

OFFERING MEMORANDUM: PART II OF OFFERING STATEMENT (EXHIBIT A TO FORM C)

February 6, 2017

100 N Hill Dr #23, Brisbane, CA 94005

(415) 805-2453

mondaymotorbikes.com

MONDAY
MOTORBIKES

Up to \$1 million principal amount of Shares of Non-Voting Common Stock

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.

THE COMPANY AND ITS BUSINESS

Monday Motorbikes designs, produces, and sells electric motorbikes for urban transportation.

Further information about the company and its business appears on the company's profile page on StartEngine.com and as Exhibit D to the Form C of which this Offering Memorandum forms a part.

Due diligence

Due diligence by CrowdCheck, Inc.



THE TEAM

Officers and directors

Our directors are Josh Rasmussen and Nathan Jauvtis and our Electronic Design Engineer is Zachary Levenberg.
Name: Josh Rasmussen

Dates of Board Service: 9/15/2016 to present

Principal Occupation: Co-Founder & Chief Executive Officer (full-time)

Employer: Jauvtis Engineering DBA "Monday Motorbikes"

Other jobs held in the last 3 years: January, 2012 - November 2015: Zipkick, Co-Founder & COO, Director of Sales / April 2012 - January 2015: RenewData Corporation (Acquired by LDiscovery Companies)

Name: Nathan Jauvtis

Dates of Board Service: 2/14/13 to present

Principal Occupation: Chief Technical Officer (full-time)

Employer: Jauvtis Engineering DBA "Monday Motorbikes"

Other jobs held in the last 3 years: Feb 2012-July 2014: Freelance Consultant

Name: Zachary Levenberg

Service: 6/2016 to present

Principal Occupation: Electronic Design Engineer (full-time)

Employer: Tesla

Other jobs held in the last 3 years:

June 2013-August 2016: Engineer

June 2015-October 2015: Robotics Engineer

Josh Rasmussen, CEO

Co-founder Josh Rasmussen moved to San Francisco in 2008 and has been riding motorcycles ever since. His passion for technology and hardware combines with experience in managing sales teams for legal technology firms and auto dealer leaders, Dodge and Chevrolet. Josh has strategically deployed teams to scale sales operations across major territories in the US. His expertise completes the foundation of Monday Motorbikes' core team, bringing together business development, production, and innovation.

Dr. Nathan Jauvtis, CTO

Founder Nathan Jauvtis has a PhD in Mechanical Engineering from Cornell University and has always had a passion for reducing our environmental impact, including founding non-profit A-Day-Without-Driving, a grassroots movement dedicated to educating the world about how we can decrease our carbon footprint. His passion for the environment has been one of the driving forces to create Monday Motorbikes. As part of the core team at Zero Motorcycles, his contributions led to the production scale of their flagship X-model.

Zachary Levenberg, Director

Zach is a robotics engineer from San Francisco. He has a strong mechanical aptitude and a passion for motorcycles and everything with at least one wheel. He was one of the first engineers at Lit Motors, developing a working prototype cargo scooter. His extensive moped experience stems from his world-record-breaking ride from San Francisco to Tierra del Fuego (the southernmost tip of South America) on his 1978 Puch Maxi moped at age 18. After receiving his AS in Engineering and four months working at Crave Innovations, Zach has returned to his love of bikes as a Board Member of Monday Motorbikes.

Sarah Rizk, Advisor

Sarah Rizk has an MBA and an MS from Stanford University and has spent her career in climate change, clean energy, and entrepreneurship. Sarah has founded early stage startups, consulted on business strategy and organizational growth, and published papers on climate change and innovation. Previously, Sarah worked at the US Environmental Protection Agency focusing on climate change and energy.

Related party transactions

There were no transactions in which the issuer was or is to be party and the amount involved exceeded 5% of the aggregate amount of capital sought by the company under Regulation CF.

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;

- **We have a limited operating history.** We have a limited operating history, with few products delivered to date. If you are investing in this company, it's because you think this is a good idea, that Monday Motorbikes can execute it better than the competition, that the company can price it right and sell it to enough people that the company will succeed. We are an operational company, but in terms of long term success, it's impossible to know what will happen.
- **The company is going to need more money.** The company might not sell enough Non-Voting Common Stock in this offering to meet its operating needs and fulfill its plans, in which case it will cease operating and you will get nothing. Even if we sell all the common stock we are offering now, the company will need to raise more funds in the future, and if it can't get them, we will fail. Even if we do make a successful offering in the future, the terms of that offering might result in your investment in the company being worth less, because later investors might get better terms.
- **Our business projections are only estimates.** There can be no assurance that the company will meet those projections. The company will only succeed (and you will only make money) if there is sufficient demand for this product, people think it's a better option than the competition and Monday Motorbikes has priced the services at a level that allows the company to make a profit and still attract business.
- **Any valuation at this stage is pure speculation.** No-one is saying the company is worth a specific amount. They can't. It's a question of whether you, the investor, want to pay this price for this security. Don't think you can make that call? Then don't invest.
- **Terms of subsequent rounds of capital-raising could impact your investment.** The company will need to raise further capital to succeed, and the terms of subsequent rounds could impact your investment. Future rounds will also affect ownership structure and could dilute your percentage share of the company.
- **You are also taking a risk on the vehicle industry overall.** By investing in the company, you are also investing in the vehicle industry overall. Volatility in that market (which could be affected by many different factors, including general economic conditions, energy prices and trade policy) will likely affect the company, and you are taking on that risk. With a global supply chain, events across the world can affect supply chain reliability.
- **You are trusting in management discretion.** You are buying non-voting common shares, and therefore must trust the management of the company to make good business decisions that

grow your investment.

- **You can't easily resell the securities.** There are restrictions on how you can resell your securities for the next year. More importantly, there is no market for these securities, and there might never be one. It's unlikely that the company will ever go public or get acquired by a bigger company. That means the money you paid for these securities could be tied up for a long time.
- **The Non-Voting Common Stock is subject to a buyback provision.** The subscription agreement that you will sign in order to buy the shares includes a buyback provision that will let the company buy the shares back from you, and which will also apply to anyone that buys the shares from you. The company can buy back the shares from you at a price of 120% of the price you paid for them, or if the company is making an offering of preferred stock at the time it exercise the buyback, at the price of those preferred shares.
- **This isn't like other bikes.** And as a result, our product may be subject to emergent regulations. For example, our product doesn't fit the definition of "low-speed electric bicycles", which are covered by the Consumer Product Safety Act because our motorbikes are too fast. Also, federal, state, and local lawmakers are still deciding how to classify, and therefore regulate, our product. This may result in registration and licensing requirements, restrictions, or bans of our product. In many states, our product would be classified in the same manner as a motorcycle or moped, have equipment and use requirements, or have confusing licensing and registration requirements. New and existing laws may impact our ability to sell our product.

OWNERSHIP AND CAPITAL STRUCTURE; RIGHTS OF THE SECURITIES

Ownership

Here's a table showing who owns the company's equity as of December 30, 2016:

Stockholder Name	Percentage
Nathan Jauvtis, CTO & Founder	69.56
Josh Rasmussen, CEO & Co-founder	11.5
Zachary Levenberg, Board Member	3
Employees	9.07
Advisors	1.94
Unallocated Employee Pool	4.93
Total Cap	100

The Company's securities

The company currently has two classes of shares: Common Stock and Non-Voting Common Stock.

Non-Voting Common Stock

We are offering Non-Voting Common Stock in this offering.

Dividend Rights

Subject to preferences that may be applicable to any then outstanding preferred stock, holders of our Non-Voting Common Stock are entitled to receive dividends, if any, as may be declared from time to time by the board of directors out of legally available funds. We have never declared or paid cash dividends on any of our capital stock and currently do not anticipate paying any cash dividends after this offering or in the foreseeable future.

Voting Rights

Holders of our Non-Voting Common Stock are not entitled to a vote.

Right to Receive Liquidation Distributions

In the event of our liquidation, dissolution, or winding up, holders of Non-Voting Common Stock will be entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all our debts and other liabilities and the satisfaction of any liquidation preference granted to the holders of any then outstanding shares of preferred stock.

Rights and Preferences

The rights, preferences and privileges of the holders of the company's common stock are subject to and may be adversely affected by, the rights of the holders of shares of any classes of preferred stock that we may designate in the future.

Voting Common Stock

Dividend Rights

Subject to preferences that may be applicable to any then outstanding preferred stock, holders of our Common Stock are entitled to receive dividends, if any, as may be declared from time to time by the board of directors out of legally available funds. We have never declared or paid cash dividends on any of our capital stock and currently do not anticipate paying any cash dividends after this offering or in the foreseeable future.

Voting Rights

Holders of our common stock are entitled to vote on all matters submitted to a vote of the stockholders, including the election of directors. Each share has one vote.

Right to Receive Liquidation Distributions

In the event of our liquidation, dissolution, or winding up, holders of common stock will be entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all our debts and other liabilities and the satisfaction of any liquidation preference granted to the holders of any then outstanding shares of preferred stock.

Rights and Preferences

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

Simple Agreement for Future Equity (SAFE)

We have issued SAFE securities with the following terms (duplicated from Section 1 of the SAFE itself):

(a) **Equity Financing.** If there is an Equity Financing before the expiration or termination of this instrument, the Company will automatically issue to the Investor a number of shares of Safe Preferred Stock equal to the Purchase Amount divided by the Conversion Price.

In connection with the issuance of Safe Preferred Stock by the Company to the Investor pursuant to this Section 1(a):

(i) The Investor will execute and deliver to the Company all transaction documents related to the Equity Financing; provided, that such documents are the same documents to be entered into with the purchasers of Standard Preferred Stock, with appropriate variations for the Safe Preferred Stock if applicable, and provided further, that such documents have customary exceptions to any drag-along applicable to the Investor, including, without limitation, limited representations and warranties and limited liability and indemnification obligations on the part of the Investor; and

(ii) The Investor and the Company will execute a Pro Rata Rights Agreement, unless the Investor is already included in such rights in the transaction documents related to the Equity Financing.

(b) **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 Common Stock equal to the Purchase Amount divided by the Liquidity Price, if the Investor fails to select the cash option.

In connection with Section (b)(i), the Purchase Amount will be due and payable by the Company to the Investor immediately prior to, or concurrent with, the consummation of the Liquidity Event. If there are not enough funds to pay the Investor and holders of other Safes (collectively, the "Cash-Out Investors") in full, then all of the Company's available funds will be distributed with equal priority and pro rata among the Cash-Out Investors in proportion to their Purchase Amounts, and the Cash-Out Investors will automatically receive the number of shares of Common Stock equal to the remaining unpaid Purchase Amount divided by the Liquidity Price. In connection with a Change of Control intended to qualify as a tax-free reorganization, the Company may reduce, pro rata, the Purchase Amounts payable to the Cash-Out Investors by the amount determined by its board of directors in good faith to be advisable for such Change of Control to qualify as a tax-free reorganization for U.S. federal income tax purposes, and in such case, the Cash-Out Investors will automatically receive the number of shares of Common Stock equal to the remaining unpaid Purchase Amount divided by the Liquidity Price.

(c) Dissolution Event. If there is a Dissolution Event before this instrument expires or terminates, the Company will pay an amount equal to the Purchase Amount, due and payable to the Investor immediately prior to, or concurrent with, the consummation of the Dissolution Event. The Purchase Amount will be paid prior and in preference to any Distribution of any of the assets of the Company to holders of outstanding Capital Stock by reason of their ownership thereof. If immediately prior to the consummation of the Dissolution Event, the assets of the Company legally available for distribution to the Investor and all holders of all other Safes (the "Dissolving Investors"), as determined in good faith by the Company's board of directors, are insufficient to permit the payment to the Dissolving Investors of their respective Purchase Amounts, then the entire assets of the Company legally available for distribution will be distributed with equal priority and pro rata among the Dissolving Investors in proportion to the Purchase Amounts they would otherwise be entitled to receive pursuant to this Section 1(c).

(d) Termination. This instrument will expire and terminate (without relieving the Company of any obligations arising from a prior breach of or non-compliance with this instrument) upon either (i) the issuance of stock to the Investor pursuant to Section 1(a) or Section 1(b)(ii); or (ii) the payment, or setting aside for payment, of amounts due the Investor pursuant to Section 1(b)(i) or Section 1(c).

What it means to be a minority holder

As an investor in Non-Voting Common Stock of the company, you will not 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).

The type of dilution that hurts early-stage investors most occurs when the company sells more shares in a "down round," meaning at a lower valuation than in earlier offerings. An example of how this might occur is as follows (numbers are for illustrative purposes only):

- In June 2014 Jane invests \$20,000 for shares that represent 2% of a company valued at \$1 million.
- In December the company is doing very well and sells \$5 million in shares to venture capitalists on a valuation (before the new investment) of \$10 million. Jane now owns only 1.3% of the company but her stake is worth \$200,000.

- In June 2015 the company has run into serious problems and in order to stay afloat it raises \$1 million at a valuation of only \$2 million (the “down round”). Jane now owns only 0.89% of the company and her stake is worth only \$26,660.

Further dilution may result from the issuance of additional equity pursuant to the terms of the SAFEs, discussed above.

If you are making an investment expecting to own a certain percentage of the company or expecting each share to hold a certain amount of value, it’s important to realize how the value of those shares can decrease by actions taken by the company. Dilution can make drastic changes to the value of each share, ownership percentage, voting control, and earnings per share.

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.

FINANCIAL STATEMENTS AND FINANCIAL CONDITION; MATERIAL INDEBTEDNESS

Financial statements

Our financial statements can be found in Exhibit B to the Form C of which this Offering Memorandum forms a part.

Financial condition

The following discussion includes information based on our unaudited operating data for 2016 and is subject to change once we complete our fiscal year, prepare our consolidated financial statements and our accountant completes a financial review of those statements.

Results of Operations

The company's net revenues for the year ended December 31, 2015 were \$3,451, an increase from zero revenues in 2014. Net revenues consist of all sales, less discounts and returns. The company's revenues for that period were derived from consulting work.

Because the company was not selling product, there were no costs of goods sold in either 2014 or 2015. Gross profit (revenues less the cost of producing those revenues) in 2015 was \$3,451, an increase from zero gross profit in 2014.

The company's operating expenses consist of rent, legal and professional services, insurance, vehicle expenses, and other general and administrative costs. Operating expenses in 2015 amounted to \$57,581, a 17% decrease from \$69,304 in 2014. The primary components of this decrease were due to:

- A 52% decrease in legal and professional costs to \$6,040;
- An 100% decrease in patent costs from \$13,274 to \$0 for the filing of two patents in 2014; and
- A 91% decrease in travel to \$640

As a result of the foregoing factors, the company's net loss from operations was \$54,130 in 2015, a 22% decrease from losses of \$69,304 in 2014.

Since the end of the period covered by the financial statements, our revenues have increased because we started to ship product in January 2016. Our cost of goods sold will also increase. We also continued to collect customer deposits on new product orders. In 2016, we expect our operating expenses to be larger than in 2015 because the company hired new employees and had increased expenses for payroll, facilities and office expenses, and other general and administrative expenses.

Liquidity and Capital Resources

To date, the company has not made any profits and is still a "development stage company." While some financial resources have come from sales and customer deposits, sales only provide a fraction of the money needed to operate the company, and profits are not likely for some time. The company has recorded losses from the time of inception in the total amount of \$130,898 as of December 31, 2015.

The company was initially capitalized by equity investments from its shareholders in the amount of \$202,653. In 2015, the company also collected \$240,987 in customer deposits. The company had cash on hand in the amount of \$211,048 and total assets of \$322,210 at December 31, 2015.

The company has not committed to make any capital expenditures, and in the event it does not raise sufficient funds from this offering, it will defer the capital expenditures it has planned. Since the company orders hardware as the need for it is incurred on a particular project, it does not need or keep any significant inventory.

Indebtedness

Monday Motorbikes has no debt.

Recent offerings of securities

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

- The company has raised money through a SAFE round which granted investors the right to acquire certain shares of the company's capital stock in the future. We raised \$365,000 at a \$15 million valuation cap and a 20% discount, \$30,000 at a \$16.5 million valuation cap and a 20% discount, and \$50,000 at a \$18.5 million valuation cap and a 20% discount. The offering of SAFEs was made in reliance on Section 4(a)(2) of the Securities Act. This offering was made between April 2016 and January 2017. We used the proceeds from these offerings for Sales and General Administration, Research and Development, and Working Capital.
- We have issued 970,000 shares of the company to employees on a 4 year vesting schedule under a restricted stock purchase agreement. This issuance took place between July 2016 and January 2017 in reliance on Section 4(a)(2) of the Securities Act and the proceeds were used in the company's initial operations.

Valuation

We are selling 5% of our company at a price of \$1,000,000, which would suggest a total valuation for the company of \$20m. We didn't get any independent valuation; we priced the shares on the basis of terms in our angel note SAFE round as well as other comparables in the market.

As discussed in "Dilution" above, the valuation will determine the amount by which the investor's stake is diluted immediately upon investment. An early-stage company typically sells its shares (or grants options over its shares) to its founders and early employees at a very low cash cost, because they are, in effect, putting their "sweat equity" into the company. When the company seeks cash investments from outside investors, like you, the new investors typically pay a much larger sum for their shares than the founders or earlier investors, which means that the cash value of your stake is immediately diluted because each share of the same type is worth the same amount, and you paid more for your shares (or the notes convertible into shares) than earlier investors did for theirs.

There are several ways to value a company, and none of them is perfect and all of them involve a certain amount of guesswork. The same method can produce a different valuation if used by a different person.

Liquidation Value — The amount for which the assets of the company can be sold, minus the liabilities owed, e.g., the assets of a bakery include the cake mixers, ingredients, baking tins, etc. The liabilities of a bakery include the cost of rent or mortgage on the bakery. However, this value does not reflect the potential value of a business, e.g. the value of the secret recipe. The value for most startups lies in their potential, as many early stage companies do not have many assets (they probably need to raise funds

through a securities offering in order to purchase some equipment).

Book Value — This is based on analysis of the company's financial statements, usually looking at the company's balance sheet as prepared by its accountants. However, the balance sheet only looks at costs (i.e. what was paid for the asset), and does not consider whether the asset has increased in value over time. In addition, some intangible assets, such as patents, trademarks or trade names, are very valuable but are not usually represented at their market value on the balance sheet.

Earnings Approach — This is based on what the investor will pay (the present value) for what the investor expects to obtain in the future (the future return), taking into account inflation, the lost opportunity to participate in other investments, the risk of not receiving the return. However, predictions of the future are uncertain and valuation of future returns is a best guess.

Different methods of valuation produce a different answer as to what your investment is worth. Typically liquidation value and book value will produce a lower valuation than the earnings approach. However, the earnings approach is also most likely to be risky as it is based on many assumptions about the future, while the liquidation value and book value are much more conservative.

Future investors (including people seeking to acquire the company) may value the company differently. They may use a different valuation method, or different assumptions about the company's business and its market. Different valuations may mean that the value assigned to your investment changes. It frequently happens that when a large institutional investor such as a venture capitalist makes an investment in a company, it values the company at a lower price than the initial investors did. If this happens, the value of the investment will go down.

USE OF PROCEEDS

If we raise the target amount, the net proceeds of this offering to the issuer, after the expenses of the offering (payment to StartEngine and legal, accounting and related expenses) will be approximately \$30,000. We plan to use these proceeds as follows:

- Approximately \$20,000 will go to selling, general, and administration
- Approximately \$10,000 will go to working capital, to buy inventory and materials for producing our motorbikes.

If we raise the Maximum Offering Amount of \$999,999, we plan to use these proceeds as follows:

- Approximately \$700,000 will go to selling, general, and administration
- Approximately \$200,000 will go to working capital, to buy inventory and materials for producing our motorbikes.

We may change the intended use of proceeds if our directors believe it is in the best interests of the company.

REGULATORY INFORMATION

Disqualification

Neither the company nor any of our officers or managing members is disqualified from relying on Regulation Crowdfunding.

Annual reports

We have not filed annual reports to date. Any annual reports will be posted on our website, at www.mondaymotorbikes.com/AnnualReport

Compliance failure

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

INVESTING PROCESS

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