenses	20,500	(20,500)
Accounts payable and accrued expenses	121,418	(119,152)
Accrued compensation	(8,106)	6,393
Net cash used in operating activities	<u>(903,804)</u>	<u>(814,399)</u>
Cash flows from financing activities		
Proceeds for issuance of common stock	262,999	1,241,899
Proceeds from loans payable	112,700	-
Proceeds from PPV and SBA Loan	-	78,880
Payments on SBA Loan (adjustment)	(3,580)	(324)
Net cash provided by financing activities	<u>372,119</u>	<u>1,320,455</u>
Net increase (decrease) in cash	<u>(531,685)</u>	<u>506,055</u>
Cash, beginning of period	<u>614,834</u>	<u>108,779</u>
Cash, end of period	<u>\$ 83,149</u>	<u>\$ 614,834</u>
Supplemental Information:		
Cash paid for:		
Taxes	\$ -	\$ -
Interest Expense	\$ 12,312	\$ 12,905

**CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.**

**Dated: October 24, 2023**

**ADDITIONAL INFORMATION**

The Company's Officers will be available upon request to answer questions concerning the terms of this Offering, to provide any reasonably requested information necessary to verify the accuracy of the information contained in this Memorandum and to provide such other information reasonably requested by prospective investors as they deem necessary for the purposes of considering an investment in the Company. All communications or inquiries relating to these matters or to a possible purchase of Shares offered hereby should be directed to the following:

You should rely only on the information contained in this Memorandum. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell these Shares in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this Memorandum is accurate as of the date on the front cover of this Memorandum only.

**CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.**

**Dated: October 24, 2023**

**EMOTIONTRAC, INC.**

**\$500,000 SHARES OF CLASS A COMMON STOCK**

**200,000 SHARES at \$2.50 PER SHARE**

**MINIMUM PURCHASE 10,000 SHARES \$25,000**

***[FOR ACCREDITED INVESTORS ONLY]***

**INVESTOR SUBSCRIPTION AGREEMENT**

EMOTIONTRAC, INC.  
10802 Lake Wynds Court Boynton  
Beach, Florida 33437

Dear Prospective Investor:

This Investor Subscription Agreement (“Agreement”) has been executed by the undersigned in connection with the exempt general solicitation offer and sale to a select group of accredited investors of up to 200,000 shares of Class A Common Stock of EmotionTrac, Inc. (the “Company”) at an offering price of \$2.50 per share for an aggregate offering price of \$500,000 (the “Offering”). Each share of Class A Common Stock will be sold at \$2.50 per share. The terms and conditions of the shares are more fully described in the CONFIDENTIAL PRIVATE OFFERING MEMORANDUM dated October 24, 2023.

The undersigned hereby makes the following representations, warranties and agreements:

**1. Information.** The undersigned has received and carefully reviewed the Company's CONFIDENTIAL PRIVATE OFFERING MEMORANDUM dated August 20, 2023 (the “Memorandum”) accompanying this Agreement. The Memorandum includes the Registration Agreement. The representations and warranties herein contained shall survive the execution and delivery of this Agreement and the sale of the Class A Common Stock hereunder.

**2. Agreement to Subscribe.** The undersigned hereby subscribes for \_\_\_\_\_ shares of Class A Common Stock at a price of \$2.50 per share, payment for which in the amount of \$\_\_\_\_\_ is made herewith. Payment for such subscription is being made by wire transfer or by check, bank draft or money order.

**3. Company Right to Accept/Reject.** The Company may accept or reject any subscription in whole or in part or otherwise alter the terms of current interest holders, and its and their affiliates may purchase the shares of Class A Common Stock on the same basis as other subscribers. Under which subscriptions may be accepted. The Company, its officers, directors, advisors.

**4. Binding Upon Acceptance.** The undersigned understands that except as provided under state securities laws, this subscription is irrevocable and that the execution and delivery of this Agreement will not constitute an agreement between the undersigned and the Company until the Company has accepted this Agreement.

**CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.**

**Dated: October 24, 2023**

**5. Access to Information.** The undersigned acknowledges that the undersigned is subscribing for the shares of Class A Common Stock after what the undersigned deems to be adequate investigation of the business and prospects of the Company by the undersigned, or the purchaser representative(s) appointed by the undersigned. The undersigned and the undersigned's purchaser representative(s), if any, have been furnished with the Memorandum and any other materials relating to the business and operation of the Company which have been requested by them and have been given an opportunity to make any further inquiries desired of the management and any other personnel of the Company. The undersigned and the undersigned's purchaser representative(s), if any, have received complete and satisfactory answers to any such inquiries.

**6. Certain Representations.** The undersigned represents and warrants that the Information submitted herewith to the Company by or on behalf of the undersigned is true and correct as of the date hereof. The undersigned further represents and warrants that:

(a) If the undersigned is a corporation, it is duly organized, validly existing and in good standing under the laws of the state and country of its incorporation; that the corporation has the corporate power to carry on its business and to make the investment contemplated herein and that this investment is for a proper corporate purpose; that this subscription has been duly and validly authorized, executed and delivered and when accepted by the Company will constitute the valid, binding, and enforceable agreement of the undersigned; that the corporation has sufficient liquid assets to pay the full acquisition costs in connection with the shares of Class A Common Stock it proposes to acquire; and that the corporation has sufficient assets such that it can afford a total loss of its investment in the shares of Class A Common Stock.

(b) If the undersigned is a partnership or association, that each individual partner or member of the partnership or association can bear the economic risks of his, her, or its pro rata share of this investment and can afford a total loss of his, her, or its investment; and that each individual partner or member has sufficient liquid assets to pay his, her, or its portion of the full acquisition costs in connection with the shares of Class A Common Stock the partnership or association has agreed to acquire, has adequate means of providing for his, her, or its current needs and possible personal contingencies, and has no present need for liquidity of his, her, or its investment.

(c) The undersigned has been advised that the shares of Class A Common Stock are being registered under the Securities Act of 1933, as amended (the "Act"), on the basis of an applicable statutory exemption, which may include, without limitation or exclusion, Rule 506(b) of Regulation D, as may be amended from time to time, and on the representations made by the undersigned herein. The undersigned understands that no federal agency has passed on or made any recommendation or endorsement of the shares of Class A Common Stock and that the Company is relying on the truth and accuracy of the representations, declarations and warranties herein made by the undersigned in offering the shares of Class A Common Stock for sale to the undersigned without having first registered the same under the Act.

(d) The undersigned is acquiring the shares of Class A Common Stock for investment for the undersigned's own account and not with a view to their resale or distribution and does not intend to divide his, her, or its participation with others or to resell or otherwise dispose of all or any part of the shares of Class A Common Stock unless and until they are subsequently registered under the Act, or an exemption from such registration is available.

(d.1) The undersigned is an accredited investor as such term is defined in Rule 501 of Regulation D, as amended, under the Act.

(e) The undersigned alone, or together with the undersigned's purchaser representative, has the ability to evaluate the merits and risks of an investment in the Company shares of Class A Common Stock and has reviewed the company's SEC filings at [https://www.secinfo.com/\\$/SEC/Registrant.asp?CIK=1721305](https://www.secinfo.com/$/SEC/Registrant.asp?CIK=1721305). The undersigned based upon his, her, its, or their knowledge and experience in financial and business matters fully understands the risks for making and investment in the Company.

(f) The undersigned understands that, in the view of the Securities and Exchange Commission (the "Commission"), the applicable statutory exemption(s) referred to above would not be available if, notwithstanding the undersigned's representations, the undersigned had in mind merely acquiring the shares of Class A Common Stock for immediate resale or distribution upon a market developing therefore.

**CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.**

**Dated: October 24, 2023**

(g) The undersigned further understands that in the event Rule 144 promulgated by the SEC under the Act ("Rule 144") hereafter becomes applicable to the shares of Class A Common Stock, any routine sale of the shares of Class A Common Stock made thereunder can be made only in limited amounts in accordance with the terms and conditions of this subscription agreement and of Rule 144 and that in the event Rule 144 is not applicable, compliance with a disclosure exemption will be required before the undersigned can transfer part or all of the shares of Class A Common Stock. However, the Company shall supply the undersigned with any information necessary to enable the undersigned to make routine sales of the shares of Class A Common Stock under Rule 144, if applicable, and if there shall, at such time, be a market therefore, of which there is no assurance.

(h) The undersigned accepts the condition that, before any transfer of any of the shares of Class A Common Stock can be made by the undersigned; written approval must first be obtained from the Company's counsel. The basis of such approval, which shall not be unreasonably withheld, shall be in compliance with the requirements of the federal and state statutes regulating securities. The undersigned understands that a legend to this effect may be placed on the underlying shares, and that the Company, will issue stop transfer instructions to its transfer agent, if any.

(i) The undersigned understands and agrees that if the undersigned's subscription is accepted, the undersigned may be required to execute other documents to effectuate or evidence his, her, or its purchase of the shares of Class A Common Stock.

(j) No one acting on behalf of the Company has made any representation, warranty, or agreement to or with the undersigned with respect to purchase of the shares of Class A Common Stock, except as described herein and in the Memorandum accompanying this Agreement.

(k) The undersigned affirms that the information and representations contained herein, particularly those representations relating to the undersigned's general ability to bear the risks of the investment being made hereby and the undersigned's suitability as an investor are true and correct.

(l) The undersigned is aware that the shares of Class A Common Stock are a speculative investment involving a very high degree of risk and that there is no guarantee that the undersigned will realize any gain from the undersigned's investment. The undersigned is able (i) to bear the economic risk of this investment, (ii) to hold the shares of Class A Common Stock indefinitely, and (iii) presently able to afford a complete loss of this investment.

(m) The undersigned has adequate other means of providing for the undersigned's current needs and personal contingencies and therefore has no need for liquidity in this investment. The undersigned's overall commitment to investments, which are not readily marketable, is not disproportionate to the undersigned's net worth and the undersigned's investment in the shares of Class A Common Stock will not cause such overall commitment to become excessive.

(n) The undersigned represents that the funds provided for this investment are either separate property of the undersigned, common shares property over which the undersigned has the right of control or are otherwise funds as to which the undersigned has the right of management.

(o) The undersigned understands the meaning and legal consequences of the representations and warranties made herein, all of which are true and correct as of the date hereof and will be true and correct as of the date of the undersigned's acquisition of the shares of Class A Common Stock subscribed for herein. Each such representation and warranty shall survive such purchase.

(p) The undersigned will indemnify and hold harmless the Company, its agents, counsel, successors, and assigns, and each of their affiliated persons, from any and all damages, losses, costs and expenses (including reasonable attorney's fees) which they, or any of them, may incur by reason of the undersigned's failure, or alleged failure, to fulfill any of the terms and conditions of this subscription or by reason of the undersigned's breach of any of his, her, or its representations and warranties contained herein.

**CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.**

**Dated: October 24, 2023**

(q) The undersigned is a bona fide resident of the state set forth on the signature page hereof, maintains his, her, or its principal residence there and is at least 21 years of age.

(r) The undersigned has relied on his, her, or its own legal counsel to the extent the undersigned has deemed necessary as to all legal matters and questions presented with reference to the offering and sale of the shares of Class A Common Stock subscribed for herein.

(s) The undersigned hereby agrees that this subscription is irrevocable and that the representations and warranties set forth in this Agreement shall survive the acceptance hereof by the Company.

(t) The undersigned hereby agrees and acknowledges that the agreements and representations herein set forth shall become effective and binding upon the undersigned and the undersigned's heirs, legal representatives, successors, and assigns upon the Company's acceptance hereof.

**7. General.**

(a) All notices or other communications given or made hereunder shall be in writing and shall be delivered, or mailed by registered or certified mail, return receipt requested, postage prepaid, to the undersigned at the undersigned's address set forth below and to the Company at the address set forth above.

(b) Notwithstanding the place where this Agreement may be executed by any of the parties hereto, the parties expressly agree that all the terms and provisions hereof shall be construed in accordance with and governed by the internal laws of the State of Texas, without giving effect to conflicts of law.

(c) This Agreement constitutes the entire Agreement between the parties hereto with respect to the subject matter hereof and may be amended only by a writing executed by all parties. The undersigned agrees not to transfer or assign this Agreement, or any of his, her, or its interest herein, without the express written consent of the Company.

(d) The undersigned agrees that counsel to the Company shall not be liable for taking any action pursuant to this Agreement in the absence of willful misconduct, misfeasance, malfeasance, or fraud.

(e) The undersigned has enclosed with this Agreement appropriate evidence of the authority of the individual executing this Agreement to act on its behalf (i.e. if a trust, a copy of the trust agreement; if a corporation, a certified corporate resolution authorizing the signature and a copy of the articles of incorporation; or if a partnership, a copy of the partnership agreement).

**CONFIDENTIAL PRIVATE OFFERING MEMORANDUM • EMOTIONTRAC, INC.**

**Dated: October 24, 2023**

**INVESTOR SUBSCRIPTION**

IN WITNESS WHEREOF, the parties have executed the Agreements on the date first set forth above.

**EMOTIONTRAC, INC.**

By: \_\_\_\_\_

Aaron Itzkowitz, CEO  
10802 Lake Wynds Court Boynton  
Beach, FL 33437

**INVESTOR**

\_\_\_\_\_  
NAME/TITLE

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
TELEPHONE

\_\_\_\_\_  
EMAIL

\_\_\_\_\_  
SHARES SUBSCRIBED @ \$2.50 per share

\_\_\_\_\_  
\$ AMOUNT SUBSCRIBED

**SUBSCRIBER INFORMATION**

**Subscriber Information for Issuance of EMOTIONTRAC, INC. Class A Common Stock as Follows:**

Social Security No. or Federal Employer ID No.: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Signature of Subscriber: \_\_\_\_\_

Dated: \_\_\_\_\_

**Company Acceptance of Subscription Upon Execution Below:**

**EMOTIONTRAC, INC.**

By: \_\_\_\_\_

Name: Aaron Itzkowitz

Title: CEO

Dated: \_\_\_\_\_