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

Comsero, Inc.
2150 Market Street
DENVER, CO 80205
mcsquares.com

Up to $4,344,972.80 in Common Stock at $1.42
Minimum Target Amount: $9,999.64

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

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

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

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

Company:

Company: Comsero, Inc.
Address: 2150 Market Street, DENVER, CO 80205
State of Incorporation: DE
Date Incorporated: January 25, 2016

Terms:

Equity

Offering Minimum: $9,999.64 | 7,042 shares of Common Stock
Offering Maximum: $4,344,972.80 | 3,059,840 shares of Common Stock
Type of Security Offered: Common Stock
Purchase Price of Security Offered: $1.42
Minimum Investment Amount (per investor): $100.82

Voting Rights of Securities Sold in this Offering

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

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

Investment Incentives and Bonuses*

Early Bird

First 48 hours - VIP Early Birds | 10% bonus shares

Volume

$250+ (10% discount on all regular priced mcSquares products purchased from mcSquares.com for the next 6 months)

$500+ (15% discount on all regular priced mcSquares products purchased from mcSquares.com for 1 year)

$2,500+ (20% discount on all regular priced mcSquares products purchased from mcSquares.com until a change of control)

The 10% Bonus for StartEngine Shareholders

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

This means eligible StartEngine shareholders will receive a 10% bonus for any shares they purchase in this offering. For example, if you buy 100 shares of Common Stock at $1.42/ share, you will receive 110 shares of Common Stock, meaning you'll own 110 shares for $142. Fractional shares will not be distributed and share bonuses will be determined by rounding down to the nearest whole share.

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

Investors will only receive a single bonus, which will be the highest bonus rate they are eligible for.

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

The Company and its Business

Company Overview

Comsero, Inc., (dba "mcSquares"), manufactures and sells ingenious home and office products that inspire people to bring their creative ideas into the real world ...and do it with a touch of style.

Our vision is to create meaningful human connections in a time of increasing separation caused by technology. We are building an ecosystem of thinking tools that empower communication, discovery, and innovation. Our products are designed for the home, office and, home office.

Competitors and Industry

mcSquares is at the intersection of two large markets: indoor home decor and office supplies. The office supplies market is roughly a $250B market. The Indoor Home Decor market is a $680B market. Our competitors include Quartet, UBrands, Board

Dudes, Expo, Bic, Acco Brands, Mega Brands, and 3M.

Current Stage and Roadmap

Current Development Stage

Over the past 5 years, the company has worked on manufacturing with the key goal to re-launch the business. This was achieved in 2019. mcSquares began by outsourcing manufacturing to China in 2016. We converted the company to self-manufacturing in late 2017 and re-launched our company in early 2019.

After our re-launch, we have focused on our sales and product lines. We are currently running about $250,000 in monthly revenue, our margins range from 70% to 90% - selling primarily direct to consumers through Amazon and our own website.

Future Roadmap

In the first half of 2021, we will expand globally under Amazon's Global Partner Program.

In the second half of 2021, we will continue to expand our product offerings by both adding new manufacturing capabilities and through product extensions in the whiteboarding space.

The Team

Officers and Directors

Name: Anthony Franco

Anthony Franco's current primary role is with the Issuer.

Positions and offices currently held with the issuer:

- **Position:** Chief Executive Officer and Director
  Dates of Service: January 01, 2013 - Present
  Responsibilities: Product Development, Executive Management, and general operations of the business. Anthony's compensation is currently $90,000 per year with no additional equity compensation.

Risk Factors

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

companies. You should consider general risks as well as specific risks when deciding whether to invest.

These are the risks that relate to the Company:

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

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

Any valuation at this stage is difficult to assess
The valuation for the offering was established by the Company. Unlike listed companies that are valued publicly through market-driven stock prices, the valuation of private companies, especially startups, is difficult to assess and you may risk overpaying for your investment.

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

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

If the Company cannot raise sufficient funds it will not succeed
The Company, is offering common stock in the amount of up to 5,000,000 in this offering, and may close on any investments that are made. Even if the maximum amount is raised, the Company is likely to need additional funds in the future in order to grow, and if it cannot raise those funds for whatever reason, including reasons relating to the Company itself or the broader economy, it may not survive. If the Company manages to raise only the minimum amount of funds, sought, it will have to find other sources of funding for some of the plans outlined in "Use of Proceeds."

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

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

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

Projections: Forward Looking Information

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

Developing new products and technologies entails significant risks and uncertainties
We are currently in the research and development stage and have only manufactured a prototype for our vanadium flow battery. Delays or cost overruns in the development of our vanadium flow batteries and failure of the product to meet our performance estimates may be caused by, among other things, unanticipated technological hurdles, difficulties in manufacturing, changes to design and regulatory hurdles. Any of these events could materially and adversely affect our operating performance and results of operations.

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

You are trusting that management will make the best decision for the company
You are trusting in management discretion. You are buying non-voting membership interest as a minority holder, and therefore must trust the management of the Company to make good business decisions that grow your investment.

This offering involves "rolling closings," which may mean that earlier investors may not have the benefit of information that later investors have.
Once we meet our target amount for this offering, we may request that StartEngine instruct the escrow agent to disburse offering funds to us. At that point, investors whose subscription agreements have been accepted will become our investors. All early-stage companies are subject to a number of risks and uncertainties, and it is not uncommon for material changes to be made to the offering terms, or to companies' businesses, plans or prospects, sometimes on short notice. When such changes happen during the course of an offering, we must file an amended to our Form C with the SEC, and investors whose subscriptions have not yet been accepted will have the right to withdraw their subscriptions and get their money back. Investors whose subscriptions have already been accepted, however, will already be our investors and will have no such right.

We face significant market competition

We will compete with larger, established companies who currently have products on the market and/or various respective product development programs. They may have much better financial means and marketing/sales and human resources than us. They may succeed in developing and marketing competing equivalent products earlier than us, or superior products than those developed by us. There can be no assurance that competitors will render our technology or products obsolete or that the products developed by us will be preferred to any existing or newly developed technologies. It should further be assumed that competition will intensify.

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

One of the Company's most valuable assets is its intellectual property. The Company's owns several trademarks, copyrights, Internet domain names, and trade secrets. We believe a valuable component of the Company is our intellectual property portfolio. Due to the value, competitors may misappropriate or violate the rights owned by the Company. The Company intends to continue to protect its intellectual property portfolio from such violations. It is important to note that unforeseeable costs associated with such practices may invade the capital of the Company.

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

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

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

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

The loss of one or more of our key personnel, or our failure to attract and retain other

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

The Company is vulnerable to hackers and cyber-attacks
As an internet-based business, we may be vulnerable to hackers who may access the data of our investors and the issuer companies that utilize our platform. Further, any significant disruption in service on COMSERO, INC. or in its computer systems could reduce the attractiveness of the platform and result in a loss of investors and companies interested in using our platform. Further, we rely on a third-party technology provider to provide some of our back-up technology. Any disruptions of services or cyber-attacks either on our technology provider or on COMSERO, INC. could harm our reputation and materially negatively impact our financial condition and business.

Any promise or mention of media exposure is beyond the company's control
The company may have upcoming or promised media exposure that will materially impact the company value. Any pending media coverage and its impact on the company value is Risks include but are not limited to: media cancelation, rescheduling causing stagnant inventory, interruption by breaking news, poor or negative positioning of the founder, editing that misrepresents the company in an unintentional manner.

Ownership and Capital Structure; Rights of the Securities

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

Stockholder Name	Number of Securities Owned	Type of Security Owned	Percentage
Anthony Franco	5,000,000	Common Stock	52.51
Anthony Franco	341,160	Series Seed Preferred Stock	52.51
Anthony Franco	591,344	Series 2018 Preferred Stock	52.51
Anthony Franco	516,895	Series 2019 Preferred Stock	52.51

The Company's Securities

The Company has authorized Common Stock, Series Seed Preferred Stock, Series 2018 Preferred Stock, Series 2019 Preferred Stock, Crowd SAFE - Q1 2020, Crowd SAFE - Q1 2020 Early Bird, Series 2020 Preferred Stock, and Convertable Note 1-21. As part of the Regulation Crowdfunding raise, the Company will be offering up to 3,059,840 of Common Stock.

Common Stock

The amount of security authorized is 12,250,000 with a total of 7,805,700 outstanding.

Voting Rights

The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings). Please see Material Rights below for voting rights in this offering.

Material Rights

Voting Rights in this Offering.

Voting Proxy. Each Subscriber shall appoint the Chief Executive Officer of the Company (the "CEO"), or his or her successor, as the Subscriber's true and lawful proxy and attorney, with the power to act alone and with full power of substitution, to, consistent with this instrument and on behalf of the Subscriber, (i) vote all Securities, (ii) give and receive notices and communications, (iii) execute any instrument or document that the CEO determines is necessary or appropriate in the exercise of its authority under this instrument, and (iv) take all actions necessary or appropriate in the judgment of the CEO for the accomplishment of the foregoing. The proxy and

power granted by the Subscriber pursuant to this Section are coupled with an interest. Such proxy and power will be irrevocable. The proxy and power, so long as the Subscriber is an individual, will survive the death, incompetency and disability of the Subscriber and, so long as the Subscriber is an entity, will survive the merger or reorganization of the Subscriber or any other entity holding the Securities. However, the Proxy will terminate upon the closing of a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933 covering the offer and sale of Common Stock or the effectiveness of a registration statement under the Securities Exchange Act of 1934 covering the Common Stock.

Liquidation Rights for Common Stock

Payments to Holders of Common Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up or Deemed Liquidation Event of the Corporation, after the payment of all preferential amounts required to be paid to the holders of shares of Preferred Stock as provided in Section 1.1, the remaining funds and assets available for distribution to the stockholders of the Corporation shall be distributed among the holders of shares of Common Stock, pro rata based on the number of shares of Common Stock held by each such holder.

Please review the rights related to Preferred Stock classes below and in the Certificate of Incorporation attached.

Options

Currently, the total common stock shares issued and outstanding total is 6,555,700. The total amount outstanding listed above includes an additional 1,250,000 shares to be issued pursuant to stock options, reserved but unissued.

Series Seed Preferred Stock

The amount of security authorized is 900,000 with a total of 856,785 outstanding.

Voting Rights

The holders of the Company's Preferred Stock shall have one vote per share held, on an as converted to Common Stock basis.

Material Rights

The following rights, powers and privileges, and restrictions, qualifications and limitations, shall apply to the Preferred Stock, it being understood that the Series Seed Preferred Stock, the Series 2018 Preferred Stock and the Series 2019 Preferred Stock, which together constitute the Preferred Stock, shall rank, with respect to dividend rights and rights on liquidation, winding up and dissolution on parity with each other.

Dividend Rights

Holders of the Preferred Stock, in preference to the holders of the Company's Common

Stock, are entitled to receive, when and if declared by the Board of Directors, cash dividends at a rate of 8% per annum of the applicable original issue price, as adjusted, as defined in the Articles. The dividends are payable only when declared by the Board of Directors, and are non-cumulative.

Liquidation Preference

Upon a liquidation event, as defined in the Articles, before any distribution or payment is made to the holders of the Company's Common Stock, the holders of the Company's Preferred Stock are entitled to an amount equal to the original issue price, plus all declared and unpaid dividends. Upon payment of the full liquidation preference, the remaining assets will be distributed to the holders of Common and Preferred Shares, on an as converted to Common Stock, basis.

Conversion Rights

The Preferred Stock shares are convertible, at the option of the holder, into shares of the Company's Common Stock, based on the conversion rate, as defined in the Articles, and are subject to automatic conversion at the then applicable conversion rate, upon a qualified public offering resulting in proceeds of not less than $10,000,000 or on a date specified by written consent or agreement of the holders of at least a majority of the voting power of the then outstanding shares of Preferred Stock. The number of shares of Common Stock into which the Preferred Stock is convertible is based on dividing the original issue price of the Preferred Stock, by the applicable conversion rate, which is defined as the original issue price, subject to adjustment, as defined in the Articles. The conversion rate is subject to broad based anti-dilution clauses and down round protection.

Preferred Stock Warrants

The total amount outstanding does not include the 232,728 shares to be issued pursuatn to outstanding warrants. During 2017, the Company issued warrants to purchase a total of 77,576 shares of preferred stock. During 2019, the Company issued warrants to purchase a total of 155,152 shares of preferred stock – series seed at $0.7359 price per share in connection with entering into a promissory note agreement. These warrants expire approximately 10 years after the issuance date and are fully vested upon issuance. The grant date fair value of the warrants was $34,552. The fair value of the warrants was estimated using the Black-Scholes option pricing model with the following assumptions: exercise price $0.7359, volatility 85%, 10 year life, 8% dividend yield, and a risk free interest rate of 1.5%. As of December 31, 2019, and 2018, none of the warrants outstanding have been exercised.

Series 2018 Preferred Stock

The amount of security authorized is 1,900,000 with a total of 902,177 outstanding.

Voting Rights

The holders of the Company's Preferred Stock shall have one vote per share held, on

an as converted to Common Stock basis.

Material Rights

All material rights are pari passu with Series Seed Preferred Stock.

Series 2019 Preferred Stock

The amount of security authorized is 1,200,000 with a total of 1,111,271 outstanding.

Voting Rights

The holders of the Company's Preferred Stock shall have one vote per share held, on an as converted to Common Stock basis.

Material Rights

All material rights are pari passu with Series Seed Preferred Stock.

Crowd SAFE - Q1 2020

The security will convert into Common stock and the terms of the Crowd SAFE - Q1 2020 are outlined below:

Amount outstanding: $260,753.00
Interest Rate: 0.0%
Discount Rate: 0.0%
Valuation Cap: $11,000,000.00
Conversion Trigger: Liquidity Event (although we plan on converting in this next Start Engine Round)

Material Rights

Liquidity Event.

If there is a Liquidity Event before the expiration or termination of this instrument, the Investor will, at its option, either (i) receive a cash payment equal to the Purchase Amount (subject to the following paragraph) or (ii) automatically receive from the Company a number of shares of Crowd Safe Common Stock equal to the Purchase Amount divided by the Liquidity Price, if the Investor fails to select the cash option. "Liquidity Event" means a Change of Control or an Initial Public Offering.

Crowd SAFE - Q1 2020 Early Bird

The security will convert into Common stock and the terms of the Crowd SAFE - Q1 2020 Early Bird are outlined below:

Amount outstanding: $100,000.00
Interest Rate: 0.0%
Discount Rate: %
Valuation Cap: $9,000,000.00

Conversion Trigger: Liquidity Event (although we plan on converting in this next Start Engine Round)

Material Rights

Liquidity Event.

If there is a Liquidity Event before the expiration or termination of this instrument, the Investor will, at its option, either (i) receive a cash payment equal to the Purchase Amount (subject to the following paragraph) or (ii) automatically receive from the Company a number of shares of Crowd Safe Common Stock equal to the Purchase Amount divided by the Liquidity Price, if the Investor fails to select the cash option. "Liquidity Event" means a Change of Control or an Initial Public Offering.

Series 2020 Preferred Stock

The amount of security authorized is 1,250,000 with a total of 1,226,203 outstanding.

Voting Rights

Voting rights: (a) the holders of Series 2020 Preferred Stock, prior to the conversion of such stock to Common Stock, shall not have any voting rights other than those set forth as "protective provisions" under "Voting rights" below, which are subject to a vote of the "Requisite Holders" (as defined below), and (b) if, but for this clause, the number of shares of Common Stock that would be issuable to the holders of Series 2020 Preferred Stock upon the conversion of such stock to Common Stock represents more than 9.99% of the capital stock of the Company on a fully diluted basis, then the Conversion Price for the Series 2020 Preferred Stock applicable to such conversion shall be increased as necessary in order to lower the number of shares of Common Stock so issuable to the holders of Series 2020 Preferred Stock to 9.99%.

Material Rights

The Series 2020 Preferred Stock Shares will rank senior to the Company's Common Stock and pari passu with other Series Seed Preferred Stock as describe above, with respect to dividends, liquidation and dissolution.

Voting Rights

The Shares will vote together with the Common Stock and not as a separate class except as specifically provided herein or as otherwise required by law. A holder of Shares shall have a number of votes equal to the number of shares of Common Stock then issuable upon conversion of such share of Shares. Notwithstanding the foregoing, approval of the Requisite Holders shall be required as follows:

1. For so long as the Investor's shares represent at least five percent (5%) of the issued and outstanding common stock of the Company other than any such shares that are issued under or pursuant to the Company's equity incentive or stock option plan:

(a) New equity issuances, other than shares of the Company's capital stock issued at

fair market value to an arm's length third party;

(b) Material non-arm's length transactions (including any change in salary, bonus or other compensation paid to a Company shareholder outside of the Company's Employee Option or Equity Incentive Plan who hold more than five percent (5%) of the Company's issued and outstanding capital stock other than any such shares that are issued under or pursuant to the Company's equity incentive or stock option plan), except for Founder Payments, subject to the provisions set forth in the "Proportionate Payments" section above;

2. Amendments to the organizational documents that disproportionately impact the rights or preferences of the Shares, or other actions that could materially and adversely alter the rights of the Shares.

The Investor will be required to reply to requests for approval within five (5) business days of the Company's sending a written request for such approval by email; lack of response within this time period implies approval.

Conversion Rights

Each of the holders of the Shares shall have the right to convert such holder's Shares, at any time, into shares of Common Stock. The initial conversion rate shall be 1:1 (subject to proportional adjustment for stock splits, stock dividends, combinations, recapitalizations and the like and as described below under "Price-Based Anti-Dilution") and subject to the adjustment described in the "Note" set forth above in the second paragraph of this Term Sheet.

Automatic Conversion: The Shares shall be automatically converted into Common Stock, at the then applicable conversion rate, (i) in the event that the holders of at least a majority of the outstanding Shares (the "Requisite Holders") consent to such conversion or (ii) upon the closing of a firmly underwritten public offering of shares of Common Stock for a total offering of not less than $10,000,000 (after deduction of underwriters' commissions and expenses) (a "Qualified IPO").

Right of First Refusal

The Company's Bylaws may contain a right of first refusal providing the Company with the right to purchase any Shares (or the Common Stock into which it may be converted) that a holder thereof proposes to sell to a third party. If the Company does not exercise such right, it shall be assigned to the Investor, who may exercise such right on a pro-rata basis based on the Investor's ownership of the Company comparing the number of the Investor's Shares (on an as-if converted basis) with the number of shares of issued and outstanding capital stock of all Company shareholders who have a right of first refusal relating to such shares of capital stock, provided that, in the Company's reasonable judgment, the Investor's exercise will not interfere with or delay the closing of any financings. Rights of first refusal shall not be exercisable in connection with de minimus transfers and transfers for estate planning purposes.

Convertable Note 1-21

The security will convert into Series seed prefered and the terms of the Convertable Note 1-21 are outlined below:

Amount outstanding: $438,700.00
Maturity Date: February 23, 2023
Interest Rate: 6.0%
Discount Rate: 20.0%
Valuation Cap: $13,600,000.00
Conversion Trigger: Capital Raise

Material Rights

There are no material rights associated with Convertable Note 1-21.

What it means to be a minority holder

As a minority holder of Common Stock of the company, you will have limited rights in regards to the corporate actions of the company, including additional issuances of securities, company repurchases of securities, a sale of the company or its significant assets, or company transactions with related parties. Further, investors in this offering may have rights less than those of other investors, and will have limited influence on the corporate actions of the company.

Dilution

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

Transferability of securities

For a year, the securities can only be resold:

- In an IPO;

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

Recent Offerings of Securities

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

- **Name:** Series 2018 Preferred Stock
  Type of security sold: Equity
  Final amount sold: $594,999.34
  Number of Securities Sold: 902,177
  Use of proceeds: Continuation of manufacturing build-out, operations, product development, IP filings
  Date: September 01, 2018
  Offering exemption relied upon: 506(b)

- **Type of security sold:** SAFE
  Final amount sold: $266,003.00
  Use of proceeds: Still in cash, will be leveraged for operations and marketing
  Date: April 29, 2020
  Offering exemption relied upon: Regulation CF

- **Name:** Series 2019 Preferred Stock
  Type of security sold: Equity
  Final amount sold: $732,899.78
  Number of Securities Sold: 1,111,271
  Use of proceeds: Increased manufacturing capacity, marketing expansion, operations
  Date: December 16, 2019
  Offering exemption relied upon: 506(b)

- **Type of security sold:** SAFE
  Final amount sold: $100,000.00
  Use of proceeds: Cash reserves for the company.
  Date: April 29, 2020
  Offering exemption relied upon: Regulation CF

- **Name:** Series 2020 Preferred Stock
  Type of security sold: Equity
  Final amount sold: $50,000.00
  Number of Securities Sold: 0

Use of proceeds: Marketing
Date: July 22, 2020
Offering exemption relied upon: 506(b)

- **Name:** Common Stock
  Type of security sold: Equity
  Final amount sold: $680,076.69
  Number of Securities Sold: 605,062
  Use of proceeds: StartEngine Platform Fees 3.5% of funds Marketing 51.5% of funds Online marketing and PPC campaigns, 1 tradeshow Inventory 25% of funds Purchasing raw materials for in-house manufacturing Research & Development 10% of funds internal product designs and IP work Operations 10% of funds utilized to hire new production staff
  Date: November 18, 2020
  Offering exemption relied upon: Regulation CF

- **Type of security sold:** Convertible Note
  Final amount sold: $438,000.00
  Use of proceeds: Inventory and marketing
  Date: February 23, 2021
  Offering exemption relied upon: 506(b)

Financial Condition and Results of Operations

Financial Condition

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

Results of Operations

Circumstances which led to the performance of financial statements:

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

Revenue

Revenue for fiscal year 2020 was $2,573,574.24, compared to fiscal year 2019 revenue of $615,110.88. Comsero began as a product design company. We designed our products and intellectual property, outsourced the manufacturing, then sold the

product under our own brand name. In late 2017, we decided to bring manufacturing in-house. In 2018 we retooled the company to be a vertically integrated enterprise, and the transition was costly. The transition carried through the first half of 2019. Through the second half of 2019 and through 2020 the company has been focused on growth. These efforts have caused revenue to grow 400% over 2019 and 2020, but have also come at a high cost.

Cost of Sales

The sharp uptick in Cost of Sales from 2019 is the primary reason cash flow break-even has eluded Comsero Inc. The company invested heavily into improving the brand and its own website. These are true investments in the future of the company as it continues to transition away from a B2B, education-focused, model to that of a vertically integrated B2C company.

Gross Profit/Margins

2020 gross profit increased by $1,432,840 over 2019. We are currently running about $200,000 in monthly revenue, our gross margins range from 70% to 90% - selling primarily through highend dealers, on our own website, and through Amazon. This improved performance was caused by our business development stage where we have a fully operating manufacturing facility ready to scale, and a marketing and sales engine to take advantage of our growth.

Expenses

The Company's expenses consist of, among other things, general and administrative expenses, research and development, and sales and marketing. Expenses in 2020 increased $2, 145434 from 2019 to be $3,384,048. This related to the company's focus on growth and its transition to a new manufacturing space.

Year ended December 31, 2019 compared to year ended December 31, 2018

Revenue

Revenue for fiscal year 2019 was $610,697, compared to fiscal year 2018 revenue of $184,761. Comsero began as a product design company. We designed our products and intellectual property, outsourced the manufacturing, then sold the product under our own brand name. In late 2017, we decided to bring manufacturing in-house. In 2018 we retooled the company to be a vertically integrated enterprise, and the transition was costly. The transition carried through the first half of 2019.

Cost of Sales

Cost of sales in 2019 was $129,499, a slight increase, from costs of $113,412 in fiscal year 2018. The increase however related to our retooling project which produced higher revenue numbers in 2019.

Gross Profit/Margins

2019 gross profit increased by $409,849 over 2018 gross profit. We are currently running about $200,000 in monthly revenue, our margins range from 70% to 90% - selling primarily through our own internal sales team, through high-end dealers, on our own website and through Amazon. This improved performance was caused by our business development stage where we have a fully operating manufacturing facility ready to scale, and a marketing and sales engine to take advantage of our growth.

Expenses

The Company's expenses consist of, among other things, general and administrative expenses, research and development, and sales and marketing. Expenses in 2019 increased $461,320 from 2018 to be $1,173,253. This related to our re-tooling of the company in 2018 which was a costly transition and this transition carried into 2019.

Historical results and cash flows:

We have spent the last two years creating a manufacturing facility that can scale to what we believe our consumer demand is. That infrastructure was expensive and resource-intensive.

We are now ready for growth at scale. Our previous negative cash-flows are due to infrastructure build-out and market testing. We anticipate positive cash-flows this year coming from our hyper-focus on increasing sales. Therefore, historical results and cash flows are not fully representative of what investors should expect in the future as we begin this new phase of our business.

Liquidity and Capital Resources

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

At December 31, 2020, the Company had cash of $436,036.00. The Company intends to raise additional funds through an equity financing.

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

The funds raised will be used primarily for sales and marketing and manufacturing capacity, In other words, we do not need these funds to develop any new products, we want the funds to accelerate revenue growth.

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

We can operate profitably without any additional influx of capital. However, our

desire is to grow a large consumer products company by capitalizing on our Shark Tank appearance and sell it to a strategic partner or private equity investor. We believe this crowdfunding raise will give us the resources needed to achieve our growth goals.

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

Based on our current revenue growth projections and our cash on hand, we will not need this raise to 'extend our runway'. This raise is to accelerate growth. If we do not raise this round, we will simply just grow slower.

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

Based on our current revenue growth projections and our cash on hand, we will not need this raise to 'extend our runway'. However, if we raise our maximum funding goal, this will facilitate faster growth, and help us continue the longevity of the business.

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

The founder has a $350,000 line of credit available if required. Additionally, if we hit our internal growth milestones we may seek another round of financing in 2021 to continue our trajectory.

As of September 7, 2021, the Company intends to raise additional funds in the near future via a concurrent private offering of equity at a $16.9M valuation and $1.42 price per share. The offering has yet to begin and the terms may change.

Indebtedness

- **Creditor:** Grand Avenue Investments
  Amount Owed: $176,682.00
  Interest Rate: 12.0%
  Maturity Date: March 01, 2022
  September 2019, the Company issued warrants to purchase a total of 96,970 shares of preferred stock – series seed at $0.7359 price per share in connection with entering into a promissory note agreement. These warrants expire approximately 10 years after the issuance date and are fully vested upon issuance. The grant date fair value of the warrants was $34,552. The fair value of

the warrants was estimated using the Black-Scholes option pricing model with the following assumptions: exercise price $0.7359, volatility 85%, 10 year life, 8% dividend yield, and a risk free interest rate of 1.5%. As of December 31, 2019, and 2018, none of the warrants outstanding have been exercised.

- **Creditor:** Anthem Capital / EVPI Investments I LP
  Amount Owed: $13,155.00
  Interest Rate: 12.0%
  Maturity Date: November 01, 2020
  In October, 2017, the Company entered into a Note Purchase Agreement, or the Note Agreement or the Notes to loan the Company $100,000. The $100,000 promissory note has a 30-month term and carries a fixed interest rate 12% per annum with monthly principal and interest payments of $3,338 due from November 2017 through maturity of November 2020. During the year ended December 31, 2019 and 2018, the Company recorded annual interest expense of $40,683 and $38,944, respectively, to accrue for interest due on the notes.

- **Creditor:** CIT
  Amount Owed: $71,412.00
  Interest Rate: 8.512%
  Maturity Date: June 01, 2025
  On June 5, 2020, the company entered a financing agreement with CIT Bank for an equipment in the amount of $71,412, including an interest rate of 1.98%. The loan matures on June 1, 2025 after 60 monthly payments of $1,465.56.

- **Creditor:** Highland Capital
  Amount Owed: $217,575.00
  Interest Rate: 4.3%
  Maturity Date: June 01, 2025
  On May 7, 2020, the Company entered an equipment finance agreement with Highland Capital Corporation in the amount of $217,575. The loan carries an interest rate of 16% per year and matures on June 1, 2025 after one advance payment in the amount of $21,757.5 and to monthly payments in amount of $3,629.

- **Creditor:** Grand Avenue Investments
  Amount Owed: $120,064.00
  Interest Rate: 12.0%
  Maturity Date: June 01, 2022
  During 2019, the Company issued warrants to purchase a total of 58,182 shares of preferred stock – series seed at $0.7359 price per share in connection with entering into a promissory note agreement. These warrants expire approximately 10 years after the issuance date and are fully vested upon issuance. The grant date fair value of the warrants was $34,552. The fair value of the warrants was estimated using the Black-Scholes option pricing model with the following assumptions: exercise price $0.7359, volatility 85%, 10 year life, 8% dividend

yield, and a risk free interest rate of 1.5%. As of December 31, 2019, and 2018, none of the warrants outstanding have been exercised.

- **Creditor:** Flat Irons Bank
  Amount Owed: $70,100.00
  Interest Rate: 1.0%
  Maturity Date: April 22, 2022
  On April 12, 2020, the Company received a Paycheck Protection Program(PPP) loan from Flatirons Bank in the amount of $70,100. The loan carries an interest rate of 1% and matures 2 years from the loan date on April 13, 2022. Payments will be required beginning October 13, 2020. This loan may be forgiven subject to compliance and approval based on the timing and use of these funds in accordance with the program.

- **Creditor:** Small Business Administration
  Amount Owed: $340,000.00
  Interest Rate: 3.75%
  On April 20, 2020 the Company entered into a loan agreement with the Small Business Administration in the amount of $340,000. The loan has an interest rate of 3.75% per annum and the installment payment, including principal and interest, of $1,657 per month, and it will begin Twelve (12) months from the date of the promissory Note. The balance of principal and interest will be payable Thirty (30) years from the date of the promissory Note if the company decides to keep the loan. The company will use all the proceeds of this Loan solely as working capital.

- **Creditor:** Anthony Franco
  Amount Owed: $225,000.00
  Interest Rate: 6.0%
  Maturity Date: January 01, 2022
  In December 2020, the Company's CEO entered into a loan agreement with the Company for $225,000. The loan matures on January 1, 2022 and incurs interest at 6% per annum.

Related Party Transactions

- **Name of Entity:** O'Leary Productions USA, LLC
  Relationship to Company: O'Leary Productions USA, LLC is a shareholder of Comsero, Inc.
  Nature / amount of interest in the transaction: O'Leary Productions USA LLC is a shareholder of Comsero, Inc
  Material Terms: O'Leary Productions USA LLC is a shareholder of Comsero, Inc. and Kevin O'Leary is also a paid strategic advisor for StartEngine, which owns the funding portal hosting this Offering. In his role as Strategic Advisor for StartEngine, Mr. O'Leary is paid $400,000 per year for three years. Mr. O'Leary

has also received compensation in the form of 322,506 options of StartEngine Crowdfunding, Inc. securities at a $7.50 strike price. Mr. O'Leary is a minority investor in Comsero, Inc.

- **Name of Entity:** Anthony Franco
  Relationship to Company: Officer
  Nature / amount of interest in the transaction: In December 2020, the Company's CEO entered into a loan agreement with the Company for $225,000.
  Material Terms: The loan matures on January 1, 2022 and incurs interest at 6% per annum.

Valuation

Pre-Money Valuation: $16,901,033.12

Valuation Details:

Comsero, Inc., dba mcSquares, determined the company's pre-money valuation after evaluating several factors of the business.

First, the company has proven its ability to bring products to market at scale and has mitigated risk through previous rounds. We compared this valuation to prior rounds we have conducted via Regulation Crowdfunding and have put that capital to work in order to raise our enterprise value including expanding globally, filing for more intellectual property, growing our capacity, engaging new partners, and launching new products.

Second, the company is a vertically integrated manufacturing and eCommerce company with 40 SKUs across 6 product families. We control our supply chain and our manufacturing processes so that we can adapt to market trends.

We have seen significant market and revenue growth. Including, 1,300% revenue growth from 2018 to 2020.

Finally, in addition to the above, we factored in our considered unfair advantages:

- 7 Issued Patents, 7 more pending

- 4 trademarks

- Material exclusivity

- Annual manufacturing capacity of over $18m

- $600,000 cash on hand, with an additional $175k in AR

Based on the above analysis, the company set its valuation internally, without a formal third-party independent valuation. The pre-money valuation has been

calculated on a fully diluted basis. In making this calculation, we have assumed: (i) all preferred stock is converted to common stock; (ii) all outstanding options, warrants, and other securities with a right to acquire shares are exercised; and (iii) any shares reserved for issuance under a stock plan are issued. The pre-money valuation does not take into account any convertible securities currently outstanding. The Company currently has $798,753 in Convertible Notes and SAFEs outstanding. Please refer to the Company Securities section of the Offering Memorandum for further details regarding current outstanding convertible securities which may affect your ownership in the future.

Use of Proceeds

If we raise the Target Offering Amount of $9,999.64 we plan to use these proceeds as follows:

- *StartEngine Platform Fees*
  3.5%

- *Marketing*
  61.5%
  Used for additional ad-spend

- *Inventory*
  25.0%
  Used to purchase raw materials for inventory production.

- *Operations*
  10.0%
  Used to invest in production talent and manufacture inventory.

If we raise the over allotment amount of $4,344,972.80, we plan to use these proceeds as follows:

- *StartEngine Platform Fees*
  3.5%

- *Marketing*
  51.5%
  Online marketing and PPC campaigns, 1 tradeshow

- *Inventory*
  25.0%
  Purchasing raw materials for in-house manufacturing

- *Research & Development*
  10.0%
  internal product designs and IP work

- *Operations*

10.0%
utilized to hire new production staff

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

Regulatory Information

Disqualification

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

Compliance Failure

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

Ongoing Reporting

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

Updates

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

Investing Process

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