

**Fill in this information to identify your case:**

United States Bankruptcy Court for the:

DISTRICT OF DELAWARE

Case number *(if known)* \_\_\_\_\_ Chapter 11

Check if this an amended filing

Official Form 201

**Voluntary Petition for Non-Individuals Filing for Bankruptcy**

4/19

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name Zumobi, Inc.

2. All other names debtor used in the last 8 years  
Include any assumed names, trade names and *doing business as* names

3. Debtor's federal Employer Identification Number (EIN) 38-3740014

4. Debtor's address	Principal place of business	Mailing address, if different from principal place of business
	<u>251 Littlefalls Drive</u> <u>Wilmington, DE 19808</u> Number, Street, City, State & ZIP Code	_____
	<u>New Castle</u> County	<u>Location of principal assets, if different from principal place of business</u> _____
		Number, Street, City, State & ZIP Code

5. Debtor's website (URL) www.zumobi.com

6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: \_\_\_\_\_

Debtor **Zumobi, Inc.**  
Name

Case number (if known)

7. Describe debtor's business

A. Check one:

- Health Care Business (as defined in 11 U.S.C. § 101(27A))
- Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- Railroad (as defined in 11 U.S.C. § 101(44))
- Stockbroker (as defined in 11 U.S.C. § 101(53A))
- Commodity Broker (as defined in 11 U.S.C. § 101(6))
- Clearing Bank (as defined in 11 U.S.C. § 781(3))
- None of the above

B. Check all that apply

- Tax-exempt entity (as described in 26 U.S.C. §501)
- Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. §80a-3)
- Investment advisor (as defined in 15 U.S.C. §80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor.  
See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.

8. Under which chapter of the Bankruptcy Code is the debtor filing?

Check one:

- Chapter 7
- Chapter 9

Chapter 11. Check all that apply:

- Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,725,625 (amount subject to adjustment on 4/01/22 and every 3 years after that).
- The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- A plan is being filed with this petition.
- Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
- The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?

- No.
- Yes.

If more than 2 cases, attach a separate list.

District	_____	When	_____	Case number	_____
District	_____	When	_____	Case number	_____

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

- No
- Yes.

List all cases. If more than 1, attach a separate list

Debtor	_____	Relationship	_____
District	_____	When	_____
		Case number, if known	_____

Debtor Zumobi, Inc.  
Name

Case number (if known) \_\_\_\_\_

11. Why is the case filed in this district?

Check all that apply:

- Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?

No

Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

Why does the property need immediate attention? (Check all that apply.)

It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard? \_\_\_\_\_

It needs to be physically secured or protected from the weather.

It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).

Other \_\_\_\_\_

Where is the property? \_\_\_\_\_

Number, Street, City, State & ZIP Code

Is the property insured?

No

Yes. Insurance agency \_\_\_\_\_

Contact name \_\_\_\_\_

Phone \_\_\_\_\_

Statistical and administrative information

13. Debtor's estimation of available funds

Check one:

- Funds will be available for distribution to unsecured creditors.
- After any administrative expenses are paid, no funds will be available to unsecured creditors.

14. Estimated number of creditors

- |  |  |  |
|--|--|--|
| <input checked="" type="checkbox"/> 1-49 | <input type="checkbox"/> 1,000-5,000   | <input type="checkbox"/> 25,001-50,000     |
| <input type="checkbox"/> 50-99           | <input type="checkbox"/> 5001-10,000   | <input type="checkbox"/> 50,001-100,000    |
| <input type="checkbox"/> 100-199         | <input type="checkbox"/> 10,001-25,000 | <input type="checkbox"/> More than 100,000 |
| <input type="checkbox"/> 200-999         |  |  |

15. Estimated Assets

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> \$0 - \$50,000                  | <input type="checkbox"/> \$1,000,001 - \$10 million    | <input type="checkbox"/> \$500,000,001 - \$1 billion     |
| <input checked="" type="checkbox"/> \$50,001 - \$100,000 | <input type="checkbox"/> \$10,000,001 - \$50 million   | <input type="checkbox"/> \$1,000,000,001 - \$10 billion  |
| <input type="checkbox"/> \$100,001 - \$500,000           | <input type="checkbox"/> \$50,000,001 - \$100 million  | <input type="checkbox"/> \$10,000,000,001 - \$50 billion |
| <input type="checkbox"/> \$500,001 - \$1 million         | <input type="checkbox"/> \$100,000,001 - \$500 million | <input type="checkbox"/> More than \$50 billion          |

16. Estimated liabilities

- |  |   |  |
|--|---|--|
| <input type="checkbox"/> \$0 - \$50,000          | <input type="checkbox"/> \$1,000,001 - \$10 million             | <input type="checkbox"/> \$500,000,001 - \$1 billion     |
| <input type="checkbox"/> \$50,001 - \$100,000    | <input checked="" type="checkbox"/> \$10,000,001 - \$50 million | <input type="checkbox"/> \$1,000,000,001 - \$10 billion  |
| <input type="checkbox"/> \$100,001 - \$500,000   | <input type="checkbox"/> \$50,000,001 - \$100 million           | <input type="checkbox"/> \$10,000,000,001 - \$50 billion |
| <input type="checkbox"/> \$500,001 - \$1 million | <input type="checkbox"/> \$100,000,001 - \$500 million          | <input type="checkbox"/> More than \$50 billion          |

Debtor Zumobi, Inc.  
Name

Case number (if known) \_\_\_\_\_

**Request for Relief, Declaration, and Signatures**

**WARNING** -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

**17. Declaration and signature of authorized representative of debtor**

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 10/25/2019  
MM / DD / YYYY

DocuSigned by:  
X Kenneth Willner  
Signature of authorized representative of debtor  
Title Chief Executive Officer

Ken Willner  
Printed name

**18. Signature of attorney**

X [Signature]  
Signature of attorney for debtor

Date 10/25/19  
MM / DD / YYYY

Eric J. Monzo 5214  
Printed name

Morris James LLP  
Firm name

500 Delaware Avenue, Suite 1500  
Wilmington, DE 19801  
Number, Street, City, State & ZIP Code

Contact phone (302) 888-6800 Email address emonzo@morrisjames.com

5214 DE  
Bar number and State

**ZUMOB, INC.**

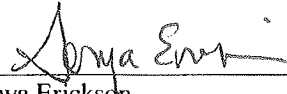
**SECRETARY'S CERTIFICATE**

October 22, 2019

I, Sonya Erickson, do hereby certify that I am the duly elected, qualified and acting Assistant Secretary of Zumobi, Inc. (the "*Company*"), and as such officer, do hereby further certify on behalf of the Company that:

Attached hereto as Exhibit A is a true and correct copy of the resolutions adopted by the Company's Board of Directors on October 22, 2019. Such resolutions have not been amended, modified, rescinded or revoked since the date thereof, are in full force and effect in the form adopted and no other resolutions have been adopted by the Company's Board of Directors or any committee thereof relating to the matters contemplated thereby.

IN WITNESS WHEREOF, I have signed this Secretary's Certificate as of the date first set forth above.



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Sonya Erickson  
Assistant Secretary

Exhibit A

**CONSENT RESOLUTIONS IN LIEU OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF ZUMOBI, INC.**

**OCTOBER 22, 2019**

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WHEREAS, Section 141(f) of the Delaware General Corporation Law, as amended (the “**DGCL**”), provides that unless otherwise restricted by the certificate of incorporation or bylaws, any action required or permitted to be taken at any meeting of the board of directors or any committee thereof may be taken without a meeting if all of the members of the board or committee, as the case may be, consent in writing, or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the board or committee.

WHEREAS, the undersigned, being all of the members of the Board of Directors (the “**Board**”) of Zumobi, Inc., a Delaware corporation (the “**Company**”), desire that the actions expressed in these resolutions be taken in lieu of a special meeting of the Board, and do hereby consent to adoption of the following resolutions, as if adopted at a properly called and duly held special meeting of the Board as of the date set forth above.

WHEREAS, after due consideration and the information available to it at this time and after consultation with the Company’s management and legal, financial, and other advisors, and in the exercise of its business judgment, the Board has determined that it is in the best interests of the Company to consent to and approve the filing of a petition for relief under chapter 11 of the Bankruptcy Code by the Company, and, to the extent necessary, to consent to and approve the filing of petitions for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”);

WHEREAS, after due consideration and the information available to it at this time and after consultation with the Company’s management and legal, financial, and other advisors, and in the exercise of its business judgment, the Board has determined it is in the best interests of the Company to enter into, and to seek approval and/or confirmation by the United States Bankruptcy Court presiding over the cases to be filed by the Company of, the DIP Facility (as defined below), the Plan (as defined below), and all documents related to or contemplated by any of the foregoing agreements or documents (collectively, the “**Restructuring Transaction Documents**”); and

WHEREAS, after due consideration and the information available to it at this time and after consultation with the Company’s management and legal, financial, and other advisors, and in the exercise of its business judgment, the Board has determined that it is in the best interests of the Company to consent to and approve of the Company’s entry into the Restructuring Transaction Documents, and, to the extent necessary, consent to and approve the Company’s entry into the Restructuring Transaction Documents;

NOW, THEREFORE, the undersigned, being all of the members of the Board, do hereby consent to the adoption of the following resolutions, as if adopted at a properly called and duly held special joint meeting of the Board as of the date first set forth above:

#### **CHAPTER 11 FILING**

NOW THEREFORE, BE IT RESOLVED that the Board has declared, and it hereby does declare, that it is in the best interests of the Company and its stakeholders that the Company seek relief under the Bankruptcy Code; and further

RESOLVED that the Company shall be, and hereby is, authorized to file a voluntary petition (the "***Petition***") for relief under chapter 11 of the Bankruptcy Code (the "***Chapter 11 Case***"), in the Bankruptcy Court for the District of Delaware (the "***Bankruptcy Court***") and perform any and all such acts as are reasonable, advisable, expedient, convenient, proper or necessary to effectuate the purpose and intent of the foregoing; and further

RESOLVED that the officers of the Company or any one of them (collectively, the "***Authorized Officers***" and each, individually, an "***Authorized Officer***") hereby are, and each of them acting alone hereby is, authorized and directed, in the name and on behalf of the Company, to: (a) execute, acknowledge, deliver, and verify the Petition and all other ancillary documents, and cause the Petition to be filed with the Bankruptcy Court and make or cause to be made prior to execution thereof any modifications to the Petition or ancillary documents as any such Authorized Officer, in such person's discretion, deems necessary, desirable or appropriate to carry out the intent and accomplish the purposes of these resolutions; (b) execute, acknowledge, deliver, verify and file or cause to be filed all petitions, schedules, statements, lists, motions, applications and other papers or documents necessary or desirable in connection with the foregoing and the administration of the Company's Chapter 11 Case; (c) execute, acknowledge, deliver and verify any and all other documents necessary, desirable or appropriate in connection therewith and to administer the Company's Chapter 11 Case in such form or forms as any such Authorized Officer may deem necessary or advisable and in order to effectuate the purpose and intent of the foregoing resolutions; and (d) engage any professionals, including the law firm of Morris James LLP, as well as any other attorneys, accountants, financial advisors, investment bankers, actuaries, consultants or brokers as any such Authorized Officer, in such person's discretion, deems necessary, desirable or appropriate to accomplish the purposes of these resolutions; that each Authorized Officer's authority to act under these resolutions shall be conclusively evidenced by their so acting; and that any and all such actions heretofore taken on behalf of the Company in such respects contemplated thereby are hereby ratified, approved and confirmed as the act and deed of the Company.

#### **DEBTOR IN POSSESSION FINANCING FACILITY**

RESOLVED, that the Company, subject to approval of the Bankruptcy Court, as debtor and debtor in possession under chapter 11 of the Bankruptcy Code, shall be, and it hereby is, authorized to: (a) enter into a postpetition secured financing transaction (the "***DIP Facility***"), execute, deliver and issue the Company's postpetition promissory note (the "***DIP***

*Note*") and any associated documents and consummate, and perform under, the transactions contemplated therein (collectively, the "**DIP Financing**") with such lender(s) and on such terms substantially consistent with those presented to the Board on or prior to the date hereof and as may be further approved, modified or amended by any one or more of the Authorized Officers, as may be reasonably necessary or desirable for the continuing conduct of the affairs of the Company; and (b) pay related fees and grant security interests in and liens upon some, all or substantially all of the Company's assets, in such case, as may be deemed necessary or desirable by any one or more of the Authorized Officers in connection with the DIP Financing; and further

RESOLVED, that: (a) the Authorized Officers shall be, and each of them, acting alone, hereby is, authorized and empowered in the name of, and on behalf of, the Company, as debtor and debtor in possession, to take such actions and execute, acknowledge, deliver and verify such agreements, certificates, instruments, guaranties, notices and any and all other documents as any of the Authorized Officers may deem necessary or appropriate to facilitate issuance of the DIP Note and the DIP Financing (collectively, the "**DIP Documents**"); (b) the DIP Documents containing such provisions, terms, conditions, covenants, warranties and representations as may be deemed necessary or desirable by any of the Authorized Officers are hereby approved; (c) the Authorized Officers shall be, and each of them, acting alone, hereby is, authorized and empowered in the name of, and on behalf of, the Company, as debtor and debtor in possession, to authorize counsel to draft, file and seek approval of the DIP Financing; and (d) the actions of any Authorized Officer taken pursuant to this resolution, including the execution, acknowledgment, delivery and verification of all agreements, certificates, instruments, guaranties, notices and other documents, shall be conclusive evidence of such Authorized Officer's approval thereof and the necessity or desirability thereof; and further

RESOLVED, that the Board has determined that the consideration to be received for the Notes to be issued to ESW Capital, LLC, as lender (the "**DIP Lender**") pursuant to the DIP Documents, is adequate, and that upon receipt by the Company of such consideration, the DIP Note will be validly issued; and further

RESOLVED, that the Company, as debtor and debtor in possession under chapter 11 of the Bankruptcy Code, shall be, and it hereby is, authorized to pay related fees as may be deemed necessary or desirable by any one or more of the Authorized Officers in connection with DIP Documents; and further

RESOLVED, that the Authorized Officers are, and each Authorized Officer is, hereby authorized, empowered and directed for and on behalf of the Company to prepare or cause to have prepared, executed, delivered and filed such forms, documents, instruments, consents to service of process and notices, and to pay such fees, as may be required to comply with: (a) the Securities Act of 1933, as amended, and the regulations promulgated thereunder; (b) the Securities and Exchange Act of 1934, as amended, and the regulations promulgated thereunder; and (c) such state securities laws, rules and regulations, with respect to the sale and issuance of the DIP Note contemplated by the DIP Financing.



**CHAPTER 11 PLAN**

RESOLVED, that the Company, as debtor and debtor in possession under chapter 11 of the Bankruptcy Code, shall be, and it hereby is, authorized to: (a) execute and file the Plan and any associated documents, and consummate, and perform under, the transactions contemplated therein on such terms substantially consistent with those presented to the Board on or prior to the date hereof and as may be further approved, modified or amended by any one or more of the Authorized Officers, as may be reasonably necessary or desirable for the continuing conduct of the affairs of the Company; and (b) pay related fees as may be deemed necessary or desirable by any one or more of the Authorized Officers in connection with the Restructuring Transaction Documents; and further

RESOLVED, that: (a) the Authorized Officers shall be, and each of them, acting alone, hereby is, authorized and empowered in the name of, and on behalf of, the Company, as debtor and debtor in possession, to take such actions and execute, acknowledge, deliver and verify the Plan and such agreements, certificates, notices and any and all other documents as any of the Authorized Officers may deem necessary or appropriate in connection with the Plan and any other Restructuring Transaction Documents; (b) Restructuring Transaction Documents containing such provisions, terms, conditions, covenants, warranties and representations as may be deemed necessary or desirable by any of the Authorized Officers are hereby approved; (c) the Authorized Officers shall be, and each of them, acting alone, hereby is, authorized and empowered in the name of, and on behalf of, the Company, as debtor and debtor in possession, to authorize counsel to draft, file and seek approval of the Restructuring Transaction Documents, including confirmation of the Plan; and (d) the actions of any Authorized Officer taken pursuant to this resolution, including the execution, acknowledgment, delivery and verification of all agreements, certificates, instruments, guaranties, notices and other documents, shall be conclusive evidence of such Authorized Officer's approval thereof and the necessity or desirability thereof.

**GENERAL**

RESOLVED, that all acts lawfully done or actions lawfully taken by any officer of the Company or any professionals engaged by the Company in connection with the Chapter 11 Case or any proceedings related thereto, or any matter related thereto, be, and hereby are, adopted, ratified, confirmed and approved in all respects as the acts and deeds of the Company; and further

RESOLVED, that any and all actions and transactions by the Board or any Authorized Officer for and on behalf and in the name of the Company with respect to any transactions contemplated by the foregoing resolutions before the adoption of the foregoing resolutions be, and they hereby are, ratified, authorized, approved, adopted and consented to in all respects for all purposes; and further

RESOLVED, that the omission from these Resolutions of any agreement, document or other arrangement contemplated by any of the agreements, documents or instruments described

in these Resolutions or any action to be taken in accordance with any requirement of any of the agreements, documents or instruments described in these Resolutions shall in no manner derogate from the authority of the Authorized Officers to take all actions necessary, desirable, advisable or appropriate to consummate, effectuate, carry out or further the transactions contemplated by, and the intent and purposes of, these Resolutions; and further

RESOLVED, that the Board and any Authorized Officer of the Company hereby are authorized and directed to certify and/or attest these resolutions, certificate of incumbency and such other documents or instruments that the corporate secretary of the Company may deem necessary or appropriate in connection with the foregoing matters; *provided, however*, that such certification and/or attestation shall not be required for any document, instrument or agreement to be valid and binding on the Company; and further

RESOLVED, that any Authorized Officer of the Company shall be, and each of them, hereby is, authorized, directed and empowered, in the name and on behalf of the Company, as debtor and debtor in possession, to negotiate, execute, deliver, and perform, or cause to be negotiated, executed, delivered, and performed, on behalf of, and take such actions and execute, acknowledge, deliver and verify such agreements, certificates, instruments, guaranties, notices and any and all other documents as any proper officer of the Company may deem necessary or appropriate to facilitate the transactions contemplated by the foregoing resolutions, as may be deemed necessary, desirable or appropriate.

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

ZUMOBI, INC.,<sup>1</sup>

Debtor.

Chapter 11

Case No. 19-\_\_\_\_ ( )

**CORPORATE OWNERSHIP STATEMENT  
[FRBP 1007(a)(1) and 7007.1]**

Pursuant to Rules 1007(a)(1) and 7007.1 of the Federal Rules of Bankruptcy Procedure, the following are corporations, other than a governmental unit, that directly or indirectly own 10% or more of any class of the Debtor's equity interest, or states that there are no entities to report under FRBP 7007.1:

Shareholder Name and Address	Class and Number of Shares	Approximate Percentage Held
Oak Investment Partners XII, L.P.	Series A: 69,890,507	66.6759

<sup>1</sup> The last four digits of the Debtor's federal tax identification number are 0014. The Debtor's registered agent's address is Corporation Service Company, 251 Little Falls Drive, Wilmington, Delaware 19808.

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

ZUMOBI, INC.,<sup>1</sup>

Debtor.

Chapter 11

Case No. 19-\_\_\_\_ ( )

**LIST OF EQUITY INTEREST HOLDERS**

Pursuant to Rule 1007(a)(1), 1007(a)(3), and 7007.1 of the Federal Rules of Bankruptcy Procedure, the above-captioned debtor and debtor in possession (the “Debtor”) hereby states that the following chart lists (i) all corporation, other than governmental units, that directly or indirectly own 10% or more of any class of interests in the Debtor and (ii) all equity security holders of the Debtor:

Holder Name	Common Stock	SERIES A Outstanding	Total Classes/ Series Outstanding Shares	% of Total Classes/ Series Outstanding Shares	Options/ SPRs Issued and/or Committed for Issuance	Warrant SERIES A Outstanding	Total Outstanding Shares	% of Total Outstanding Shares
Bederson, Benjamin B.	1,173,540		1,173,540	1.2862			1,173,540	1.1196
Bederson, Joshua		205,171	205,171	0.2249			205,171	0.1957
Clamage, Aaron	5,533		5,533	0.0061			5,533	0.0053
Clark, Daniel	26,000		26,000	0.0285			26,000	0.0248
Cooley, Jim	1,677,987		1,677,987	1.8391			1,677,987	1.6008
Erickson, Sonya F		10,259	10,259	0.0112			10,259	0.0098
Gopiseti, Vinaya					62,500		62,500	0.0596
Grosjean, Jesse	1,562		1,562	0.0017			1,562	0.0015

<sup>1</sup> The last four digits of the Debtor’s federal tax identification number are 0014. The Debtor’s registered agent’s address is Corporation Service Company, 251 Little Falls Drive, Wilmington, Delaware 19808.

Holder Name	Common Stock	SERIES A Outstanding	Total Classes/ Series Outstanding Shares	% of Total Classes/ Series Outstanding Shares	Options/ SPRs Issued and/or Committed for Issuance	Warrant SERIES A Outstanding	Total Outstanding Shares	% of Total Outstanding Shares
Hadl, John	41,500		41,500	0.0455			41,500	0.0396
Haller, John		51,293	51,293	0.0562			51,293	0.0489
Hanlon, Tim					50,000		50,000	0.0477
Hertz, Ariella	1,124,072		1,124,072	1.2320			1,124,072	1.0724
Hoerenz, Christoph	41,500		41,500	0.0455			41,500	0.0396
Hunt Ventures Fund I, L.P.		9,234,596	9,234,596	10.1214		27,697	9,262,293	8.8363
Huseby, Thomas					617,060		617,060	0.5887
IP&L Investment Holdings, Inc.		2,667,214	2,667,214	2.9234			2,667,214	2.5445
Johnston, Kent	15,000		15,000	0.0164			15,000	0.0143
Lawson, Henry					100,000		100,000	0.0954
Lowly LLC	1,422		1,422	0.0016			1,422	0.0014
McCormick, John					39,583		39,583	0.0378
Michael, Andy	2,500		2,500	0.0027			2,500	0.0024
Oak Investment Partners XII, Limited Partnership		69,610,450	69,610,450	76.2952		280,057	69,890,507	66.6759
Pacific Western Bank						164,136	164,136	0.1566
Pence, Evan	5,000		5,000	0.0055			5,000	0.0048
Rickard, Lara	37,500		37,500	0.0411			37,500	0.0358
SanGiovanni, John	2,334,590		2,334,590	2.5588	767,060		3,101,650	2.9590
Scharwat, Justin					3,000		3,000	0.0029
Schaut, Paul L	615,448		615,448	0.6746	417,060		1,032,508	0.9850
SeaPoint Ventures LLC	2,052,000		2,052,000	2.2491			2,052,000	1.9576

Holder Name	Common Stock	SERIES A Outstanding	Total Classes/ Series Outstanding Shares	% of Total Classes/ Series Outstanding Shares	Options/ SPRs Issued and/or Committed for Issuance	Warrant SERIES A Outstanding	Total Outstanding Shares	% of Total Outstanding Shares
Sera, Josh	5,833		5,833	0.0064			5,833	0.0056
Silicon Valley Bank						164,136	164,136	0.1566
Stockton, Carol	2,050		2,050	0.0022			2,050	0.0020
Stuart, Greg	103,633		103,633	0.1136			103,633	0.0989
Tews, Adam	8,728		8,728	0.0096			8,728	0.0083
Tucker, Neal	30,000		30,000	0.0329			30,000	0.0286
VLG Investments 2006 LLC		153,878	153,878	0.1687			153,878	0.1468
Willner, Kenneth					250,000		250,000	0.2385

**Fill in this information to identify the case:**

Debtor name Zumobi, Inc.  
 United States Bankruptcy Court for the: DISTRICT OF DELAWARE  
 Case number (if known): \_\_\_\_\_

Check if this is an  
 amended filing

**Official Form 204****Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders**

12/15

A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an insider, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Oak Investment Partners XII, L.P. Attn: Tom Huseby 525 University Avenue Suite 1300 Palo Alto, CA 94301	Tom@seapointventures.com					\$10,671,265.75
AutoGraph, Inc. 999 N. Northlake Way, Suite 300 Seattle, WA 98103	henry@auto-graph.com					\$978,522.24
Yahoo! Inc. (fka BRIGHTROLL, INC) PO Box 89-4147 Los Angeles, CA 90189	Thomas@bbslaw.com					\$451,266.27
Hunt Ventures Fund, I, L.P. Attn: Steve Coffey 6836 Bee Caves Road, Suite 275 Austin, TX 78746	steve@coveraventures.com					\$228,071.23
The Trade Desk, Inc. PO Box 894903 Los Angeles, CA 90189	v-cherada.weaver@thetradedesk.com					\$201,125.67
Cooley Godward Kronish LLP 101 Californai St., 5th Floor San Francisco, CA 94111	serickson@cooley.com					\$104,779.65
SeaPoint Ventures PO Box 1334 Issaquah, WA 98027	Tom@seapointventures.com					\$75,000.00

Debtor Zumobi, Inc.  
Name

Case number (if known)

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services,	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Norton Rose Fulbright US LLP Dept 2613 PO Box 122613 Dallas, TX 75312	nate.rees@nortonrosefulbright.com					\$50,326.10
Thomson Reuters (Markets) LLC PO Box 415983 Boston, MA 02241	Katrina.Kordowski@thomsonreuters.com					\$44,348.28
INMOBI PTE LTD 30 Cecil Street #19-08 Prudential Towers 049712 Singapore	roopesh.suresh@inmobi.com					\$41,545.00
Ill-Interacgive LLC (dba Division-D) 602 Fay St., Suite 101 Columbia, MO 65201	lori@divisiond.com					\$38,371.83
Infinite Mass Inc (dba Add3) 500 East Pike St., Suite 200A Seattle, WA 98122	jason@add3.com					\$33,236.00
The Associate Press PO Box 414212 Boston, MA 02241	LConard@ap.org					\$29,140.59
Ad Lightning, Inc. 1525 4th Ave, Suite 300 Seattle, WA 98101						\$24,722.50
DSNR Media Group LTD 8 Hapnina St., Building B Floor #5 Ra'anana, Israel 43215						\$23,334.00
TapHype 407 Pipes Lane Encinitas, CA 92024	Grant@taphype.com					\$22,396.89
Integral Ad Science, Inc. PO Box 200197 Pittsburgh, PA 15251	jasip@integralads.com					\$17,037.12
Airfind Corp 1460 4th St., Suite 308 Santa Monica, CA 90401	Aly@airfind.com					\$16,114.91



Debtor Zumobi, Inc.  
Name

Case number (if known) \_\_\_\_\_

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services,	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Gordon Tilden Thomas & Cordell LLP One Union Square 600 University St., Suite 2915 Seattle, WA 98101	mwlner@gordontilden.com					\$15,346.83
Interactive Advertising Bureau (IAB) 116 East 27th St., 7th Floor New York, NY 10016	Deb@iab.com					\$12,810.00

**Fill in this information to identify the case:**

Debtor name Zumobi, Inc.

United States Bankruptcy Court for the: DISTRICT OF DELAWARE

Case number (if known) \_\_\_\_\_

Check if this is an amended filing

Official Form 202

**Declaration Under Penalty of Perjury for Non-Individual Debtors**

12/15

An individual who is authorized to act on behalf of a non-individual debtor, such as a corporation or partnership, must sign and submit this form for the schedules of assets and liabilities, any other document that requires a declaration that is not included in the document, and any amendments of those documents. This form must state the individual's position or relationship to the debtor, the identity of the document, and the date. Bankruptcy Rules 1008 and 9011.

**WARNING -- Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.**

**Declaration and signature**

I am the president, another officer, or an authorized agent of the corporation; a member or an authorized agent of the partnership; or another individual serving as a representative of the debtor in this case.

I have examined the information in the documents checked below and I have a reasonable belief that the information is true and correct:

- Schedule A/B: Assets—Real and Personal Property (Official Form 206A/B)
- Schedule D: Creditors Who Have Claims Secured by Property (Official Form 206D)
- Schedule E/F: Creditors Who Have Unsecured Claims (Official Form 206E/F)
- Schedule G: Executory Contracts and Unexpired Leases (Official Form 206G)
- Schedule H: Codebtors (Official Form 206H)
- Summary of Assets and Liabilities for Non-Individuals (Official Form 206Sum)
- Amended Schedule \_\_\_\_\_
- Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders (Official Form 204)
- Other document that requires a declaration \_\_\_\_\_

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 10/25/2019

x Kenneth Willner  
Signature of individual signing on behalf of debtor

**Ken Willner**  
Printed name

**Chief Executive Officer**  
Position or relationship to debtor

**Zumobi, Inc.**  
**Balance Sheet**  
As of October 25, 2019

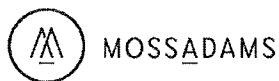
	Total
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts</b>	
1000 Cash & Short Term Equivalents	5,256.13
<b>Total Bank Accounts</b>	\$ 5,256.13
<b>Accounts Receivable</b>	
1200 Accounts Receivable	819.23
<b>Total Accounts Receivable</b>	\$ 819.23
<b>Other Current Assets</b>	
12000 Undeposited Funds	0.00
1210 Unbilled Revenue	0.00
1220 Allowance for Doubtful Accounts	0.00
1225 Early Exercise Receivable	0.00
1250 Contractor Rcvble-Comm. Draw	0.00
1300 Prepaid Expenses	54,999.35
<b>Total Other Current Assets</b>	\$ 54,999.35
<b>Total Current Assets</b>	\$ 61,074.71
<b>Fixed Assets</b>	
1500 Computer Equipment	0.00
1510 Software	0.00
1520 Office Furniture	0.00
1550 Leasehold Improvements	0.00
<b>Total Fixed Assets</b>	\$ 0.00
<b>Other Assets</b>	
1800 Patent/ Intellectual Property	0.00
<b>Total Other Assets</b>	\$ 0.00
<b>TOTAL ASSETS</b>	\$ 61,074.71
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2000 Accounts Payable	2,246,305.70
<b>Total Accounts Payable</b>	\$ 2,246,305.70
<b>Credit Cards</b>	
2100 SVB Productivity MC Payable	0.00
<b>Total Credit Cards</b>	\$ 0.00
<b>Other Current Liabilities</b>	
2101 Square1 A/R LOC - Short Term	0.00
2102 Nations Interbanc A/R LOC - Short Term	0.00
2105 Square1 Term Loan - Short Term Portion	0.00
2110 Bridge Note - Oak	8,750,000.00

2120 Bridge Note - Hunt	200,000.00
2160 Bridge Notes Interest Payable	1,979,336.93
2200 Accrued Expenses	107.97
2300 Early Exercise Liability	0.00
2400 Unearned / Deferred Revenue	0.00
2450 Accrued Distribution & RevShare	0.00
2500 Current Portion-Deferred Rent	0.00
<b>Total Other Current Liabilities</b>	<b>\$ 10,929,444.90</b>
<b>Total Current Liabilities</b>	<b>\$ 13,175,750.60</b>
<b>Long-Term Liabilities</b>	
2600 Term Loans - Long Term Portion	0.00
2700 LT portion of Deferred Rent	0.00
2800 Warrant Liability - Long Term	115,297.00
<b>Total Long-Term Liabilities</b>	<b>\$ 115,297.00</b>
<b>Total Liabilities</b>	<b>\$ 13,291,047.60</b>
<b>Equity</b>	
3000 Preferred Stock - Series A	39,714,667.89
3100 Common Stock	929.73
3200 APIC	663,271.52
3300 Accumulated Deficit	-52,280,250.94
Net Income	-1,328,591.09
<b>Total Equity</b>	<b>-\$ 13,229,972.89</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 61,074.71</b>

Friday, Oct 25, 2019 04:19:04 PM GMT-7 - Accrual Basis

Caution: Forms printed from within Adobe Acrobat products may not meet IRS or state taxing agency specifications. When using Acrobat 5.x products, uncheck the "Shrink oversized pages to page size" and uncheck the "Expand small pages to paper size" options, in the Adobe "Print" dialog. When using Acrobat 6.x and later products versions, select "None" in the "PageScaling" selection box in the Adobe "Print" dialog.

GOVERNMENT COPY



T (206) 302-6500  
F (206) 622-9975

999 Third Avenue  
Suite 2800  
Seattle, WA 98104

October 12, 2018

Zumobi, Inc.  
1525 4th Avenue, Suite 800  
Seattle, WA 98101  
Attention: Lara Rickard

Dear Lara:

We have prepared and enclosed your 2017 Corporation income tax returns for the year ended December 31, 2017.

This return has qualified for electronic filing. After you have reviewed the return for completeness and accuracy, please sign, date and return Form 8879-C to our office. We will transmit your return electronically to the IRS, and no further action is required. Return federal Form 8879-C to us by October 15, 2018.

No payment is required with this return when filed.

The California Form 100 return has qualified for electronic filing. After you have reviewed your return for completeness and accuracy, please sign, date and return Form 8453-C to our office. We will then transmit your return electronically to the FTB. Do not mail the paper copy of the return to the FTB. Return Form 8453-C to us by October 15, 2018.

Your payment should be made as instructed below on or before October 15, 2018.

Enclose a check or money order for \$829, payable to Franchise Tax Board. Separately mail FTB 3586 with payment to:

Franchise Tax Board  
PO Box 942857  
Sacramento, CA 94257-0531

This return includes a penalty for underpayment of estimated tax of \$29.

The Maryland Form 500 return has qualified for electronic filing. After you have reviewed your return for completeness and accuracy, please sign, date and return Form EL101B to our office. We will then transmit your return electronically to the MDDOR. Do not mail the paper copy of the return to the MDDOR. Return Form EL101B to us as soon as possible.

No payment is required with this return when filed.

The New York Form CT-3 return has qualified for electronic filing. After you have reviewed your return for completeness and accuracy, please sign, date and return Form TR-579-CT to our office. We will then transmit your return electronically to the NYSDTF. Do not mail the paper copy of the return to the NYSDTF. Return Form TR-579-CT to us by October 15, 2018.

No payment is required with this return when filed.

Your overpayment in the amount of \$587 has been applied to your New York estimated tax.

The New York Estimated Income tax due dates and required payments are as follows:

Installment No. 2 by 06/15/18 . . . . . \$150

Installment No. 3 by 09/17/18 . . . . . \$563

Installment No. 4 by 12/17/18 . . . . . \$650

These payments must be filed and paid electronically via the New York State Corporation Tax website at:

<http://www.tax.ny.gov/online/default.htm>

The New York City Form NYC-2 return has qualified for electronic filing. After you have reviewed your return for completeness and accuracy, please sign, date and return NYC-579-COR to our office. We will then transmit your return electronically to the NYC DOF. Do not mail the paper copy of the return to the NYC DOF. Return NYC-579-COR to us by October 15, 2018.

Your overpayment in the amount of \$563 has been applied to your New York City estimated tax.

No payment is required with this return when filed.

The New York City Estimated Income tax due dates and required payments are as follows:

Installment No. 2 by 06/15/18 . . . . . \$0

Installment No. 3 by 09/17/18 . . . . . \$437

Installment No. 4 by 12/17/18 . . . . . \$500

Mail the New York City NYC-400 Estimated tax payments to:

NYC Department of Finance  
P.O. Box 3922  
New York, NY 10008-3922

The New York Form CT-3M return has qualified for electronic filing. After you have reviewed your return for completeness and accuracy, please sign, date and return Form TR-579-CT to our office. We will then transmit your return electronically to the NYS DTF. Do not mail the paper copy of the return to the NYS DTF. Return Form TR-579-CT to us by October 15, 2018.

No payment is required with this return when filed.

This return includes a penalty for underpayment of estimated tax of \$18.

We have used the figures provided by the company to calculate the 2015 R&D tax credit. However, we did not perform any work to verify that the activities performed qualify for the R&D tax credit or that the numbers are accurate. In the event that the credit is examined or utilized, further work will be necessary to properly support the credits claimed in the current year as well as all previous years. The work performed includes, but is not limited to, identification of expenses by each qualified activity or project, review of contracts related to each project, controlled group analysis, as well as review of project documentation to ensure that each activity qualifies for the credit.

We prepared the returns from information you provided to us without verification in accordance with the terms of the Master Services Agreement (MSA) and Addendum that we have in place with you. In addition, we have relied on you to alert us if you participated in a listed transaction or a transaction of interest as described on the following IRS websites:

- Listed transactions: <http://www.irs.gov/Businesses/Corporations/Listed-Transactions>
- Transactions of interest: <https://www.irs.gov/businesses/corporations/transactions-of-interest>

Please contact us if you have engaged in a transaction substantially similar to one of the transactions described on either of these websites, or as identified as a listed transaction on any state website.

Upon examination of the returns by taxing authorities, requests may be made for underlying data. We therefore recommend that you preserve all records which you may be called upon to produce in connection with such possible examinations.

We appreciate the opportunity to serve you. Please contact us if you have any questions concerning the tax returns or if we may be of further assistance.

Sincerely,

*Karina B. Stadelman*  
for Moss Adams LLP



**2017 TAX RETURN FILING INSTRUCTIONS**

U.S. CORPORATION INCOME TAX RETURN

**FOR THE YEAR ENDING**

December 31, 2017

---

**Prepared For:**

Lara Rickard  
Zumobi, Inc.  
1525 4th Avenue, Suite 800  
Seattle, WA 98101

---

**Prepared By:**

Moss Adams LLP  
999 Third Avenue, Suite 2800  
Seattle, WA 98104

---

**To be Signed and Dated By:**

The appropriate corporate officer(s).

---

**Amount of Tax:**

Total tax	\$	0
Less: payments and credits	\$	0
Plus: interest and penalties	\$	0
No payment required	\$	

---

**Overpayment:**

Not applicable

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**Make Check Payable To:**

Not Applicable

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**Mail Tax Return and Check (if applicable) To:**

This return has qualified for electronic filing. After you have reviewed the return for accuracy, please sign, date and return Form 8879-C to our office. We will transmit your return electronically to the IRS, and no further action is required.

---

**Return Must be Mailed on or Before:**

Return federal Form 8879-C to us by October 15, 2018.

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**Special Instructions:**

Form **8879-C**

**IRS e-file Signature Authorization for Form 1120**

OMB No. 1545-0123

**2017**

Department of the Treasury  
Internal Revenue Service

For calendar year 2017, or tax year beginning \_\_\_\_\_, 2017, ending \_\_\_\_\_, 20\_\_\_\_

▶ **Do not send to the IRS. Keep for your records.**

▶ **Go to [www.irs.gov/Form8879C](http://www.irs.gov/Form8879C) for the latest information.**

Name of corporation **ZUMOBI, INC.** Employer identification number **38-3740014**

**Part I Tax Return Information** (Whole dollars only)

1	Total income (Form 1120, line 11)	1	3,273,619.
2	Taxable income (Form 1120, line 30)	2	-2,562,153.
3	Total tax (Form 1120, line 31)	3	
4	Amount owed (Form 1120, line 34)	4	
5	Overpayment (Form 1120, line 35)	5	

**Part II Declaration and Signature Authorization of Officer. Be sure to get a copy of the corporation's return.**

Under penalties of perjury, I declare that I am an officer of the above corporation and that I have examined a copy of the corporation's 2017 electronic income tax return and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the corporation's electronic income tax return. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the corporation's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the corporation's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the corporation's electronic income tax return and, if applicable, the corporation's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize MOSS ADAMS LLP to enter my PIN 40014 as my signature on the corporation's 2017 electronically filed income tax return. ERO firm name do not enter all zeros

As an officer of the corporation, I will enter my PIN as my signature on the corporation's 2017 electronically filed income tax return.

Officer's signature \_\_\_\_\_ Date \_\_\_\_\_ Title **VP, FINANCE**

**Part III Certification and Authentication**

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN. 91687263599 do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2017 electronically filed income tax return for the corporation indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 3112, IRS e-file Application and Participation, and Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature \_\_\_\_\_ Date **10/12/18**

**ERO Must Retain This Form - See Instructions  
Do Not Submit This Form to the IRS Unless Requested To Do So**

For Paperwork Reduction Act Notice, see instructions.

Form **8879-C** (2017)

LHA

Form **1120**

**U.S. Corporation Income Tax Return**

For calendar year 2017 or tax year

OMB No. 1545-0123

beginning \_\_\_\_\_, ending \_\_\_\_\_

**EXTENSION GRANTED TO 10/15/18**

**2017**

Department of the Treasury  
Internal Revenue Service

Go to [www.irs.gov/Form1120](http://www.irs.gov/Form1120) for instructions and the latest information.

<b>A Check if:</b> 1a Consolidated return (attach Form 851) <input type="checkbox"/> b Life/nonlife consolidated return <input type="checkbox"/> 2 Personal holding co. (attach Sch. PH) <input type="checkbox"/> 3 Personal service corp. (see instructions) <input type="checkbox"/> 4 Schedule M-3 attached <input type="checkbox"/>	<b>TYPE OR PRINT</b>	Name <b>ZUMOBI, INC.</b>	B Employer identification number <b>38-3740014</b>
		Number, street, and room or suite no. If a P.O. box, see instructions. <b>1525 4TH AVENUE, SUITE 800</b>	C Date incorporated <b>08/15/2006</b>
		City or town, state, or province, country, and ZIP or foreign postal code <b>SEATTLE, WA 98101</b>	D Total assets (see instructions) <b>\$ 4,495,929.</b>
		<b>E Check if:</b> (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change	

<b>Income</b>	1a Gross receipts or sales	1a	10,042,048.
	b Returns and allowances	1b	
	c Balance. Subtract line 1b from line 1a	1c	10,042,048.
	2 Cost of goods sold (attach Form 1125-A)	2	6,881,875.
	3 Gross profit. Subtract line 2 from line 1c	3	3,160,173.
	4 Dividends (Schedule C, line 19)	4	
	5 Interest	5	
	6 Gross rents	6	
	7 Gross royalties	7	
	8 Capital gain net income (attach Schedule D (Form 1120))	8	
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9	
10 Other income (attach statement) <b>SEE STATEMENT 1</b>	10	113,446.	
11 <b>Total income.</b> Add lines 3 through 10	11	3,273,619.	
<b>Deductions (See instructions for limitations on deductions.)</b>	12 Compensation of officers (attach Form 1125-E)	12	389,021.
	13 Salaries and wages (less employment credits)	13	2,603,795.
	14 Repairs and maintenance	14	
	15 Bad debts	15	1,083,264.
	16 Rents	16	186,646.
	17 Taxes and licenses <b>SEE STATEMENT 2</b>	17	241,916.
	18 Interest	18	239,651.
	19 Charitable contributions	19	
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20	22,197.
	21 Depletion	21	
	22 Advertising	22	32,363.
	23 Pension, profit-sharing, etc., plans	23	
	24 Employee benefit programs	24	184,871.
	25 Domestic production activities deduction (attach Form 8903)	25	
	26 Other deductions (attach statement) <b>SEE STATEMENT 3</b>	26	852,048.
	27 <b>Total deductions.</b> Add lines 12 through 26	27	5,835,772.
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28	-2,562,153.
29a Net operating loss deduction (see instructions)	29a		
	b Special deductions (Schedule C, line 20)	29b	
	c Add lines 29a and 29b	29c	
<b>Tax, Refundable Credits, and Payments</b>	30 <b>Taxable income.</b> Subtract line 29c from line 28. See instructions	30	-2,562,153.
	31 Total tax (Schedule J, Part I, line 11)	31	0.
	32 Total payments and refundable credits (Schedule J, Part II, line 21)	32	
	33 Estimated tax penalty. See instructions. Check if Form 2220 is attached <input type="checkbox"/>	33	
	34 <b>Amount owed.</b> If line 32 is smaller than the total of lines 31 and 33, enter amount owed	34	0.
	35 <b>Overpayment.</b> If line 32 is larger than the total of lines 31 and 33, enter amount overpaid	35	
	36 Enter amount from line 35 you want: <b>Credited to 2018 estimated tax</b> <input checked="" type="checkbox"/> <b>Refunded</b> <input type="checkbox"/>	36	

**Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer: \_\_\_\_\_ Date: \_\_\_\_\_ Title: **VP, FINANCE**

May the IRS discuss this return with the preparer shown below?  Yes  No

Print/Type preparer's name <b>KARINA B. STADELMAN</b>	Preparer's signature <b>KARINA B. STADELMA</b>	Date <b>10/12/18</b>	Check if self-employed <input type="checkbox"/>	PTIN <b>P00363599</b>
Firm's name <b>MOSS ADAMS LLP</b>	Firm's EIN <b>91-0189318</b>		Phone no. <b>206-302-6500</b>	
Firm's address <b>999 THIRD AVENUE, SUITE 2800 SEATTLE, WA 98104</b>				

Form 1120 (2017) ZUMOBI, INC.

38-3740014 Page 2

<b>Schedule C Dividends and Special Deductions</b> (see instructions)	(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1 Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock) .....		70	
2 Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock) .....		80	
3 Dividends on debt-financed stock of domestic and foreign corporations .....		see instructions	
4 Dividends on certain preferred stock of less-than-20%-owned public utilities .....		42	
5 Dividends on certain preferred stock of 20%-or-more-owned public utilities .....		48	
6 Dividends from less-than-20%-owned foreign corporations and certain FSCs .....		70	
7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs .....		80	
8 Dividends from wholly owned foreign subsidiaries .....		100	
9 <b>Total.</b> Add lines 1 through 8 .....			
10 Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958 .....		100	
11 Dividends from affiliated group members .....		100	
12 Dividends from certain FSCs .....		100	
13 Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, or 12 .....			
14 Income from controlled foreign corporations under subpart F (attach Form(s) 5471) .....			
15 Foreign dividend gross-up .....			
16 IC-DISC and former DISC dividends not included on line 1, 2, or 3 .....			
17 Other dividends .....			
18 Deduction for dividends paid on certain preferred stock of public utilities .....			
19 <b>Total dividends.</b> Add lines 1 through 17. Enter here and on page 1, line 4 .....			
20 <b>Total special deductions.</b> Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b .....			

Form 1120 (2017)

**Schedule J Tax Computation and Payment** (see instructions)

**Part I - Tax Computation**

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120))	<input type="checkbox"/>	
2	Income tax. Check if a qualified personal service corporation. See instructions	<input type="checkbox"/>	2 0.
3	Alternative minimum tax (attach Form 4626)		3
4	Add lines 2 and 3		4 0.
5a	Foreign tax credit (attach Form 1118)	5a	
5b	Credit from Form 8834 (see instructions)	5b	
5c	General business credit (attach Form 3800)	5c	
5d	Credit for prior year minimum tax (attach Form 8827)	5d	
5e	Bond credits from Form 8912	5e	
6	<b>Total credits.</b> Add lines 5a through 5e		6
7	Subtract line 6 from line 4		7 0.
8	Personal holding company tax (attach Schedule PH (Form 1120))		8
9a	Recapture of investment credit (attach Form 4255)	9a	
9b	Recapture of low-income housing credit (attach Form 8611)	9b	
9c	Interest due under the look-back method-completed long-term contracts (attach Form 8697)	9c	
9d	Interest due under the look-back method-income forecast method (attach Form 8866)	9d	
9e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e	
9f	Other (see instructions - attach statement)	9f	
10	<b>Total.</b> Add lines 9a through 9f		10
11	<b>Total tax.</b> Add lines 7, 8, and 10. Enter here and on page 1, line 31		11 0.

**Part II - Payments and Refundable Credits**

12	2016 overpayment credited to 2017		12
13	2017 estimated tax payments		13
14	2017 refund applied for on Form 4466		14 ( )
15	Combine lines 12, 13, and 14		15
16	Tax deposited with Form 7004		16
17	Withholding (see instructions)		17
18	<b>Total payments.</b> Add lines 15, 16, and 17		18
19	Refundable credits from:		
19a	Form 2439	19a	
19b	Form 4136	19b	
19c	Form 8827, line 8c	19c	
19d	Other (attach statement - see instructions)	19d	
20	<b>Total credits.</b> Add lines 19a through 19d		20
21	<b>Total payments and credits.</b> Add lines 18 and 20. Enter here and on page 1, line 32		21

**Schedule K Other Information** (see instructions)

1	Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) ▶	Yes	No
2	See the instructions and enter the:		
a	Business activity code no. ▶ 517000		
b	Business activity ▶ CELL PHONE SOFTWARE		
c	Product or service ▶ CELL PHONE SOFTWARE		
3	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter name and EIN of the parent corporation ▶		X
4	At the end of the tax year:		
a	Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G)	X	
b	Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G)		X

**Schedule K Other Information** (continued from page 3)

				Yes	No
<b>5</b> At the end of the tax year, did the corporation:					
<b>a</b> Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on Form 851, Affiliations Schedule? For rules of constructive ownership, see instructions .....					<b>X</b>
If "Yes," complete (i) through (iv) below.					
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock		
<b>b</b> Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions .....					<b>X</b>
If "Yes," complete (i) through (iv) below.					
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Organization	(iv) Maximum Percentage Owned in Profit, Loss, or Capital		
<b>6</b> During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? See sections 301 and 316 .....					<b>X</b>
If "Yes," file Form 5452, Corporate Report of Nondividend Distributions. See the instructions for Form 5452.					
If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.					
<b>7</b> At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of the total voting power of all classes of the corporation's stock entitled to vote or at least 25% of the total value of all classes of the corporation's stock? .....					<b>X</b>
For rules of attribution, see section 318. If "Yes," enter:					
<b>(a)</b> Percentage owned ▶ _____ and <b>(b)</b> Owner's country ▶ _____					
<b>(c)</b> The corporation may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached ▶ _____					
<b>8</b> Check this box if the corporation issued publicly offered debt instruments with original issue discount ..... <input type="checkbox"/>					
If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.					
<b>9</b> Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ _____					
<b>10</b> Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶ <u>27</u>					
<b>11</b> If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ..... <input type="checkbox"/>					
If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.					
<b>12</b> Enter the available NOL carryover from prior tax years (do not reduce it by any deduction reported on page 1, line 29a.) ... ▶ \$ _____					
<b>13</b> Are the corporation's total receipts (page 1, line 1a, plus lines 4 through 10) for the tax year and its total assets at the end of the tax year less than \$250,000? .....					<b>X</b>
If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year ▶ \$ _____					
<b>14</b> Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement? See instructions .....					<b>X</b>
If "Yes," complete and attach Schedule UTP.					
<b>15a</b> Did the corporation make any payments in 2017 that would require it to file Form(s) 1099? .....				<b>X</b>	
<b>b</b> If "Yes," did or will the corporation file required Forms 1099? .....				<b>X</b>	
<b>16</b> During this tax year, did the corporation have an 80% or more change in ownership, including a change due to redemption of its own stock? .....					<b>X</b>
<b>17</b> During or subsequent to this tax year, but before the filing of this return, did the corporation dispose of more than 65% (by value) of its assets in a taxable, non-taxable, or tax deferred transaction? .....					<b>X</b>
<b>18</b> Did the corporation receive assets in a section 351 transfer in which any of the transferred assets had a fair market basis or fair market value of more than \$1 million? .....					<b>X</b>
During the corporation's tax year, did the corporation make any payments that would require it to file Forms 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474) of the Code? .....					<b>X</b>

Form 1120 (2017) **ZUMOBI, INC.**

38-3740014 Page 5

Schedule L Balance Sheets per Books	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
<b>Assets</b>				
1 Cash		209,023.		392,684.
2a Trade notes and accounts receivable	3,026,122.		4,022,577.	
b Less allowance for bad debts	(231,156.)	2,794,966.	(19,351.)	4,003,226.
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (att. stmt.) <b>STMT 4</b>		126,013.		96,485.
7 Loans to shareholders				
8 Mortgage and real estate loans				
9 Other investments (att. stmt.)				
10a Buildings and other depreciable assets	271,094.		264,516.	
b Less accumulated depreciation	(254,037.)	17,057.	(260,982.)	3,534.
11a Depletable assets				
b Less accumulated depletion	( )	( )	( )	( )
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
b Less accumulated amortization	( )	( )	( )	( )
14 Other assets (att. stmt.)				
15 Total assets		3,147,059.		4,495,929.
<b>Liabilities and Shareholders' Equity</b>				
16 Accounts payable		328,301.		1,756,000.
17 Mortgages, notes, bonds payable in less than 1 year		3,600,000.		7,695,307.
18 Other current liabilities (att. stmt.) <b>STMT 5</b>		2,805,262.		3,361,672.
19 Loans from shareholders				
20 Mortgages, notes, bonds payable in 1 year or more		2,000,000.		372,549.
21 Other liabilities (att. stmt.) <b>STMT 6</b>		117,495.		100,314.
22 Capital stock: a Preferred stock	39,714,668.		39,714,668.	
b Common stock	930.	39,715,598.	930.	39,715,598.
23 Additional paid-in capital		591,506.		629,107.
24 Retained earnings - Appropriated (attach statement)				
25 Retained earnings - Unappropriated		-46,011,103.		-49,134,618.
26 Adjustments to shareholders' equity (attach statement)				
27 Less cost of treasury stock		( )		( )
28 Total liabilities and shareholders' equity		3,147,059.		4,495,929.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return**

Note: The corporation may be required to file Schedule M-3. See instructions.

1 Net income (loss) per books	-3,123,515.	7 Income recorded on books this year not included on this return (itemize):	
2 Federal income tax per books		Tax-exempt interest \$ _____	
3 Excess of capital losses over capital gains			
4 Income subject to tax not recorded on books this year (itemize):			
<b>SEE STATEMENT 7</b>	280,936.	8 Deductions on this return not charged against book income this year (itemize):	
5 Expenses recorded on books this year not deducted on this return (itemize):		a Depreciation \$ 15,252.	
a Depreciation \$ _____		b Charitable contributions \$ _____	
b Charitable contributions \$ _____		<b>STMT 9</b> 229,623.	
c Travel and entertainment \$ 22,028.			244,875.
<b>STMT 8</b> 503,273.	525,301.	9 Add lines 7 and 8	244,875.
6 Add lines 1 through 5	-2,317,278.	10 Income (page 1, line 28) - line 6 less line 9	-2,562,153.

**Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)**

1 Balance at beginning of year	-46,011,103.	5 Distributions: a Cash	
2 Net income (loss) per books	-3,123,515.	b Stock	
3 Other increases (itemize):		c Property	
		6 Other decreases (itemize):	
4 Add lines 1, 2, and 3	-49,134,618.	7 Add lines 5 and 6	
		8 Balance at end of year (line 4 less line 7)	-49,134,618.

711631 01-23-18 JWA

Form **4626**  
 Department of the Treasury  
 Internal Revenue Service

**Alternative Minimum Tax - Corporations**

OMB No. 1545-0123

▶ Attach to the corporation's tax return.  
 ▶ Go to [www.irs.gov/Form4626](http://www.irs.gov/Form4626) for instructions and the latest information.

**2017**

Name <b>ZUMOBI, INC.</b>		Employer identification number <b>38-3740014</b>
<p><b>Note:</b> See the instructions to find out if the corporation is a small corporation exempt from the alternative minimum tax (AMT) under section 55(e).</p>		
1	Taxable income or (loss) before net operating loss deduction	<b>-2,562,153.</b>
2	<b>Adjustments and preferences:</b>	
a	Depreciation of post-1986 property	<b>683.</b>
b	Amortization of certified pollution control facilities	
c	Amortization of mining exploration and development costs	
d	Amortization of circulation expenditures (personal holding companies only)	
e	Adjusted gain or loss	
f	Long-term contracts	
g	Merchant marine capital construction funds	
h	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	
i	Tax shelter farm activities (personal service corporations only)	
j	Passive activities (closely held corporations and personal service corporations only)	
k	Loss limitations	
l	Depletion	
m	Tax-exempt interest income from specified private activity bonds	
n	Intangible drilling costs	
o	Other adjustments and preferences	
3	Pre-adjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2o	<b>-2,561,470.</b>
4	<b>Adjusted current earnings (ACE) adjustment:</b>	
a	ACE from line 10 of the ACE worksheet in the instructions	<b>-2,561,470.</b>
b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount. See instructions	<b>0.</b>
c	Multiply line 4b by 75% (0.75). Enter the result as a positive amount	
d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments. See instructions. <b>Note:</b> You must enter an amount on line 4d (even if line 4b is positive)	
e	ACE adjustment. <ul style="list-style-type: none"> <li>If line 4b is zero or more, enter the amount from line 4c</li> <li>If line 4b is less than zero, enter the smaller of line 4c or line 4d as a negative amount</li> </ul>	<b>0.</b>
5	Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe any AMT	<b>-2,561,470.</b>
6	Alternative tax net operating loss deduction. See instructions	
7	<b>Alternative minimum taxable income.</b> Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see instructions	
8	<b>Exemption phase-out</b> (if line 7 is \$310,000 or more, skip lines 8a and 8b and enter -0- on line 8c):	
a	Subtract \$150,000 from line 7. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0-	
b	Multiply line 8a by 25% (0.25)	
c	Exemption. Subtract line 8b from \$40,000. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0-	
9	Subtract line 8c from line 7. If zero or less, enter -0-	
10	Multiply line 9 by 20% (0.20)	
11	Alternative minimum tax foreign tax credit (AMTFTC). See instructions	
12	Tentative minimum tax. Subtract line 11 from line 10	
13	Regular tax liability before applying all credits except the foreign tax credit	
14	<b>Alternative minimum tax.</b> Subtract line 13 from line 12. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return	

JWA For Paperwork Reduction Act Notice, see separate instructions.

Form 4626 (2017)

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01-12-18



ZUMOB I, INC.

38-3740014

**Adjusted Current Earnings (ACE) Worksheet**

▶ See ACE Worksheet Instructions.

1	Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626		1	-2,561,470.
2	ACE depreciation adjustment:			
a	AMT depreciation	2a		21,514.
b	ACE depreciation:			
(1)	Post-1993 property	2b(1)		21,514.
(2)	Post-1989, pre-1994 property	2b(2)		
(3)	Pre-1990 MACRS property	2b(3)		
(4)	Pre-1990 original ACRS property	2b(4)		
(5)	Property described in sections 168(f)(1) through (4)	2b(5)		
(6)	Other property	2b(6)		
(7)	Total ACE depreciation. Add lines 2b(1) through 2b(6)	2b(7)		21,514.
c	ACE depreciation adjustment. Subtract line 2b(7) from line 2a		2c	
3	Inclusion in ACE of items included in earnings and profits (E&P):			
a	Tax-exempt interest income	3a		
b	Death benefits from life insurance contracts	3b		
c	All other distributions from life insurance contracts (including surrenders)	3c		
d	Inside buildup of undistributed income in life insurance contracts	3d		
e	Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)	3e		
f	Total increase to ACE from inclusion in ACE of items included in E&P. Add lines 3a through 3e		3f	
4	Disallowance of items not deductible from E&P:			
a	Certain dividends received	4a		
b	Dividends paid on certain preferred stock of public utilities that are deductible under section 247 (as affected by P.L. 113-295, Div. A, section 221(a)(4)(A), Dec. 19, 2014, 128 Stat. 4043)	4b		
c	Dividends paid to an ESOP that are deductible under section 404(k)	4c		
d	Nonpatronage dividends that are paid and deductible under section 1382(c)	4d		
e	Other items (see Regulations sections 1.56(g)-1(d)(3)(i) and (ii) for a partial list)	4e		
f	Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e		4f	
5	Other adjustments based on rules for figuring E&P:			
a	Intangible drilling costs	5a		
b	Circulation expenditures	5b		
c	Organizational expenditures	5c		
d	LIFO inventory adjustments	5d		
e	Installment sales	5e		
f	Total other E&P adjustments. Combine lines 5a through 5e		5f	
6	Disallowance of loss on exchange of debt pools		6	
7	Acquisition expenses of life insurance companies for qualified foreign contracts		7	
8	Depletion		8	
9	Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property		9	
10	Adjusted current earnings. Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626		10	-2,561,470.

Form **1125-A**

**Cost of Goods Sold**

(Rev. October 2016)

▶ Attach to Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B.

OMB No. 1545-0123

Department of the Treasury  
Internal Revenue Service

▶ Information about Form 1125-A and its instructions is at [www.irs.gov/form1125a](http://www.irs.gov/form1125a).

Name

Employer Identification number

**ZUMOBI, INC.**

**38-3740014**

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule)	5	6,881,875.
6	<b>Total.</b> Add lines 1 through 5	6	6,881,875.
7	Inventory at end of year	7	
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions	8	6,881,875.

9 a Check all methods used for valuing closing inventory:

- (i)  Cost
- (ii)  Lower of cost or market
- (iii)  Other (Specify method used and attach explanation) ▶ \_\_\_\_\_

b Check if there was a writedown of subnormal goods ..... ▶

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ..... ▶

d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO ..... **9d** | \_\_\_\_\_

e If property is produced or acquired for resale, do the rules of Section 263A apply to the entity? See instructions .....  Yes  No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? .....  Yes  No  
If "Yes," attach explanation.

For Paperwork Reduction Act Notice, see separate instructions.

Form 1125-A (Rev. 10-2016)





Form **4562**  
 Department of the Treasury  
 Internal Revenue Service (99)

**Depreciation and Amortization**  
 (Including Information on Listed Property) OTHER

OMB No. 1545-0172  
**2017**  
 Attachment  
 Sequence No. 179

▶ Attach to your tax return.

▶ Go to [www.irs.gov/Form4562](http://www.irs.gov/Form4562) for instructions and the latest information.

Name(s) shown on return: **ZUMOBI, INC.**  
 Business or activity to which this form relates: **OTHER DEPRECIATION**  
 Identifying number: **38-3740014**

**Part I Election To Expense Certain Property Under Section 179** Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	510,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2,030,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2016 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2018. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	10,573.

**Part III MACRS Depreciation (Don't include listed property.) (See instructions.)**

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2017	17	11,624.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		<input type="checkbox"/>

**Section B - Assets Placed in Service During 2017 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

**Section C - Assets Placed in Service During 2017 Tax Year Using the Alternative Depreciation System**

20a	Class life				S/L	
b	12-year		12 yrs.		S/L	
c	40-year	/	40 yrs.	MM	S/L	

**Part IV Summary (See instructions.)**

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	22,197.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Form 4562 (2017)

ZUMOBI, INC.

38-3740014 Page 2

**Part V Listed Property** (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)  
**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)**

24a Do you have evidence to support the business/investment use claimed?		Yes <input type="checkbox"/> No <input type="checkbox"/>		24b If "Yes," is the evidence written?		Yes <input type="checkbox"/> No <input type="checkbox"/>		
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29

**Section B - Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (don't include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

**Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

**Note:** If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2017 tax year:					
43 Amortization of costs that began before your 2017 tax year				43	23.
44 Total. Add amounts in column (f). See the instructions for where to report				44	23.

Form **6765**  
 (Rev. March 2018)  
 Department of the Treasury  
 Internal Revenue Service  
 Name(s) shown on return

### Credit for Increasing Research Activities

OMB No. 1545-0619

▶ Attach to your tax return.

▶ Go to [www.irs.gov/Form6765](http://www.irs.gov/Form6765) for instructions and the latest information.

Attachment  
 Sequence No. **81**

Identifying number

**38-3740014**

**ZUMOBI, INC.**

**Section A - Regular Credit.** Skip this section and go to Section B if you are electing or previously elected (and are not revoking) the alternative simplified credit.

<b>1</b>	Certain amounts paid or incurred to energy consortia		<b>1</b>
<b>2</b>	Basic research payments to qualified organizations		
<b>3</b>	Qualified organization base period amount		
<b>4</b>	Subtract line 3 from line 2. If zero or less, enter -0-		<b>4</b>
<b>5</b>	Wages for qualified services (do not include wages used in figuring the work opportunity credit)		
<b>6</b>	Cost of supplies		
<b>7</b>	Rental or lease costs of computers		
<b>8</b>	Enter the applicable percentage of contract research expenses		
<b>9</b>	Total qualified research expenses. Add lines 5 through 8		
<b>10</b>	Enter fixed-base percentage, but not more than 16% (0.16)	16.0000 %	
<b>11</b>	Enter average annual gross receipts	5,393,681.	
<b>12</b>	Multiply line 11 by the percentage on line 10	862,989.	
<b>13</b>	Subtract line 12 from line 9. If zero or less, enter -0-	0.	
<b>14</b>	Multiply line 9 by 50% (0.50)		
<b>15</b>	Enter the smaller of line 13 or line 14		<b>15</b>
<b>16</b>	Add lines 1, 4, and 15		<b>16</b>
<b>17</b>	Are you electing the reduced credit under section 280C? ▶ Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If "Yes," multiply line 16 by 13% (0.13). If "No," multiply line 16 by 20% (0.20) and see the instructions for the statement that must be attached. Fiscal year filers: see instructions. Members of controlled groups or businesses under common control: see instructions for the statement that must be attached		<b>17</b>

**Section B - Alternative Simplified Credit.** Skip this section if you are completing Section A.

<b>18</b>	Certain amounts paid or incurred to energy consortia		<b>18</b>
<b>19</b>	Basic research payments to qualified organizations		
<b>20</b>	Qualified organization base period amount		
<b>21</b>	Subtract line 20 from line 19. If zero or less, enter -0-		<b>21</b>
<b>22</b>	Add lines 18 and 21		<b>22</b>
<b>23</b>	Multiply line 22 by 20% (0.20)		<b>23</b>
<b>24</b>	Wages for qualified services (do not include wages used in figuring the work opportunity credit)		
<b>25</b>	Cost of supplies		
<b>26</b>	Rental or lease costs of computers		
<b>27</b>	Enter the applicable percentage of contract research expenses		
<b>28</b>	Total qualified research expenses. Add lines 24 through 27		
<b>29</b>	Enter your total qualified research expenses for the prior 3 tax years. If you had no qualified research expenses in any one of those years, skip lines 30 and 31		
<b>30</b>	Divide line 29 by 6.0		
<b>31</b>	Subtract line 30 from line 28. If zero or less, enter -0-		
<b>32</b>	Multiply line 31 by 14% (0.14). If you skipped lines 30 and 31, multiply line 28 by 6% (0.06)		<b>32</b>

LHA For Paperwork Reduction Act Notice, see separate instructions.

Form 6765 (Rev. 3-2018)

**Section B - Alternative Simplified Credit** (continued)

<b>33</b>	Add lines 23 and 32	<b>33</b>	
<b>34</b>	Are you electing the reduced credit under section 280C? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," multiply line 33 by 65% (0.65). If "No," enter the amount from line 33 and see the line 17 instructions for the statement that must be attached. Fiscal year filers: see instructions. Members of controlled groups or businesses under common control: see instructions for the statement that must be attached	<b>34</b>	

**Section C - Current Year Credit**

<b>35</b>	Enter the portion of the credit from Form 8932, line 2, that is attributable to wages that were also used to figure the credit on line 17 or line 34 (whichever applies)	<b>35</b>	
<b>36</b>	Subtract line 35 from line 17 or line 34 (whichever applies). If zero or less, enter -0-	<b>36</b>	0.
<b>37</b>	Credit for increasing research activities from partnerships, S corporations, estates, and trusts	<b>37</b>	
<b>38</b>	Add lines 36 and 37 <ul style="list-style-type: none"> <li>• Estates and trusts, go to line 39.</li> <li>• Partnerships and S corporations not electing the payroll tax credit, stop here and report this amount on Schedule K.</li> <li>• Partnerships and S corporations electing the payroll tax credit, complete Section D and report on Schedule K the amount on this line reduced by the amount on line 44.</li> <li>• Eligible small businesses, stop here and report the credit on Form 3800, Part III, line 4i. See instructions for the definition of eligible small business.</li> <li>• Filers other than eligible small businesses, stop here and report the credit on Form 3800, Part III, line 1c.</li> </ul> <b>Note:</b> Qualified small business filers, other than partnerships and S corporations, electing the payroll tax credit must complete Form 3800 before completing Section D.	<b>38</b>	
<b>39</b>	Amount allocated to beneficiaries of the estate or trust	<b>39</b>	
<b>40</b>	Estates and trusts, subtract line 39 from line 38. For eligible small businesses, report the credit on Form 3800, Part III, line 4i. See instructions. For filers other than eligible small businesses, report the credit on Form 3800, Part III, line 1c	<b>40</b>	

**Section D - Qualified Small Business Payroll Tax Election and Payroll Tax Credit.** Skip this section if the payroll tax election does not apply. See instructions.

<b>41</b>	Check this box if you are a qualified small business electing the payroll tax credit. See instructions <input type="checkbox"/>		
<b>42</b>	Enter the portion of line 36 elected as a payroll tax credit (do not enter more than \$250,000). See instructions	<b>42</b>	
<b>43</b>	General business credit carryforward from the current year (see instructions). Partnerships and S corporations skip this line and go to line 44	<b>43</b>	
<b>44</b>	Partnerships and S corporations, enter the smaller of line 36 or line 42. All others, enter the smallest of line 36, line 42, or line 43. Enter here and on the applicable line of Form 8974, Part 1, column (e). Members of controlled groups or businesses under common control: see instructions for the statement that must be attached	<b>44</b>	



ELECTION NOT TO CLAIM THE ADDITIONAL FIRST YEAR  
DEPRECIATION ALLOWABLE UNDER IRC SEC. 168(K)

ZUMOBI, INC.  
1525 4TH AVENUE, SUITE 800  
SEATTLE, WA 98101

EMPLOYER IDENTIFICATION NUMBER: 38-3740014

FOR THE YEAR ENDING DECEMBER 31, 2017

ZUMOBI, INC., HEREBY ELECTS, PURSUANT TO IRC SEC. 168(K)(7), NOT TO  
CLAIM THE ADDITIONAL DEPRECIATION ALLOWABLE UNDER IRC SEC. 168(K)  
FOR THE FOLLOWING QUALIFYING PROPERTY PLACED IN SERVICE DURING THE  
TAX YEAR ENDING DECEMBER 31, 2017.

COMPUTER SOFTWARE AS DEFINED BY IRC SEC. 167(F)(1)(B).

SEE ATTACHED FORM 4562.

SECTION 1.263(A)-1(F) DE MINIMIS SAFE HARBOR ELECTION

ZUMOBİ, INC.  
1525 4TH AVENUE, SUITE 800  
SEATTLE, WA 98101

EMPLOYER IDENTIFICATION NUMBER: 38-3740014

FOR THE YEAR ENDING DECEMBER 31, 2017

ZUMOBİ, INC. IS MAKING THE DE MINIMIS SAFE HARBOR ELECTION UNDER  
REG. SEC. 1.263(A)-1(F).

ZUMOBI, INC.

38-3740014

FORM 1120	OTHER INCOME	STATEMENT 1
DESCRIPTION		AMOUNT
OTHER INCOME		113,446.
TOTAL TO FORM 1120, LINE 10		113,446.

FORM 1120	TAXES AND LICENSES	STATEMENT 2
DESCRIPTION		AMOUNT
BUSINESS TAXES		34,916.
LICENSES AND PERMITS		2,351.
PAYROLL TAXES		196,942.
STATE TAX PAYMENTS		7,707.
TOTAL TO FORM 1120, LINE 17		241,916.

FORM 1120	OTHER DEDUCTIONS	STATEMENT 3
DESCRIPTION		AMOUNT
481(A) ADJUSTMENT		-280,936.
AMORTIZATION		23.
BANK FEES		2,715.
COMMUNICATIONS		48,563.
COMPUTER EXPENSES		109,578.
CONTRACT LABOR EXPENSES		244,494.
DIRECTORS EXPENSE		46,643.
DUES AND SUBSCRIPTIONS		33,968.
EMPLOYEE EXPENSES		28,172.
INSURANCE		34,311.
MEALS AND ENTERTAINMENT		22,028.
MOBILE DEVICE EXPENSE		944.
OFFICE EXPENSES		43,237.
PARKING EXPENSE		25,830.
PROFESSIONAL FEES		309,558.
RECRUITING EXPENSE		99,539.
TRAVEL EXPENSES		83,134.
UTILITIES		247.
TOTAL TO FORM 1120, LINE 26		852,048.

ZUMOBİ, INC.

38-3740014

SCHEDULE L	OTHER CURRENT ASSETS	STATEMENT 4	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
PREPAID EXPENSES		126,013.	96,485.
TOTAL TO SCHEDULE L, LINE 6		126,013.	96,485.

SCHEDULE L	OTHER CURRENT LIABILITIES	STATEMENT 5	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
ACCRUED COMPENSATION AND BENEFITS		1,093,493.	1,866,189.
DEFERRED RENT - CURRENT PORTION		0.	-1,477.
INTEREST PAYABLE		448,285.	0.
OTHER ACCRUED LIABILITIES		83,915.	106,304.
SQUARE1 A/R LOC - SHORT TERM		1,175,000.	1,390,656.
UNBILLED REVENUE		4,569.	0.
TOTAL TO SCHEDULE L, LINE 18		2,805,262.	3,361,672.

SCHEDULE L	OTHER LIABILITIES	STATEMENT 6	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
DEBT DISCOUNT - LONG TERM PORTION		-38,361.	-20,901.
DEFERRED RENT - LONG TERM PORTION		0.	5,918.
WARRANT LIABILITY		155,856.	115,297.
TOTAL TO SCHEDULE L, LINE 21		117,495.	100,314.

SCHEDULE M-1	TAXABLE INCOME NOT RECORDED ON BOOKS	STATEMENT 7	
DESCRIPTION		AMOUNT	
481(A) ADJUSTMENT		280,936.	
TOTAL TO SCHEDULE M-1, LINE 4		280,936.	

ZUMOBI, INC.

38-3740014

SCHEDULE M-1	OTHER EXPENSES RECORDED ON BOOKS NOT DEDUCTED IN THIS RETURN	STATEMENT 8
--------------	---	-------------

DESCRIPTION	AMOUNT
INCENTIVE STOCK OPTION EXPENSE	35,553.
NONQUALIFIED STOCK OPTION EXPENSE	2,049.
INTEREST EXPENSE 163(I)	379,375.
CHANGE IN FMV OF STOCK WARRANT	40,559.
PREPAID EXPENSES	29,528.
ACCRUED EXPENSES	16,209.
TOTAL TO SCHEDULE M-1, LINE 5	503,273.

SCHEDULE M-1	OTHER DEDUCTIONS IN THIS RETURN NOT CHARGED AGAINST BOOK INCOME	STATEMENT 9
--------------	--	-------------

DESCRIPTION	AMOUNT
BAD DEBT RESERVE	211,774.
ACCRUED BONUSES	17,826.
AMORTIZATION	23.
TOTAL TO SCHEDULE M-1, LINE 8	229,623.

FORM 1125-A	OTHER COSTS	STATEMENT 10
-------------	-------------	--------------

DESCRIPTION	AMOUNT
AD SERVING COSTS	445,697.
COLOCATION SERVICES	105,933.
DATA FEED COSTS	162,374.
PARTNER REVENUE SHARE	6,159,100.
PUSH NOTIFICATION FEES	8,771.
TOTAL TO LINE 5	6,881,875.

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STATE COPY

ZUMOB I, INC.  
1525 4TH AVENUE, SUITE 800  
SEATTLE, WA 98101

FRANCHISE TAX BOARD  
PO BOX 942857  
SACRAMENTO, CA 94257-0531



FTB 3586

**2017 TAX RETURN FILING INSTRUCTIONS**

CALIFORNIA FORM 100

**FOR THE YEAR ENDING**

December 31, 2017

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**Prepared For:**

Lara Rickard  
Zumobi, Inc.  
1525 4th Avenue, Suite 800  
Seattle, WA 98101

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**Prepared By:**

Moss Adams LLP  
999 Third Avenue, Suite 2800  
Seattle, WA 98104

---

**To Be Signed and Dated By:**

The appropriate corporate officer(s).

---

**Amount of Tax:**

Total tax	\$	800
Less: payments and credits	\$	0
Plus: other amount	\$	0
Plus: interest and penalties	\$	29
Balance due	\$	829

---

**Overpayment:**

Not applicable

---

**Make Check Payable to:**

Franchise Tax Board

---

**Mail Tax Return and Check (if applicable) to:**

This return has qualified for electronic filing. After you have reviewed your return for accuracy, please sign, date and return Form 8453-C to our office. We will then transmit your return to the FTB. Do not mail a copy of the return.

---

**Return Must be Mailed On or Before:**

Return Form 8453-C to us by October 15, 2018.

---

**Special Instructions:**

Your payment should be made as instructed below on or before October 15, 2018.

Enclose a check or money order for \$829, payable to Franchise Tax Board. Separately mail FTB 3586 with payment to:

Franchise Tax Board  
PO Box 942857  
Sacramento, CA 94257-0531



TAXABLE YEAR

2017

**Underpayment of Estimated Tax  
by Corporations**

CALIFORNIA FORM

5806

For calendar year 2017 or fiscal year beginning (mm/dd/yyyy)	and ending (mm/dd/yyyy)
Corporation name <b>ZUMOBI INC</b>	California corporation number <b>8021339</b>

**Part I Figure the Underpayment**

1 Current year's tax. See instructions	1	800.
	(a)	(b)
2 Installment due dates. See instructions	2	04/18/2017
3 Percentage required. See instructions	3	30% (not less than min.)
4 Amount due. See instructions	4	800.
5 a Amount paid or credited for each installment	5a	
b Overpayment from previous installment	5b	
6 Add line 5a and line 5b	6	
7 Underpayment (subtract line 6 from line 4). See instructions. Overpayment (subtract line 4 from line 6). (If line 7 shows an underpayment for any installment, go to Part IV, Exceptions Worksheets.)	7	800.

**Part II Exceptions to the Penalty** If Exception A, line 8a is met for all four installments, do not attach this form to the return. If Exception B or C is met, for any installment, attach form FTB 5806 to the back of Form 100, Form 100W, Form 100S or Form 109.

(check the applicable boxes)		Yes	No	Yes	No	Yes	No	Yes	No
8 a Exception A - Regular Corporations, line 26	8a								
b Exception A - Large Corporations, line 30. See instrs.	8b								
9 Exception B (line 42) met?	9								
10 Exception C (line 64) met?	10								

**Part III Figure the Penalty** If line 7 shows an underpayment for any installment and one of the three exceptions was not met, figure the penalty for that installment by completing line 11 through line 22.

11 Enter the earlier of the payment date, or the 15th day of the 3rd month after the close of the taxable year. Form 109 filers, see instr.	11	03/15/2018		
12 Number of days from date shown on line 2 to date shown on line 11	12	334		
13 Number of days on line 12 before 7/01/17, or the payment date, whichever is earlier	13	76		
14 Number of days on line 12 after 6/30/17 and before 1/01/18, or the payment date, whichever is earlier	14	184		
15 Number of days on ln. 12 after 12/31/17 and before 7/01/18, or the payment date, whichever is earlier. Calendar yr corps., see instr.	15	74		
16 For fiscal yr corps. only. Number of days on line 12 after 6/30/18 and before 1/01/19. See instr.	16			
17 For fiscal year corps. only. Number of days on line 12 after 12/31/18 and before 2/15/19	17			
18 Number of days on line 13 Number of days in taxable year x 4% x line 7	18	7.		
19 Number of days on line 14 Number of days in taxable year x 4% x line 7	19	16.		
20 Number of days on line 15 Number of days in taxable year x 4% x line 7	20	6.		
21 Number of days on line 16 Number of days in taxable year x % (see instr.) x line 7	21			
22 Number of days on line 17 Number of days in taxable year x % (see instr.) x line 7	22			
22a Add amounts for each column from line 18 through line 22	22a	29.		
22b Total estimated penalty due. Add line 22a, column (a) through column (d). Enter here and on Form 100, line 43a; Form 100W, line 40a; Form 100S, line 42a; or Form 109, line 27	22b	SEE STATEMENT 1		29.

TAXABLE YEAR  
2017

**California Corporation  
Franchise or Income Tax Return**

FORM  
100

8021339 ZUMO 38-3740014 000000000000 17  
TYB 01-01-2017 TYE 12-31-2017  
ZUMOB I INC

1525 4TH AVENUE SUITE 800  
SEATTLE WA 98101

**Schedule Q Questions** (continued on Side 2)

- A FINAL RETURN?** •  Dissolved  Surrendered (withdrawn)  Merged/Reorganized  IRC Section 338 sale  QSub election.  
Enter date (mm/dd/yyyy) • \_\_\_\_\_
- B 1.** Is income included in a combined report of a unitary group? ..... •  Yes  No  
If "Yes," indicate:  Wholly within CA (R&TC 25101.15)  
 Within and outside of CA
- 2.** Is there a change in the members listed in Schedule R-7 from the prior year? ..... •  Yes  No
- 3.** Enter the number of members (including parent or key corporation) listed in the Schedule R-7, Part I, Section A, subject to income or franchise tax. .... • \_\_\_\_\_
- 4.** Is form FTB 3544 and/or 3554A attached to the return? ..... •  Yes  No
- C 1.** During this taxable year, did another person or legal entity acquire control or majority ownership (more than a 50% interest) of this corporation or any of its subsidiaries that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ..... •  Yes  No
- 2.** During this taxable year, did this corporation or any of its subsidiaries acquire control or majority ownership (more than a 50% interest) in another legal entity owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ..... •  Yes  No
- 3.** During this taxable year, has more than 50% of the voting stock of this corporation cumulatively transferred in one or more transactions after an interest in California real property (i.e., land, buildings) was transferred to it that was excluded from property tax reassessment under R&TC Section 62 (a)(2) and it was not reported on a previous year's tax return? ..... •  Yes  No  
(Yes requires filing of statement, penalties may apply - see instructions.)

State Adjustments	1 Net income (loss) before state adjustments. See instructions .....	• 1	-2,562,153.00
	2 Amount deducted for foreign or domestic tax based on income or profits from Schedule A .....	• 2	00
	3 Amount deducted for tax under the provisions of the Corporation Tax Law from Schedule A .....	• 3	00
	4 Interest on government obligations .....	• 4	00
	5 Net California capital gain from Side 6, Schedule D, line 11 .....	• 5	00
	6 Depreciation and amortization in excess of amount allowed under California law. Attach form FTB 3885 .....	• 6	00
	7 Net income from corporations not included in federal consolidated return. See instructions .....	• 7	00
	8 Other additions. Attach schedule(s) .....	• 8	00
	9 Total. Add line 1 through line 8 .....	• 9	-2,562,153.00

State Adjustments (cont'd)	10	Intercompany dividend deduction. Attach Schedule H (100)	•	10	00	
	11	Dividends received deduction. Attach Schedule H (100)	•	11	00	
	12	Additional depreciation allowed under CA law. Attach form FTB 3885	•	12	00	
	13	Capital gain from federal Form 1120, line 8	•	13	00	
	14	Contributions	•	14	00	
	15	Other deductions. Attach schedule(s)	•	15	00	
	16	Total. Add line 10 through line 15	•	16	00	
CA Net Income	17	Net income (loss) after state adjustments. Subtract line 16 from Side 1, line 9.	•	17	-2,562,153.00	
	18	Net income (loss) for state purposes. Complete Sch. R if apportioning or allocating income. See instructions	•	18	-252,569.00	
	19	Net operating loss (NOL) deduction. See instructions	•	19	00	
	20	EZ, LARZ, TTA, or LAMBRA NOL carryover deduction. See instrs.	•	20	00	
	21	Disaster loss deduction. See instructions	•	21	00	
Taxes	22	Net income for tax purposes. Combine line 19 through line 21. Then, subtract from line 18	•	22	-252,569.00	
	23	Tax. <u>8.8400</u> % x line 22 (at least minimum franchise tax, if applicable, see instructions)	•	23	800.00	
	24	Credit name _____ code • _____ amount ▶	•	24	00	
	25	Credit name _____ code • _____ amount ▶	•	25	00	
	26	To claim more than two credits, see instructions	•	26	00	
	27	Add line 24 through line 26	•	27	00	
	28	Balance. Subtract line 27 from line 23 (at least minimum franchise tax, if applicable)	•	28	800.00	
	29	Alternative minimum tax. Attach Schedule P (100). See instructions	•	29	00	
	30	Total tax. Add line 28 and line 29	•	30	800.00	
	Payments	31	Overpayment from prior year allowed as a credit	•	31	00
32		2017 Estimated tax payments. See instructions	•	32	00	
33		2017 Withholding (Form 592-B, and/or 593). See instructions	•	33	00	
34		Amount paid with extension of time to file tax return	•	34	00	
35		Total payments. Add line 31 through line 34	•	35	00	
Refund or Amount Due	36	Use tax. This is not a total line. See instructions	•	36	00	
	37	Payments balance. If line 35 is more than line 36, subtract line 36 from line 35	•	37	00	
	38	Use tax balance. If line 36 is more than line 35, subtract line 35 from line 36	•	38	00	
	39	Franchise or income tax due. If line 30 is more than line 37, subtract line 37 from line 30.	•	39	800.00	
	40	Overpayment. If line 37 is more than line 30, subtract line 30 from line 37	•	40	00	
	41	Amount of line 40 to be credited to 2018 estimated tax	•	41	00	
	42	Refund. Subtract line 41 from line 40. See instructions to have the refund directly deposited. <input type="checkbox"/> Checking <input type="checkbox"/> Savings	•	42	00	
	42a.	• Routing number	42b.	• Type	42c.	• Account number
	43 a	Penalties and interest	•	43a	29.00	
	43 b	• <input type="checkbox"/> Check if estimate penalty computed using Exception B or C on form FTB 5806. See instructions.				
44	Total amount due. Add line 38, line 39, line 41, and line 43a. Then subtract line 40 from the result	•	44	829.00		

**Schedule Q Questions** (continued from Side 1)

- D If the corporation filed on a water's edge basis pursuant to R&TC Sections 25110 and 25113 in previous years, enter the date the water's edge election ended (mm/dd/yyyy) • \_\_\_\_\_
- E Was the corporation's income included in a consolidated federal return? •  Yes  No
- F Principal business activity code. (Do not leave blank): • 517000  
 Business activity CELL PHONE SOFTWARE  
 Product or service CELL PHONE SOFTWARE

Schedule Q Questions (continued on Side 3)

G Date incorporated (mm/dd/yyyy): 08/15/2006 Where: • State DE Country US

H Date business began in California or date income was first derived from California sources (mm/dd/yyyy) • 01/01/2009

I First return? •  Yes  No If "Yes" and this corporation is a successor to a previously existing business, check the appropriate box.  
 • (1)  Sole proprietorship (2)  Partnership (3)  Joint venture (4)  Corporation (5)  Other  
 (Attach statement showing name, address, and FEIN/SSN/ITIN of previous business.)

J "Doing business as" name. See instructions: \_\_\_\_\_

K At any time during the taxable year, was more than 50% of the voting stock:  
 1. Of the corporation owned by any single interest? ..... **STATEMENT 2** •  Yes  No  
 2. Of another corporation owned by this corporation? ..... •  Yes  No  
 3. Of this and one or more other corporations owned or controlled, directly or indirectly, by the same interests? ..... •  Yes  No  
 If 1 or 3 is "Yes" enter the country of the ultimate parent \_\_\_\_\_  
 If 1, 2, or 3 is "Yes," furnish a statement of ownership indicating pertinent names, addresses, and percentages of stock owned.  
 If the owner(s) is an individual, provide the SSN/ITIN.

L Has the corporation included a reportable transaction or listed transaction within this return? (See Instructions for definitions.) ..... •  Yes  No  
 If "Yes," complete and attach federal Form 8886 for each transaction.

M Is this corporation apportioning or allocating income to California using Schedule R? ..... •  Yes  No

N How many affiliates in the combined report are claiming immunity from taxation in California under Public Law 86-272? \_\_\_\_\_

O Corporation headquarters are: ..... • (1)  Within California (2)  Outside of California, within the U.S. (3)  Outside of the U.S.

P Location of principal accounting records CORPORATE ADDRESS

Q Accounting method: ..... • (1)  Cash (2)  Accrual (3)  Other

R Does this corporation or any of its subsidiaries have a Deferred Intercompany Stock Account (DISA)? ..... •  Yes  No  
 Is "Yes," enter the total balance of all DISAs ..... \$ \_\_\_\_\_

S Is this corporation or any of its subsidiaries a RIC? ..... •  Yes  No

T Is this corporation treated as a REMIC for California purposes? ..... •  Yes  No

U Is this corporation a REIT for California purposes? ..... •  Yes  No

V Is this corporation an LLC or limited partnership electing to be taxed as a corporation for federal purposes? ..... •  Yes  No  
 If "Yes," enter the effective date of the election (mm/dd/yyyy) \_\_\_\_\_

W Is this corporation to be treated as a credit union? ..... •  Yes  No

X Is the corporation under audit by the IRS or has it been audited by the IRS in a prior year? ..... •  Yes  No

Y Have all required information returns (e.g. federal Forms 1099, 5471, 5472, 8300, 8865, etc.) been filed with the Franchise Tax Board?  N/A  Yes  No

Z Does the taxpayer (or any corporation of the taxpayer's combined group, if applicable) own 80% or more of the stock of an insurance company?  Yes  No

AA Did this corporation file the federal Schedule UTP (Form 1120)? ..... •  Yes  No

BB Does any member of the combined report own an SMLLC or generate/claim credits that are attributable to an SMLLC? ..... •  Yes  No

CC 1. Did this corporation, or any corporation in a combined reporting group, receive any qualified health care service plan income that is excluded from gross income for state purposes (R&TC Section 24330)? ..... •  Yes  No

2. Is this corporation's, or any corporation in a combined reporting group's, only source of income qualified health care service plan income that is excluded from gross income under R&TC Section 24330 for the taxable year? ..... •  Yes  No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Title	Date	Telephone
		VP, FINANC		206-515-7603
Paid Preparer's Use Only	Officer's email address (optional)	Preparer's signature	Date	Check if self-employed
		KARINA B. STADELMAN	10/12/18	<input type="checkbox"/>
	Firm's name (or yours, if self-employed) and address	PTIN	FEIN	Telephone
		MOSS ADAMS LLP 999 THIRD AVENUE, SUITE 2800 SEATTLE, WA 98104	P00363599	91-0189318 206-302-6500
May the FTB discuss this return with the preparer shown above? See instructions				• <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

ZUMOBI INC

38-3740014

**Schedule A Taxes Deducted.** Use additional sheet(s) if necessary.

(a) Nature of tax	(b) Taxing authority	(c) Total amount	(d) Nondeductible amount
SEE STATEMENT 3			00
			00
Total. Enter total of column (c) on Schedule F, line 17, and total of column (d) on Side 1, line 2 or line 3. If the corporation uses California computation method to compute the net income, see instructions ...		241,916.	00

**Schedule F Computation of Net Income.** See instructions.

Income	1 a) Gross receipts or gross sales	10,042,048.				
	b) Less returns and allowance		c) Balance	1c	10,042,048.00	
	2 Cost of goods sold. Attach federal Form 1125-A (California Schedule V)			2	6,881,875.00	
	3 Gross profit. Subtract line 2 from line 1c			3	3,160,173.00	
	4 Total dividends. Attach federal Schedule C, California Schedule H (100)			4	00	
	5 a) Interest on obligations of the United States and U.S. instrumentalities			5a	00	
	b) Other interest. Attach schedule			5b	00	
	6 Gross rents			6	00	
	7 Gross royalties			7	00	
	8 Capital gain net income. Attach federal Schedule D (California Schedule D)			8	00	
	9 Ordinary gain (loss). Attach federal Form 4797 (California Schedule D-1)			9	00	
10 Other income (loss). Attach schedule	SEE STATEMENT 5		10	113,446.00		
11 Total income. Add line 3 through line 10			11	3,273,619.00		
Deductions	12 Compensation of officers. Attach federal Form 1125-E or equivalent schedule		12	389,021.00	STMT 4	
	13 Salaries and wages (not deducted elsewhere)		13	2,603,795.00		
	14 Repairs and maintenance		14	00		
	15 Bad debts		15	1,083,264.00		
	16 Rents		16	186,646.00		
	17 Taxes (California Schedule A) See instructions.		17	241,916.00		
	18 Interest. Attach schedule		18	239,651.00		
	19 Contributions. Attach schedule		19	00		
	20 Depreciation. Attach fed Form 4562 & FTB 3885	20	22,197.00			
	21 Less depreciation claimed elsewhere on return	21a	00	21b		22,197.00
	22 Depletion. Attach schedule		22			00
	23 Advertising		23			32,363.00
	24 Pension, profit-sharing plans, etc.		24			00
	25 Employee benefit plans		25			184,871.00
	26 a) Total travel and entertainment	44,056.				
	b) Deductible amounts		26b			22,028.00
	27 Other deductions. Attach schedule	SEE STATEMENT 6		27		830,020.00
28 Specific deduction for organizations under R&TC Section 23701r or 23701t. See instr		28		00		
29 Total deductions. Add line 12 through line 28			29	5,835,772.00		
30 Net income before state adjustments. Subtract line 29 from line 11. Enter here and on Side 1, line 1			30	-2,562,153.00		

**Schedule J Add-On Taxes and Recapture of Tax Credits.** See instructions.

1 LIFO recapture due to S corporation election, IRC Sec. 1363(d) deferral: \$		1	00
2 Interest computed under the look-back method for completed long-term contracts (Attach form FTB 3834)		2	00
3 Interest on tax attributable to installment: a Sales of certain timeshares and residential lots		3a	00
	b Method for nondealer installment obligations	3b	00
4 IRC Section 197(f)(9)(B)(ii) election		4	00
5 Credit recapture name:		5	00
6 Combine line 1 through line 5, revise Side 2, line 39 or line 40, whichever applies, by this amount. Write "Schedule J" to the left of line 39 or line 40		6	00

ZUMBI INC

38-3740014

**Schedule V Cost of Goods Sold**

1	Inventory at beginning of year	<input checked="" type="radio"/>	1	00
2	Purchases	<input checked="" type="radio"/>	2	00
3	Cost of labor	<input type="radio"/>	3	00
4	a Additional IRC Section 263A costs. Attach schedule	<input type="radio"/>	4a	00
	b Other costs. Attach schedule	<input type="radio"/>	4b	6,881,875.00
5	Total. Add line 1 through line 4b	<input type="radio"/>	5	6,881,875.00
6	Inventory at end of year	<input checked="" type="radio"/>	6	00
7	Cost of goods sold. Subtract line 6 from line 5. Enter here and on Side 4, Schedule F, line 2	<input type="radio"/>	7	6,881,875.00

Method of inventory valuation  First in, first out  Last in, first out  Average cost  Specific identification

Was there any change in determining quantities, costs of valuations between opening and closing inventory? If "Yes," attach an explanation.  Yes  No

Enter California seller's permit number, if any

Check if the LIFO inventory method was adopted this taxable year for any goods. If checked, attach federal Form 970

If the LIFO inventory method was used for this taxable year, enter the amount of closing inventory under LIFO

Do the rules of IRC Section 263A (with respect to property produced or acquired for resale) apply to the corporation?  Yes  No

The corporation may not be required to complete Schedules L, M-1, and M-2. See Schedule M-1 instructions for reporting requirements.

**Schedule L Balance Sheet**

	Beginning of taxable year		End of taxable year	
	(a)	(b)	(c)	(d)
<b>Assets</b>				
1 Cash		<input checked="" type="radio"/> 209,023.	<input type="radio"/>	<input type="radio"/> 392,684.
2 a Trade notes and accounts receivable	3,026,122.		<input type="radio"/> 4,022,577.	
b Less allowance for bad debts	(231,156.)	<input checked="" type="radio"/> 2,794,966.	<input type="radio"/> (19,351.)	<input type="radio"/> 4,003,226.
3 Inventories		<input type="radio"/>		<input type="radio"/>
4 Federal and state government obligations		<input type="radio"/>		<input type="radio"/>
5 Other current assets. Attach sch(s) <b>STMT 7</b>		126,013.		96,485.
6 Loans to stockholders/officers. Att sch		<input type="radio"/>		<input type="radio"/>
7 Mortgage and real estate loans		<input type="radio"/>		<input type="radio"/>
8 Other investments. Attach sch(s)		<input type="radio"/>		<input type="radio"/>
9 a Buildings and other fixed depreciable assets	271,094.		<input type="radio"/> 264,516.	
b Less accumulated depreciation	(254,037.)	<input checked="" type="radio"/> 17,057.	<input type="radio"/> (260,982.)	<input type="radio"/> 3,534.
10 a Depletable assets		<input type="radio"/>		<input type="radio"/>
b Less accumulated depletion	( )	<input type="radio"/>	( )	<input type="radio"/>
11 Land (net of any amortization)		<input type="radio"/>		<input type="radio"/>
12 a Intangible assets (amortizable only)	<input checked="" type="radio"/>		<input type="radio"/>	
b Less accumulated amortization	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
13 Other assets. Attach sch(s)		<input type="radio"/>		<input type="radio"/>
14 Total assets		<input checked="" type="radio"/> 3,147,059.		<input type="radio"/> 4,495,929.
<b>Liabilities and Stockholders' Equity</b>				
15 Accounts payable		<input type="radio"/> 328,301.		<input type="radio"/> 1,756,000.
16 Mortgages, notes, bonds payable in less than 1 year		<input type="radio"/> 3,600,000.		<input type="radio"/> 7,695,307.
17 Other current liabilities. Att. sch(s) <b>STMT 8</b>		<input type="radio"/> 2,805,262.		<input type="radio"/> 3,361,672.
18 Loans from stockholders. Att. sch(s)		<input type="radio"/>		<input type="radio"/>
19 Mortgages, notes, bonds payable in 1 year or more		<input type="radio"/> 2,000,000.		<input type="radio"/> 372,549.
20 Other liabilities. Attach sch(s) <b>STMT 9</b>		<input type="radio"/> 117,495.		<input type="radio"/> 100,314.
21 Capital stock: a Preferred stock	<input checked="" type="radio"/> 39,714,668.		<input type="radio"/> 39,714,668.	
b Common stock	<input checked="" type="radio"/> 930.	<input type="radio"/> 39,715,598.	<input type="radio"/> 930.	<input type="radio"/> 39,715,598.
22 Paid-in or capital surplus. Attach reconciliation		<input type="radio"/> 591,506.		<input type="radio"/> 629,107.
23 Retained earnings - Appropriated. Att. sch.				
24 Retained earnings - Unappropriated		-46,011,103.		-49,134,618.
25 Adjustments to shareholders' equity. Att. sch.				
26 Less cost of treasury stock		( )		( )
27 Total liabilities and stockholders' equity		<input type="radio"/> 3,147,059.		<input type="radio"/> 4,495,929.

ZUMOB I INC

38-3740014

**Schedule M-1** Reconciliation of Income (Loss) per Books With Income (Loss) Per Return.  
If the corporation completed federal Sch M-3 (Form 1120/1120F), see instructions.

1 Net income per books	-3,123,515.	7 Income recorded on books this year not included in this return (itemize)	
2 Federal income tax		a Tax-exempt interest \$	
3 Excess of capital losses over capital gains		b Other \$	
4 Taxable income not recorded on books this year (itemize)		c Total. Add line 7a and line 7b	
<b>STMT 11</b>	<b>280,936.</b>	8 Deductions in this return not charged against book income this year (itemize)	
5 Expenses recorded on books this year not deducted in this return (itemize)		a Depreciation \$	15,252.
a Depreciation \$		b State tax refunds \$	
b State taxes \$		c Other \$	229,623.
c Travel and entertainment \$	22,028.	d Total. Add line 8a through line 8c	244,875.
d Other \$	503,273.	9 Total. Add line 7c and line 8d	244,875.
e Total. Add line 5a through line 5d	525,301.	10 Net income per return. Subtract line 9 from line 6	-2,562,153.
6 Total. Add line 1 through line 5e	-2,317,278.		

**Schedule M-2** Analysis of Unappropriated Retained Earnings per Books (Side 5, Schedule L, line 24)

1 Balance at beginning of year	-46,011,103.	5 Distributions:	
2 Net income per books	-3,123,515.	a Cash	
3 Other increases (itemize)		b Stock	
		c Property	
		6 Other decreases (itemize)	
		7 Total. Add line 5 and line 6	
4 Total. Add line 1 through line 3	-49,134,618.	8 Balance at end of year. Subtract line 7 from line 4.	-49,134,618.

**Schedule D** California Capital Gains and Losses

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less.** Use additional sheet(s) if necessary.

(a) Kind of property and description (Example, 100 shares of Z Co.)	(b) Date acquired (mm/dd/yyyy)	(c) Date sold (mm/dd/yyyy)	(d) Gross sales price	(e) Cost or other basis plus expense of sale	(f) Gain (loss) ((d) less (e))
1					00
2 Short-term capital gain from installment sales from form FTB 3805E, line 26 or line 37				2	00
3 Unused capital loss carryover from 2016				3	00
4 Net short-term capital gain (loss). Combine line 1 through line 3				4	00

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year.** Use additional sheet(s) if necessary.

5					00
6 Enter gain from Schedule D-1, line 9 and/or any capital gain distributions				6	00
7 Long-term capital gain from installment sales from form FTB 3805E, line 26 or line 37				7	00
8 Net long-term capital gain (loss). Combine line 5 through line 7				8	00
9 Enter excess of net short-term capital gain (line 4) over net long-term capital loss (line 8)				9	00
10 Net capital gain. Enter excess of net long-term capital gain (line 8) over net short-term capital loss (line 4)				10	00
11 Total lines 9 and 10. Enter here and on Form 100, Side 1, line 5. If losses exceed gains, carry forward losses to 2018				11	00

TAXABLE YEAR  
**2017**

**Apportionment and Allocation of Income**

CALIFORNIA SCHEDULE  
**R**

Attach this schedule behind the California tax return and prior to the supporting schedules.

For calendar year 2017 or fiscal year beginning month (mm/dd/yyyy) , and ending (mm/dd/yyyy)

Name as shown on your California tax return

SSN, ITIN, FEIN, CA corp no., or CA SOS file no.

**ZUMOB I INC**

**8021339**

**Water's-Edge Filers Only: If controlled foreign corporations are included in the combined report, attach form FTB 2416.**

**Complete Schedule R (Side 1 and Side 2) and all applicable Schedules (R-1 through R-7). See General Information for Schedule R.**

1 a Net income (loss) after state adjustments from Form 100 or Form 100W, Side 2, line 17; Form 100S, Side 2, line 14; Form 100X, line 4. Form 565 and Form 568 filers: Enter the total of line 1 through line 11c from Schedule K (565 or 568) less the total of line 12 through line 13e from Schedule K (565 or 568)	• 1a	-2,562,153.00
b Water's-edge foreign investment interest offset from form FTB 2424, line 17	• 1b	00
c Total. Combine line 1a and line 1b	• 1c	-2,562,153.00

**Nonbusiness Income (Loss) from All Sources.** See General Information A for definitions and examples.

2 Dividends included on line 1a and not deducted on Form 100, Side 2, line 11; Form 100W, Side 2, lines 11a/b; or Form 100S, Side 2, lines 9 and 10	• 2	00
3 Interest. Attach schedule	• 3	00
4 Net income (loss) from the rental of property from Schedule R-3, line 3, column (c)	• 4	00
5 Royalties. Attach schedule	• 5	00
6 Gain (loss) from the sale of assets from Schedule R-4, line 2, column (e)	• 6	00
7 Gain (loss) from sale of a nonbusiness interest in a partnership or LLC. Attach sch	• 7	00
8 Miscellaneous nonbusiness income (loss). Attach schedule	• 8	00
9 Total nonbusiness income (loss). Combine line 2 through line 8	• 9	00

**Business Income (Loss) before Apportionment** (subject to a separate apportionment formula)

10 Nonunitary partnership or LLC business income (loss)	• 10	00
11 Income (loss) from a separate trade or business. Attach supplemental Schedule R	• 11	00
12 Business income (loss) deferred from prior years. See General Information L	• 12	00
13 Capital gain (loss) netting subject to separate apportionment. See Gen Information M	• 13	00
14 Total separately apportionable business income (loss). Combine line 10 through line 13	• 14	00
15 Tot business inc (loss) subject to apportionment for this trade or business, subtract the sum of ln 9 and ln 14 from ln 1c	• 15	-2,562,153.00
16 Interest offset from Schedule R-5, line 7 or line 16 (California domiciliaries only)	• 16	00
17 Business Income (loss) for this trade or business subject to apportionment. Combine line 15 and line 16	• 17	-2,562,153.00
18 a Apportionment percentage from Schedule R-1, Part A, line 2 or Part B, line 5	• 18a	9.8577%
b Business income (loss) apportioned to California. Multiply line 17 by line 18a	• 18b	-252,569.00

**Nonbusiness Income (Loss) Allocable to California.** If no income (loss) is allocable to California, do not complete line 19 through line 26, enter -0- on line 27 and go to Side 2, line 28.

19 Dividends and interest income (if taxpayer's commercial domicile is in California):		
a Dividends included in line 2 above	• 19a	00
b Interest included in line 3 above	• 19b	00
20 Net income (loss) from the rental of property within California from Schedule R-3, line 3, column (b)	• 20	00
21 Royalties. Attach schedule	• 21	00
22 Gain (loss) from the sale of assets within California from Schedule R-4, line 2, total of column (b) and column (d). Combined reporting groups, see General Information M	• 22	00
23 Gain (loss) from sale of a nonbusiness interest in a partnership or LLC. Attach schedule	• 23	00
24 Miscellaneous nonbusiness income (loss). Attach schedule	• 24	00
25 Total nonbusiness income (loss) allocable to California. Combine line 19a through line 24	• 25	00
26 Interest offset from line 16 allocated to income included on line 19a and line 19b (California domiciliary only). See General Information J	• 26	00
27 Net nonbusiness income (loss) allocable to California. Subtract line 26 from line 25	• 27	00





Name as shown on your California tax return		SSN, ITIN, FEIN, CA corp no., or CA SOS file no.	
<b>ZUMOBI INC</b>		<b>8021339</b>	
<b>California Business Income (Loss)</b> subject to a separate apportionment formula.			
28	California business income (loss) from a nonunitary partnership or LLC	00	
29	California income (loss) from a separate trade or business. Attach supplemental schedule R.	00	
30	California business income (loss) deferred from prior yrs. See General Information L	00	
31	Total business income (loss) separately apportioned to California. Combine line 28 through line 30		00
<b>Net Income (Loss) for California Purpose</b>			
32	Post-apportioned and allocated amounts from capital gain (loss) netting. See General Information M		00
33	Net income (loss) for California purposes before contributions adjustment. Combine line 18b, 27, 31 and 32		-252,569.00
34	Contributions adjustment from Schedule R-6, line 15		00
35	Net income (loss) for California purposes. Combine line 33 and line 34. Enter here and on Form 100 or Form 100W, Side 2, line 18 or Form 100S, Side 2, line 15		-252,569.00

**Complete the applicable Schedules R-1 through R-7, starting on Side 3.**

Name as shown on your California tax return	SSN, ITIN, FEIN, CA corp no., or CA SOS file no.
ZUMOBI INC	8021339

**Schedule R-1 Apportionment Formula.**

**Part A. Standard Method - Single-Sales Factor Formula.** Complete this part only if the corporation uses the single-sales factor formula.

	(a) Total within and outside California	(b) Total within California	(c) Percent within California (b) ÷ (a) x 100
See General Information G and Specific Instructions			
<b>1 Sales:</b> Gross receipts, less returns, and allowances	14,053,955.		
<b>a Sales delivered or shipped to California purchasers</b>			
(i) Shipped from outside California		1,385,400.	
(ii) Shipped from within California		0.	
<b>b Sales shipped from California to:</b>			
(i) The United States Government		0.	
(ii) Purchasers in a state where the taxpayer is not taxable.		0.	
<b>c Total other gross receipts</b>			
(i) Sales from services			
(ii) Sales or other income from intangibles			
(iii) Sales from rental, leasing or licensing of tangible or real property			
(iv) Sales from other gross receipts			
<b>d Sales from partnership or LLCs treated as partnerships</b>			
<b>Total sales</b>	14,053,955.	1,385,400.	
<b>2 Apportionment percentage.</b> Divide total sales column (b) by total sales column (a) and multiply the result by 100. Enter the result here and on Schedule R, Side 1, line 18a. See General Information H			9.8577%

**Part B Three-Factor Formula.** Complete this part only if the corporation uses the three-factor formula.

	(a) Total within and outside California	(b) Total within California	(c) Percent within California (b) ÷ (a) x 100
<b>1 Property:</b> Use the average yearly value of owned real and tangible personal property used in the business at original cost. See General Information E. Exclude property not connected with the business and the value of construction in progress.			
Inventory			
Buildings			
Machinery and equipment (including delivery equipment)			
Furniture and fixtures			
Land			
Other tangible assets. Attach schedule			
Rented property used in the business. See General Information E			
<b>Total property</b>			%
<b>2 Payroll:</b> Use employee wages, salaries, commissions, and other compensation related to business income. See General Information F.			
<b>Total payroll</b>			%
<b>3 Sales:</b> Gross receipts, less returns, and allowances. See General Information G and Specific Instructions			
<b>a Sales delivered or shipped to California purchasers.</b>			
(i) Shipped from outside California			
(ii) Shipped from within California			
<b>b Sales shipped from California to:</b>			
(i) The United States Government			
(ii) Purchasers in a state where the taxpayer is not taxable			
<b>c Total other gross receipts</b>			
<b>Total sales</b>			%
<b>4 Total percent.</b> Add the percentages in col (c).			%
<b>5 Apportionment percentage.</b> Divide line 4 by 3 enter the result here and on Schedule R, Side 1, line 18a. See General Information H...			%

Name as shown on your California tax return	SSN, ITIN, FEIN, CA corp no., or CA SGS file no.
ZUMOB I INC	8021339

**Schedule R-2 Sales and General Questionnaire.** Attach additional sheets if necessary.

- 1 Describe briefly the nature and location(s) of your California business activities: CELL PHONE APPLICATIONS.
- 2 State the exact title and principal business activity of all joint ventures, partnerships, or LLCs in which the corporation has an interest: N/A
- 3 Does the California sales figure on Schedule R-1 (or a comparable schedule in a combined report) include all sales shipped from California where the purchaser is the U.S. Government?  Yes  No If "No," explain. \_\_\_\_\_
- 4 Does the California sales figure on Schedule R-1 (or a comparable schedule in a combined report) include all sales shipped from California to states in which the taxpayer is not subject to tax? See General Information G and Specific Instructions.  Yes  No If "No," explain. \_\_\_\_\_
- 5 Did the taxpayer use reasonable approximation to assign sales under Schedule R-1, Part A, line 1c (i)-(iv)? •  Yes  No  
If "Yes," provide a brief description. \_\_\_\_\_
- 6 Are the nonbusiness items reported on Schedule R, Side 1, line 2 through line 8, and the apportionment factor items reported on Schedule R-1 treated consistently on all state tax returns filed by the taxpayer?  Yes  No If "No," explain. \_\_\_\_\_
- 7 Has this corporation or any member of its combined unitary group changed the way income is apportioned or allocated to California from prior year tax returns? See General Information I.  Yes  No If "Yes," explain. \_\_\_\_\_
- 8 Does the California sales figure on Schedule R-1 (or comparable sch in a combined report) include all sales shipped to California destinations?  Yes  No  
If "No," indicate the name of the selling member and the nature of the sales activity believed to be immune. \_\_\_\_\_
- 9 Does the California sales figure on Schedule R-1 (or comparable schedule in a combined report) include all sales delivered to customers outside California which have an ultimate destination in California?  Yes  No If "No," explain. \_\_\_\_\_

**Schedule R-3 Net Income (Loss) from the Rental of Nonbusiness Property**

	(a) Total outside California	(b) Total within California	(c) Total outside and within California (a) + (b)
1 Income from rents .....			
2 Rental deductions .....			
3 Net income (loss) from rents. Subtract line 2 from line 1. Enter the result here and enter column (c) on Side 1, line 4; enter column (b) on Side 1, line 20 .....		●	●

**Schedule R-4 Gain (Loss) from The Sale of Nonbusiness Assets**

California sales of nonbusiness assets include transactions involving: (1) real property located in California; (2) tangible personal property, if it had a situs in California at the time of sale, or if the corporation is commercially domiciled in California and not taxable in the state where the property had a situs at the time of sale; and (3) intangible personal property if the corporation's commercial domicile is in California or the income is otherwise allocable to California.

Description of property sold	Real estate and other tangible assets		Intangible assets		Total
	(a) Gain (loss) from outside California	(b) Gain (loss) from within California	(c) Gain (loss) from outside California	(d) Gain (loss) from within California	(e) Gain (loss) (a) + (b) + (c) + (d)
1 .....	●	●	●	●	●
.....	●	●	●	●	●
.....	●	●	●	●	●
2 Total gain (loss) .....	●	●	●	●	●

Enter total gain (loss) line 2, column (e) on Side 1, line 6 and enter total of line 2, column (b) and (d) on Side 1, line 22

Name as shown on your California tax return	SSN, ITIN, FEIN, CA corp no., or CA SCS file no.
ZUMOBI INC	8021339

**Schedule R-5 Computation of Interest Offset.** Complete only if there are entries on line 2 and/or line 3 of Schedule R and if Schedule R-1 is required. See General Information J. (California domiciliary only)

1 Total interest expense deducted	1	
2 Water's-edge foreign investment interest offset from Side 1, line 1b	2	
3 Balance. Subtract line 2 from line 1	3	
4 Total interest income (Form 100 or Form 100W, Side 1, line 4 and Schedule F, line 5a and line 5b; or Form 100S, Side 1, line 3 and interest income included on Schedule F, line 5 or Schedule K, line 4)	4	
5 Nonbusiness interest income from Side 1, line 3	5	
6 Business interest income. Subtract line 5 from line 4	6	
7 Excess interest expense over business interest income. Subtract line 6 from line 3. If line 6 exceeds line 3, enter -0- here and on Side 1, line 16, and <b>do not</b> complete the rest of this schedule	7	
8 Total dividend income	8	
9 Deducted dividends from Form 100, Side 2, lines 10 and 11; Form 100W, Side 2, lines 10 and 11a/b; or Form 100S, Side 2, lines 9 and 10	9	
10 Net dividend income. Subtract line 9 from line 8	10	
11 Business dividend income	11	
12 Deducted dividends from Form 100, Side 2, lines 10 and 11; Form 100W, Side 2, lines 10 and 11a/b; or Form 100S, Side 2, lines 9 and 10, attributable to business dividend income	12	
13 Net business dividend income. Subtract line 12 from line 11	13	
14 Net nonbusiness dividend income. Subtract line 13 from line 10	14	
15 Total nonbusiness interest and dividend income. Add line 5 and line 14	15	
16 Enter the lesser of line 7 or line 15. Enter here and on Side 1, line 16	16	

If interest and/or dividend income is reported on Side 1, line 19a or line 19b, enter the allocable portion of Schedule R-5, line 16 on Side 1, line 26. See General Information J. If no interest or dividend income is reported on Side 1, line 19a or line 19b, **do not** deduct any interest expense on Side 1, line 26.

**Schedule R-6 Contributions Adjustment.** See General Information N.

1 Total contributions paid (current year and carryover amount)	1	
2 Net income (loss) after state adjustments from Side 1, line 1c	2	
3 Portion of dividends deductible under R&TC Sections 24410 and 24411 (from Side 2 of the Form 100, line 11; Form 100W, lines 11a/b; or Form 100S, lines 9 and 10), and other adjustments. See General Information N	3	
4 Contributions deducted on Form 100, Form 100W, or Form 100S	4	
5 Total. Add line 2 through line 4. If zero or less, enter -0-	5	
6 Multiply line 5 by 10% (.10)	6	
7 Net income (loss) for state purposes before contributions adjustment from Side 2, line 33	7	
8 Business dividends deductible on line 3 multiplied by the average apportionment percentage from Schedule R-1, Part A, line 2 or Part B, line 5	8	
9 Amount of line 3 attributable to nonbusiness dividends reported on Side 1, line 19a	9	
10 Contributions deducted (from line 4 above) multiplied by the average apportionment percentage from Schedule R-1, Part A, line 2 or Part B, line 5	10	
11 Total. Add line 7 through line 10. If zero or less, enter -0-	11	
12 Multiply line 11 by 10% (.10)	12	
<b>Contributions Adjustment</b>		
13 Enter the amount shown on line 10	13	
14 Amount of contributions allowable:		
a If line 1 equals or exceeds line 6, enter the lesser of line 1 or line 12	14a	
b If line 1 is less than line 6, divide line 11 by line 5. Then multiply line 1 by the result and enter here	14b	
15 Contributions adjustment. Subtract line 14a or line 14b from line 13. Enter here and on Side 2, line 34. If the result is a negative amount, enter in brackets	15	

TAXABLE YEAR

2017

Net Operating Loss (NOL) Computation and  
NOL and Disaster Loss Limitations - Corporations

CALIFORNIA FORM

3805Q

Attach to Form 100, Form 100W, Form 100S, or Form 109.

Corporation name <b>ZUMOBI INC</b>	California corporation number <b>8021339</b>
During the taxable year the corporation incurred the NOL, the corporation was a(n): <input checked="" type="radio"/> C Corporation <input type="radio"/> S Corporation <input type="radio"/> Exempt Organization <input type="radio"/> Limited liability company (electing to be taxed as a corporation)	FEIN <b>38-3740014</b>
If the corporation previously filed California tax returns under another corporate name, enter the corporation name and California corporation number: <input type="radio"/>	

If the corporation is included in a combined report of a unitary group, see instructions, General Information C, Combined Reporting.

**Part I Current year NOL.** If the corporation does not have a current year NOL, go to Part II.

1 Net loss from Form 100, line 18; Form 100W, line 18; Form 100S, line 15; or Form 109, line 2. Enter as a positive number	1	252,569.00
2 2017 disaster loss included in line 1. Enter as a positive number	2	00
3 Subtract line 2 from line 1. If zero or less, enter -0- and see instructions	3	252,569.00
4 a Enter the amount of the loss incurred by a new business included in line 3	4a	00
b Enter the amount of the loss incurred by an eligible small business included in line 3	4b	00
c Add line 4a and line 4b	4c	00
5 General NOL. Subtract line 4c from line 3	5	252,569.00
6 Current Year NOL. Add line 2, line 4c, and line 5. See instructions	<input checked="" type="radio"/> 6	252,569.00

If the corporation is using the current year NOL to carryback to offset net income for taxable years 2015 and/or 2016, complete

Part III, NOL carryback, on Side 2 before completing Part I, lines 7-9 below.

7 2017 NOL carryback used to offset 2015 net income. Enter the amount from Part III, line 3, column (e)	<input type="radio"/> 7	00
8 2017 NOL carryback used to offset 2016 net income. Enter the amount from Part III, line 3, column (g)	<input type="radio"/> 8	00
9 2017 NOL carryover to 2018. Add line 7 and line 8, then subtract the result from line 6. See instructions.	<input checked="" type="radio"/> 9	252,569.00

**Election to waive carryback**

Check the box if the corporation elects to relinquish the entire carryback period with respect to 2017 NOL under Internal Revenue Code (IRC) Section 172(b)(3). By making the election, the corporation is electing to carry an NOL forward instead of carrying it back in the previous two years. Once the election is made, it's irrevocable. See instructions. Continue with Part II, NOL carryover and disaster loss carryover limitations. Do not complete Part III, NOL carryback.

**Part II NOL carryover and disaster loss carryover limitations. See instructions.**

1 Net income - Enter the amount from Form 100, line 18; Form 100W, line 18; Form 100S, line 15 less line 16; or Form 109, line 2; (but not less than -0-).	<input checked="" type="radio"/>	(g) Available balance	0.
--	----------------------------------	-----------------------	----

**Prior Year NOLs**

(a) Year of loss	(b) Code - See instructions	(c) Type of NOL - See below *	(d) Initial loss - See instructions	(e) Carryover from 2016	(f) Amount used in 2017	(h) Carryover to 2018 col. (e) minus col. (f)
2				<input checked="" type="radio"/>		<input checked="" type="radio"/>
				<input checked="" type="radio"/>		<input checked="" type="radio"/>
				<input checked="" type="radio"/>		<input checked="" type="radio"/>
				<input checked="" type="radio"/>		<input checked="" type="radio"/>

**Current Year NOLs**

3	Year	Type of NOL	Initial loss	Carryover	Amount used	col. (d) minus col. (f) See instructions.
	2017	DIS				
	4 2017	GEN	252,569.			252,569.
	2017					
	2017					
	2017					

\* Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), or Disaster (DIS).

**Part III NOL carryback**

- 1 2015 Net income - Enter the amount from 2015 Form 100, line 22; Form 100W, line 22; Form 100S line 20; or taxable income from Form 109, line 9; (but not less than -0-)
- 2 2016 Net income - Enter the amount from 2016 Form 100, line 22; Form 100W, line 22; Form 100S, line 20; or taxable income from Form 109, line 9; (but not less than -0-)

(a) Year of Loss	(b) Code - See Instructions	(c) Type of NOL - See below*	(d) Initial loss - See Instructions	2015		2016		(i) Carryover to 2018 col. (d) minus (col. (e) plus col. (g))
				(e) Carryback used - See instructions	(f) After carryback col. (d) minus col. (e)	(g) Carryback used - See instructions	(h) After carryback col. (f) minus col. (g)	
3 2017								
2017								
2017								
2017								
2017								

\* Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), or NOL attributable to a qualified disaster loss (DIS).

**Part IV 2017 NOL deduction**

- 1 Total the amounts in Part II, line 2, column (f)  1 00
- 2 Enter the total amount from line 1 that represents disaster loss carryover deduction here and on Form 100, line 21; Form 100W, line 21; or Form 100S, line 19. Form 109 filers enter -0-  2 00
- 3 Subtract line 2 from line 1. Enter the result here and on Form 100, line 19; Form 100W, line 19; Form 100S, line 17; or Form 109, line 7  3 00

TAXABLE YEAR  
**2017**

**Corporation Depreciation  
and Amortization**

38-3740014  
CALIFORNIA FORM  
**3885**

Attach to Form 100 or Form 100W.

Corporation name <b>ZUMOB I INC</b>	California corporation number <b>8021339</b>
--	---

**Part I Election To Expense Certain Property Under IRC Section 179**

1 Maximum deduction under IRC Section 179 for California	1	\$25,000
2 Total cost of IRC Section 179 property placed in service	2	
3 Threshold cost of IRC Section 179 property before reduction in limitation	3	\$200,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for taxable year. Subtract line 4 from line 1. If zero or less, enter -0-	5	
<b>6</b> (a) Description of property (b) Cost (business use only) (c) Elected cost		
7 Listed property (elected IRC Section 179 cost)	7	
8 Total elected cost of IRC Section 179 property. Add amounts in column (c), line 6 and line 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from prior taxable years	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12 IRC Section 179 expense deduction. Add line 9 and line 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2018. Add line 9 and line 10, less line 12	13	

**Part II Depreciation and Election of Additional First Year Depreciation Deduction Under R&TC Section 24356**

(a) Description property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Depreciation allowed or allowable in earlier years	(e) Depreciation Method	(f) Life or rate	(g) Depreciation for this year	(h) Additional first year depreciation	
14								
15 Add the amounts in column (g) and column (h). The total of column (h) may not exceed \$2,000. See instructions for line 14, column (h)							15	

**Part III Summary**

16 Total: If the corporation is electing: IRC Section 179 expense, add the amount on line 12 and line 15, column (g); or Additional first year depreciation under R&TC Section 24356, add the amounts on line 15, columns (g) and (h), or Depreciation (if no election is made), enter the amount from line 15, column (g)	16	22,197.
17 Total depreciation claimed for federal purposes from federal Form 4562, line 22	17	22,197.
18 Depreciation adjustment. If line 17 is greater than line 16, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 17 is less than line 16, enter the difference here and on Form 100 or Form 100W, Side 2, line 12. (If California depreciation amounts are used to determine net income before state adjustments on Form 100 or Form 100W, no adjustment is necessary.)	18	0.

**Part IV Amortization**

(a) Description of property	(b) Date acquired (mm/dd/yyyy)	(c) Cost or other basis	(d) Amortization allowed or allowable in earlier years	(e) R&TC section (see instructions)	(f) Period or percentage	(g) Amortization for this year	
19							
20 Total. Add the amounts in column (g)						20	23.
21 Total amortization claimed for federal purposes from federal Form 4562, line 44						21	23.
22 Amortization adjustment. If line 21 is greater than line 20, enter the difference here and on Form 100 or Form 100W, Side 1, line 6. If line 21 is less than line 20, enter the difference here and on Form 100 or Form 100W, Side 2, line 12						22	0.

**Voucher at bottom of page.**

**DO NOT MAIL A PAPER COPY OF THE CORPORATE OR EXEMPT ORGANIZATION TAX RETURN WITH THE PAYMENT VOUCHER.**  
**If the amount of payment is zero, do not mail this voucher.**

**WHERE TO FILE:** Using black or blue ink, make check or money order payable to the "Franchise Tax Board." Write the corporation number or FEIN and "2017 FTB 3586" on the check or money order. Detach voucher below. Enclose, but **do not** staple, payment with voucher and mail to:  
**FRANCHISE TAX BOARD**  
**PO BOX 942857**  
**SACRAMENTO CA 94257-0531**

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

**WHEN TO FILE:** **Corporations - File and Pay by the 15th day of the 4th month following the close of the taxable year.**  
**S corporations - File and Pay by the 15th day of the 3rd month following the close of the taxable year.**  
**Exempt organizations - File and Pay by the 15th day of the 5th month following the close of the taxable year.**

When the due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

Due to the federal Emancipation Day holiday on April 16, 2018, tax returns filed and payments mailed or submitted on April 17, 2018, will be considered timely.

**ONLINE SERVICES:** Corporations can make payments online using Web Pay for Businesses. Corporations can make an immediate payment or schedule payments up to a year in advance. Go to [ftb.ca.gov/pay](http://ftb.ca.gov/pay) for more information.

739035 11-29-17

--- DETACH HERE ----- IF NO PAYMENT IS DUE, DO NOT MAIL THIS VOUCHER ----- DETACH HERE ---

**CAUTION:** You may be required to pay electronically, see instructions.

TAXABLE YEAR **2017** **Payment Voucher for Corporations and Exempt Organizations e-filed Returns**

CALIFORNIA FORM  
**3586 (e-file)**

8021339 ZUMO 38-3740014 000000000000 17 FORM 1  
 TYB 01-01-2017 TYE 12-31-2017  
 ZUMOB I INC

1525 4TH AVENUE 800  
 SEATTLE WA 98101

(206) 269-1111

Total Payment Amt 829.

022

6181176

FTB 3586 2017



022

DO NOT MAIL THIS FORM TO THE FTB

Date Accepted \_\_\_\_\_

TAXABLE YEAR **2017** California e-file Return Authorization for Corporations FORM **8453-C**

Corporation name **ZUMOBI, INC.** Identifying number **38-3740014**

**Part I Tax Return Information** (whole dollars only)

1	Total income (Form 100, line 9, Form 100S, line 8, Form 100W, line 9 or Form 100X, Line 6)	1	-2,562,153.00
2	Taxable income (Form 100, line 22, Form 100S, line 20, Form 100W, line 22 or Form 100X, Line 10)	2	-252,569.00
3	Total tax (Form 100, line 30, Form 100S, line 29, Form 100W, line 30 or Form 100X, Line 18)	3	800.00
4	Tax due (Form 100, line 39, Form 100S, line 38, Form 100W, line 36 or Form 100X, Line 20)	4	800.00
5	Overpayment (Form 100, line 40, Form 100S, line 39, Form 100W, line 37 or Form 100X, Line 27)	5	00

**Part II Settle Your Account Electronically for Taxable Year 2017**

6  Direct deposit of refund (For Forms 100, 100S, and 100W only.)

7  Electronic funds withdrawal **7a** Amount **7b** Withdrawal date (mm/dd/yyyy)

**Part III Schedule of Estimated Tax Payments for Taxable Year 2018** (These are NOT installment payments for the current amount the corporation owes.)

	First Payment	Second Payment	Third Payment	Fourth Payment
8 Amount				
9 Withdrawal Date				

**Part IV Banking Information** (Have you verified the corporation's banking information?)

10 Routing number \_\_\_\_\_

11 Account number \_\_\_\_\_ 12 Type of account:  Checking  Savings

**Part V Declaration of Officer**

I authorize the corporate account to be settled as designated in Part II. If I check Part II, Box 6, I declare that the account specified in Part IV for the direct deposit refund agrees with the authorization stated on my return. If I check Part II, Box 7, I authorize an electronic funds withdrawal for the amount listed on line 7a and any estimated payment amounts listed on line 8 from the account specified in Part IV.

Under penalties of perjury, I declare that I am an officer of the above corporation and that the information I provided to my electronic return originator (ERO), transmitter, or intermediate service provider and the amounts in Part I above agree with the amounts on the corresponding lines of the corporation's 2017 California income tax return. To the best of my knowledge and belief, the corporation's return is true, correct, and complete. If the corporation is filing a balance due return, I understand that if the Franchise Tax Board (FTB) does not receive full and timely payment of the corporation's tax liability, the corporation will remain liable for the tax liability and all applicable interest and penalties. I authorize the corporation return and accompanying schedules and statements be transmitted to the FTB by the ERO, transmitter, or intermediate service provider. If the processing of the corporation's return or refund is delayed, I authorize the FTB to disclose to the ERO or intermediate service provider the reason(s) for the delay or the date when the refund was sent.

**Sign Here** Signature of officer \_\_\_\_\_ Date \_\_\_\_\_ Title **VP, FINANCE**

**Part VI Declaration of Electronic Return Originator (ERO) and Paid Preparer.**

I declare that I have reviewed the above corporation's return and that the entries on form FTB 8453-C are complete and correct to the best of my knowledge. (If I am only an intermediate service provider, I understand that I am not responsible for reviewing the corporation's return. I declare, however, that form FTB 8453-C accurately reflects the data on the return.) I have obtained the corporate officer's signature on form FTB 8453-C before transmitting this return to the FTB; I have provided the corporate officer with a copy of all forms and information that I will file with the FTB, and I have followed all other requirements described in FTB Pub. 1345, 2017 e-file Handbook for Authorized e-file Providers. I will keep form FTB 8453-C on file for four years from the due date of the return or four years from the date the corporation return is filed, whichever is later, and I will make a copy available to the FTB upon request. If I am also the paid preparer, under penalties of perjury, I declare that I have examined the above corporation's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

**ERO** ERO's signature \_\_\_\_\_ Date **10/12/18** Check if also paid preparer  Check if self-employed  ERO's PTIN **P00363599**

**Must Sign** Firm's name (or yours if self-employed) and address **MOSS ADAMS LLP** FEIN **91-0189318**  
**999 THIRD AVENUE, SUITE 2800** ZIP code **98104**  
**SEATTLE, WA**

Under penalties of perjury, I declare that I have examined the above corporation's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

**Paid Preparer** Paid preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed  Paid preparer's PTIN \_\_\_\_\_

**Must Sign** Firm's name (or yours if self-employed) and address \_\_\_\_\_ FEIN \_\_\_\_\_  
 ZIP code \_\_\_\_\_

ZUMOBI, INC.

38-3740014

FORM 5806		COMPUTATION OF INTEREST ON UNDERPAYMENT					STATEMENT 1	
Q T R	EVENT AMOUNT TYPE	REMAINING UNDERPAYMENT	PERIOD OF UNDERPAYMENT		DAYS	INTEREST RATE	AMOUNT OF PENALTY	
A	800. Q	800.	04/15/2017	06/30/2017	76	4.0000	7.	
	R	800.	06/30/2017	12/31/2017	184	4.0000	16.	
	R	800.	12/31/2017	03/15/2018	74	4.0000	6.	
TOTAL TO FORM 5806 LINE 22B							29.	

EVENT TYPE: Q = QUARTERLY AMOUNT DUE  
P = PAYMENT  
R = INTEREST RATE CHANGE  
L = LEAP YEAR CHANGE  
W = NONRESIDENT WITHHOLDING  
O = PRIOR YEAR OVERPAYMENTS & PAYMENTS MADE AFTER AN  
INSTALLMENT DUE DATE BUT BEFORE THE 1ST DAY OF THE MONTH  
THE NEXT INSTALLMENT IS DUE - APPLIED AS LATE PAYMENT TO  
A PREVIOUS INSTALLMENT

FORM 100/100W		VOTING STOCK INFORMATION - QUESTION K.1			STATEMENT 2	
NAME	OAK INVESTMENT PARTNERS XII, LP					
ADDRESS	525 UNIVERSITY AVENUE, SUITE 1300					
CITY	PALO ALTO					
STATE	CA	ZIP CODE	94301			
COUNTRY	US					
ID OR SSN	20-4960838					
PERCENT OWNED	76.3170%					

FORM 100/100W, SCHEDULE A		TAXES DEDUCTED		STATEMENT 3	
(A) NATURE OF TAX	(B) TAXING AUTHORITY	(C) TOTAL TAXES	(D) NONDED AMOUNT		
BUSINESS TAXES		34,916.			
LICENSES AND PERMITS		2,351.			
PAYROLL TAXES		196,942.			
STATE TAX PAYMENTS		7,707.			
TOTAL TO FORM 100/100W, SCHEDULE A		241,916.			

ZUMOBI, INC.

38-3740014

FORM 100/100W, SCHEDULE F		COMPENSATION OF OFFICERS			STATEMENT 4
(A) NAME OF OFFICER	(B) SOCIAL SECURITY NUMBER	(C) PCT OF TIME DEVOTED	PCT OF STK (D) COM	(E) PFD	(F) AMOUNT OF COMPENSATION
KEN WILLNER	536-46-9971	100%	.00%	.00%	270,001.
LARA RICKARD	522-08-2583	100%	.71%	.00%	119,020.
TOTAL COMPENSATION OF OFFICERS					389,021.
LESS: COMPENSATION OF OFFICERS CLAIMED ELSEWHERE ON RETURN					
TOTAL TO FORM 100/100W, SCHEDULE F					389,021.

FORM 100/100W, SCHEDULE F		OTHER INCOME	STATEMENT 5
DESCRIPTION			AMOUNT
OTHER INCOME			113,446.
TOTAL TO FORM 100/100W, SCHEDULE F			113,446.

FORM 100/100W, SCHEDULE F		OTHER DEDUCTIONS	STATEMENT 6
DESCRIPTION			AMOUNT
481(A) ADJUSTMENT			-280,936.
AMORTIZATION			23.
BANK FEES			2,715.
COMMUNICATIONS			48,563.
COMPUTER EXPENSES			109,578.
CONTRACT LABOR EXPENSES			244,494.
DIRECTORS EXPENSE			46,643.
DUES AND SUBSCRIPTIONS			33,968.
EMPLOYEE EXPENSES			28,172.
INSURANCE			34,311.
MOBILE DEVICE EXPENSE			944.
OFFICE EXPENSES			43,237.
PARKING EXPENSE			25,830.
PROFESSIONAL FEES			309,558.
RECRUITING EXPENSE			99,539.
TRAVEL EXPENSES			83,134.
UTILITIES			247.
TOTAL TO FORM 100/100W, SCHEDULE F			830,020.

ZUMOB, INC.

38-3740014

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**FORM 100/100W, SCHEDULE L OTHER CURRENT ASSETS STATEMENT 7**


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DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
PREPAID EXPENSES	126,013.	96,485.
TOTAL TO FORM 100/100W, SCHEDULE L	<u>126,013.</u>	<u>96,485.</u>

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**FORM 100/100W, SCHEDULE L OTHER CURRENT LIABILITIES STATEMENT 8**


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DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
ACCRUED COMPENSATION AND BENEFITS	1,093,493.	1,866,189.
DEFERRED RENT - CURRENT PORTION	0.	-1,477.
INTEREST PAYABLE	448,285.	0.
OTHER ACCRUED LIABILITIES	83,915.	106,304.
SQUARE1 A/R LOC - SHORT TERM	1,175,000.	1,390,656.
UNBILLED REVENUE	4,569.	0.
TOTAL TO FORM 100/100W, SCHEDULE L	<u>2,805,262.</u>	<u>3,361,672.</u>

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**FORM 100/100W, SCHEDULE L OTHER LIABILITIES STATEMENT 9**


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DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
DEBT DISCOUNT - LONG TERM PORTION	-38,361.	-20,901.
DEFERRED RENT - LONG TERM PORTION	0.	5,918.
WARRANT LIABILITY	155,856.	115,297.
TOTAL TO FORM 100/100W, SCHEDULE L	<u>117,495.</u>	<u>100,314.</u>

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**FORM 100/100W, SCHEDULE V COST OF GOODS SOLD - OTHER COSTS STATEMENT 10**


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DESCRIPTION	AMOUNT
AD SERVING COSTS	445,697.
COLOCATION SERVICES	105,933.
DATA FEED COSTS	162,374.
PARTNER REVENUE SHARE	6,159,100.
PUSH NOTIFICATION FEES	8,771.
TOTAL TO FORM 100/100W, SCHEDULE V	<u>6,881,875.</u>

ZUMOBI, INC.

38-3740014

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FORM 100/100W, SCHEDULE M-1	TAXABLE INCOME NOT RECORDED ON BOOKS	STATEMENT 11
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DESCRIPTION	AMOUNT
481(A) ADJUSTMENT	280,936.
TOTAL TO FORM 100/100W, SCHEDULE M-1	280,936.

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FORM 100/100W, SCHEDULE M-1	EXPENSES RECORDED ON BOOKS NOT DEDUCTED ON RETURN	STATEMENT 12
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DESCRIPTION	AMOUNT
INCENTIVE STOCK OPTION EXPENSE	35,553.
NONQUALIFIED STOCK OPTION EXPENSE	2,049.
INTEREST EXPENSE 163(I)	379,375.
CHANGE IN FMV OF STOCK WARRANT	40,559.
PREPAID EXPENSES	29,528.
ACCRUED EXPENSES	16,209.
TOTAL TO FORM 100/100W, SCHEDULE M-1	503,273.

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FORM 100/100W, SCHEDULE M-1	DEDUCTIONS IN RETURN NOT CHARGED AGAINST BOOK INCOME	STATEMENT 13
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DESCRIPTION	AMOUNT
BAD DEBT RESERVE	211,774.
ACCRUED BONUSES	17,826.
AMORTIZATION	23.
TOTAL TO FORM 100/100W, SCHEDULE M-1	229,623.

Form **1120**

**U.S. Corporation Income Tax Return**

For calendar year 2017 or tax year

OMB No. 1545-0123

beginning \_\_\_\_\_, ending \_\_\_\_\_

**EXTENSION GRANTED TO 10/15/18**

**2017**

Department of the Treasury  
Internal Revenue Service

▶ Go to [www.irs.gov/Form1120](http://www.irs.gov/Form1120) for instructions and the latest information.

<b>A Check if:</b> 1a Consolidated return (attach Form 851) ..... <input type="checkbox"/> b Life/nonlife consolidated return ..... <input type="checkbox"/> 2 Personal holding co. (attach Sch. PH) ..... <input type="checkbox"/> 3 Personal service corp. (see instructions) ..... <input type="checkbox"/> 4 Schedule M-3 attached ..... <input type="checkbox"/>	<b>TYPE OR PRINT</b>	Name <b>ZUMOBI, INC.</b>	B Employer identification number <b>38-3740014</b>
		Number, street, and room or suite no. If a P.O. box, see instructions. <b>1525 4TH AVENUE, SUITE 800</b>	C Date incorporated <b>08/15/2006</b>
		City or town, state, or province, country, and ZIP or foreign postal code <b>SEATTLE, WA 98101</b>	D Total assets (see instructions) <b>\$ 4,495,929.</b>
		E Check if: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change	

<b>Income</b>	1a Gross receipts or sales	1a	<b>10,042,048.</b>	
	b Returns and allowances	1b		
	c Balance. Subtract line 1b from line 1a	1c	<b>10,042,048.</b>	
	2 Cost of goods sold (attach Form 1125-A)	2	<b>6,881,875.</b>	
	3 Gross profit. Subtract line 2 from line 1c	3	<b>3,160,173.</b>	
	4 Dividends (Schedule C, line 19)	4		
	5 Interest	5		
	6 Gross rents	6		
	7 Gross royalties	7		
	8 Capital gain net income (attach Schedule D (Form 1120))	8		
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9		
10 Other income (attach statement) <b>SEE STATEMENT 1</b>	10	<b>113,446.</b>		
11 <b>Total income.</b> Add lines 3 through 10	11	<b>3,273,619.</b>		
<b>Deductions (See instructions for limitations on deductions.)</b>	12 Compensation of officers (attach Form 1125-E)	12	<b>389,021.</b>	
	13 Salaries and wages (less employment credits)	13	<b>2,603,795.</b>	
	14 Repairs and maintenance	14		
	15 Bad debts	15	<b>1,083,264.</b>	
	16 Rents	16	<b>186,646.</b>	
	17 Taxes and licenses <b>SEE STATEMENT 2</b>	17	<b>241,916.</b>	
	18 Interest	18	<b>239,651.</b>	
	19 Charitable contributions	19		
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20	<b>22,197.</b>	
	21 Depletion	21		
	22 Advertising	22	<b>32,363.</b>	
	23 Pension, profit-sharing, etc., plans	23		
	24 Employee benefit programs	24	<b>184,871.</b>	
	25 Domestic production activities deduction (attach Form 8903)	25		
	26 Other deductions (attach statement) <b>SEE STATEMENT 3</b>	26	<b>852,048.</b>	
	27 <b>Total deductions.</b> Add lines 12 through 26	27	<b>5,835,772.</b>	
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28	<b>-2,562,153.</b>	
<b>Tax, Refundable Credits, and Payments</b>	29a Net operating loss deduction (see instructions)	29a		
	b Special deductions (Schedule C, line 20)	29b		
	c Add lines 29a and 29b	29c		
	30 <b>Taxable income.</b> Subtract line 29c from line 28. See instructions	30	<b>-2,562,153.</b>	
31 Total tax (Schedule J, Part I, line 11)	31	<b>0.</b>		
32 Total payments and refundable credits (Schedule J, Part II, line 21)	32			
33 Estimated tax penalty. See instructions. Check if Form 2220 is attached <input type="checkbox"/>	33			
34 <b>Amount owed.</b> If line 32 is smaller than the total of lines 31 and 33, enter amount owed	34	<b>0.</b>		
35 <b>Overpayment.</b> If line 32 is larger than the total of lines 31 and 33, enter amount overpaid	35			
36 Enter amount from line 35 you want: <b>Credited to 2018 estimated tax</b> ▶ <b>Refunded</b> ▶	36			

**Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer: **VP, FINANCE** Date: \_\_\_\_\_

Print/Type preparer's name: **KARINA B. STADELMAN** Preparer's signature: **KARINA B. STADELMA** Date: **10/12/18** Check if self-employed  PTIN: **P00363599**

Firm's name: **MOSS ADAMS LLP** Firm's EIN: **91-0189318**

Firm's address: **999 THIRD AVENUE, SUITE 2800 SEATTLE, WA 98104** Phone no.: **206-302-6500**

Form 1120 (2017) **ZUMOBI, INC.**

**38-3740014** Page 2

<b>Schedule C</b> Dividends and Special Deductions (see instructions)	(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1 Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock) .....		70	
2 Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock) .....		80	
3 Dividends on debt-financed stock of domestic and foreign corporations .....		see instructions	
4 Dividends on certain preferred stock of less-than-20%-owned public utilities .....		42	
5 Dividends on certain preferred stock of 20%-or-more-owned public utilities .....		48	
6 Dividends from less-than-20%-owned foreign corporations and certain FSCs .....		70	
7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs .....		80	
8 Dividends from wholly owned foreign subsidiaries .....		100	
9 <b>Total.</b> Add lines 1 through 8 .....			
10 Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958 .....		100	
11 Dividends from affiliated group members .....		100	
12 Dividends from certain FSCs .....		100	
13 Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, or 12 .....			
14 Income from controlled foreign corporations under subpart F (attach Form(s) 5471) .....			
15 Foreign dividend gross-up .....			
16 IC-DISC and former DISC dividends not included on line 1, 2, or 3 .....			
17 Other dividends .....			
18 Deduction for dividends paid on certain preferred stock of public utilities .....			
19 <b>Total dividends.</b> Add lines 1 through 17. Enter here and on page 1, line 4 .....			
20 <b>Total special deductions.</b> Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b .....			

Form **1120** (2017)

**Schedule J Tax Computation and Payment** (see instructions)

**Part I - Tax Computation**

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120))		
2	Income tax. Check if a qualified personal service corporation. See instructions		0.
3	Alternative minimum tax (attach Form 4626)		
4	Add lines 2 and 3		0.
5a	Foreign tax credit (attach Form 1118)	5a	
5b	Credit from Form 8834 (see instructions)	5b	
5c	General business credit (attach Form 3800)	5c	
5d	Credit for prior year minimum tax (attach Form 8827)	5d	
5e	Bond credits from Form 8912	5e	
6	<b>Total credits.</b> Add lines 5a through 5e	6	
7	Subtract line 6 from line 4	7	0.
8	Personal holding company tax (attach Schedule PH (Form 1120))	8	
9a	Recapture of investment credit (attach Form 4255)	9a	
9b	Recapture of low-income housing credit (attach Form 8611)	9b	
9c	Interest due under the look-back method-completed long-term contracts (attach Form 8697)	9c	
9d	Interest due under the look-back method-income forecast method (attach Form 8866)	9d	
9e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e	
9f	Other (see instructions - attach statement)	9f	
10	<b>Total.</b> Add lines 9a through 9f	10	
11	<b>Total tax.</b> Add lines 7, 8, and 10. Enter here and on page 1, line 31	11	0.

**Part II - Payments and Refundable Credits**

12	2016 overpayment credited to 2017	12	
13	2017 estimated tax payments	13	
14	2017 refund applied for on Form 4466	14	( )
15	Combine lines 12, 13, and 14	15	
16	Tax deposited with Form 7004	16	
17	Withholding (see instructions)	17	
18	<b>Total payments.</b> Add lines 15, 16, and 17	18	
19	Refundable credits from:		
19a	Form 2439	19a	
19b	Form 4136	19b	
19c	Form 8827, line 8c	19c	
19d	Other (attach statement - see instructions)	19d	
20	<b>Total credits.</b> Add lines 19a through 19d	20	
21	<b>Total payments and credits.</b> Add lines 18 and 20. Enter here and on page 1, line 32	21	

**Schedule K Other Information** (see instructions)

1	Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify)	Yes	No
2	See the instructions and enter the: a Business activity code no. <b>517000</b> b Business activity <b>CELL PHONE SOFTWARE</b> c Product or service <b>CELL PHONE SOFTWARE</b>		
3	Is the corporation a subsidiary in an affiliated group or a parent-subsiary controlled group? If "Yes," enter name and EIN of the parent corporation		X
4	At the end of the tax year: a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G)	X	
	b Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G)		X



**Schedule K Other Information** (continued from page 3)

		Yes	No
<b>5</b> At the end of the tax year, did the corporation: <b>a</b> Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on Form 851, Affiliations Schedule? For rules of constructive ownership, see instructions ..... If "Yes," complete (i) through (iv) below.			<b>X</b>
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock
<b>b</b> Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions ..... If "Yes," complete (i) through (iv) below.			<b>X</b>
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Organization	(iv) Maximum Percentage Owned in Profit, Loss, or Capital
<b>6</b> During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? See sections 301 and 316 ..... If "Yes," file Form 5452, Corporate Report of Nondividend Distributions. See the instructions for Form 5452. If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.			<b>X</b>
<b>7</b> At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of the total voting power of all classes of the corporation's stock entitled to vote or at least 25% of the total value of all classes of the corporation's stock? ..... For rules of attribution, see section 318. If "Yes," enter: (a) Percentage owned ▶ _____ and (b) Owner's country ▶ _____ (c) The corporation may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached ▶ _____			<b>X</b>
<b>8</b> Check this box if the corporation issued publicly offered debt instruments with original issue discount ..... <input type="checkbox"/> If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.			
<b>9</b> Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ _____			
<b>10</b> Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶ <u>27</u>			
<b>11</b> If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ..... <input type="checkbox"/> If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.			
<b>12</b> Enter the available NOL carryover from prior tax years (do not reduce it by any deduction reported on page 1, line 29a.) ... ▶ \$ _____			
<b>13</b> Are the corporation's total receipts (page 1, line 1a, plus lines 4 through 10) for the tax year and its total assets at the end of the tax year less than \$250,000? ..... If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year ▶ \$ _____			<b>X</b>
<b>14</b> Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement? See instructions ..... If "Yes," complete and attach Schedule UTP.			<b>X</b>
<b>15a</b> Did the corporation make any payments in 2017 that would require it to file Form(s) 1099? .....	<b>X</b>		
<b>b</b> If "Yes," did or will the corporation file required Forms 1099? .....	<b>X</b>		
<b>16</b> During this tax year, did the corporation have an 80% or more change in ownership, including a change due to redemption of its own stock? .....			<b>X</b>
<b>17</b> During or subsequent to this tax year, but before the filing of this return, did the corporation dispose of more than 65% (by value) of its assets in a taxable, non-taxable, or tax deferred transaction? .....			<b>X</b>
<b>18</b> Did the corporation receive assets in a section 351 transfer in which any of the transferred assets had a fair market basis or fair market value of more than \$1 million? .....			<b>X</b>
<b>19</b> During the corporation's tax year, did the corporation make any payments that would require it to file Forms 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474) of the Code? .....			<b>X</b>

Schedule L Balance Sheets per Books	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
<b>Assets</b>				
1 Cash		209,023.		392,684.
2a Trade notes and accounts receivable	3,026,122.		4,022,577.	
b Less allowance for bad debts	(231,156.)	2,794,966.	(19,351.)	4,003,226.
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (att. stmt.) <b>STMT 4</b>		126,013.		96,485.
7 Loans to shareholders				
8 Mortgage and real estate loans				
9 Other investments (att. stmt.)				
10a Buildings and other depreciable assets	271,094.		264,516.	
b Less accumulated depreciation	(254,037.)	17,057.	(260,982.)	3,534.
11a Depletable assets				
b Less accumulated depletion	( )		( )	
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
b Less accumulated amortization	( )		( )	
14 Other assets (att. stmt.)				
15 Total assets		3,147,059.		4,495,929.
<b>Liabilities and Shareholders' Equity</b>				
16 Accounts payable		328,301.		1,756,000.
17 Mortgages, notes, bonds payable in less than 1 year		3,600,000.		7,695,307.
18 Other current liabilities (att. stmt.) <b>STMT 5</b>		2,805,262.		3,361,672.
19 Loans from shareholders				
20 Mortgages, notes, bonds payable in 1 year or more		2,000,000.		372,549.
21 Other liabilities (att. stmt.) <b>STMT 6</b>		117,495.		100,314.
22 Capital stock: a Preferred stock	39,714,668.		39,714,668.	
b Common stock	930.	39,715,598.	930.	39,715,598.
23 Additional paid-in capital		591,506.		629,107.
24 Retained earnings - Appropriated (attach statement)				
25 Retained earnings - Unappropriated		-46,011,103.		-49,134,618.
26 Adjustments to shareholders' equity (attach statement)				
27 Less cost of treasury stock		( )		( )
28 Total liabilities and shareholders' equity		3,147,059.		4,495,929.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return**

Note: The corporation may be required to file Schedule M-3. See instructions.

1 Net income (loss) per books	-3,123,515.	7 Income recorded on books this year not included on this return (itemize):	
2 Federal income tax per books		Tax-exempt interest \$ _____	
3 Excess of capital losses over capital gains			
4 Income subject to tax not recorded on books this year (itemize):			
<b>SEE STATEMENT 7</b>	280,936.	8 Deductions on this return not charged against book income this year (itemize):	
5 Expenses recorded on books this year not deducted on this return (itemize):		a Depreciation \$ 15,252.	
a Depreciation \$ _____		b Charitable contributions \$ _____	
b Charitable contributions \$ _____		<b>STMT 9</b> 229,623.	
c Travel and entertainment \$ 22,028.			244,875.
<b>STMT 8</b> 503,273.	525,301.	9 Add lines 7 and 8	244,875.
6 Add lines 1 through 5	-2,317,278.	10 Income (page 1, line 28) - line 6 less line 9	-2,562,153.

**Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)**

1 Balance at beginning of year	-46,011,103.	5 Distributions: a Cash	
2 Net income (loss) per books	-3,123,515.	b Stock	
3 Other increases (itemize):		c Property	
		6 Other decreases (itemize):	
		7 Add lines 5 and 6	
4 Add lines 1, 2, and 3	-49,134,618.	8 Balance at end of year (line 4 less line 7)	-49,134,618.

Form **4626**  
 Department of the Treasury  
 Internal Revenue Service

**Alternative Minimum Tax - Corporations**

OMB No. 1545-0123

▶ Attach to the corporation's tax return.  
 ▶ Go to [www.irs.gov/Form4626](http://www.irs.gov/Form4626) for instructions and the latest information.

**2017**

Name <b>ZUMOBI, INC.</b>		Employer identification number <b>38-3740014</b>
<b>Note:</b> See the instructions to find out if the corporation is a small corporation exempt from the alternative minimum tax (AMT) under section 55(e).		
1	Taxable income or (loss) before net operating loss deduction	<b>-2,562,153.</b>
2	<b>Adjustments and preferences:</b>	
a	Depreciation of post-1986 property	<b>683.</b>
b	Amortization of certified pollution control facilities	
c	Amortization of mining exploration and development costs	
d	Amortization of circulation expenditures (personal holding companies only)	
e	Adjusted gain or loss	
f	Long-term contracts	
g	Merchant marine capital construction funds	
h	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	
i	Tax shelter farm activities (personal service corporations only)	
j	Passive activities (closely held corporations and personal service corporations only)	
k	Loss limitations	
l	Depletion	
m	Tax-exempt interest income from specified private activity bonds	
n	Intangible drilling costs	
o	Other adjustments and preferences	
3	Pre-adjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2o	<b>-2,561,470.</b>
4	<b>Adjusted current earnings (ACE) adjustment:</b>	
a	ACE from line 10 of the ACE worksheet in the instructions	<b>-2,561,470.</b>
b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount. See instructions	<b>0.</b>
c	Multiply line 4b by 75% (0.75). Enter the result as a positive amount	
d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments. See instructions. <b>Note:</b> You must enter an amount on line 4d (even if line 4b is positive)	
e	ACE adjustment. <ul style="list-style-type: none"> <li>If line 4b is zero or more, enter the amount from line 4c</li> <li>If line 4b is less than zero, enter the <b>smaller</b> of line 4c or line 4d as a negative amount</li> </ul>	<b>0.</b>
5	Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe any AMT	<b>-2,561,470.</b>
6	Alternative tax net operating loss deduction. See instructions	
7	<b>Alternative minimum taxable income.</b> Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see instructions	
8	<b>Exemption phase-out</b> (if line 7 is \$310,000 or more, skip lines 8a and 8b and enter -0- on line 8c):	
a	Subtract \$150,000 from line 7. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0-	
b	Multiply line 8a by 25% (0.25)	
c	Exemption. Subtract line 8b from \$40,000. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0-	
9	Subtract line 8c from line 7. If zero or less, enter -0-	
10	Multiply line 9 by 20% (0.20)	
11	Alternative minimum tax foreign tax credit (AMTFTC). See instructions	
12	Tentative minimum tax. Subtract line 11 from line 10	
13	Regular tax liability before applying all credits except the foreign tax credit	
14	<b>Alternative minimum tax.</b> Subtract line 13 from line 12. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return	

JWA For Paperwork Reduction Act Notice, see separate instructions.

Form 4626 (2017)

717001  
01-12-18

ZUMOBI, INC.

38-3740014

**Adjusted Current Earnings (ACE) Worksheet**

▶ See ACE Worksheet Instructions.

1	Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626		1	-2,561,470.
2	ACE depreciation adjustment:			
a	AMT depreciation	2a		21,514.
b	ACE depreciation:			
(1)	Post-1993 property	2b(1)		21,514.
(2)	Post-1989, pre-1994 property	2b(2)		
(3)	Pre-1990 MACRS property	2b(3)		
(4)	Pre-1990 original ACRS property	2b(4)		
(5)	Property described in sections 168(f)(1) through (4)	2b(5)		
(6)	Other property	2b(6)		
(7)	Total ACE depreciation. Add lines 2b(1) through 2b(6)	2b(7)		21,514.
c	ACE depreciation adjustment. Subtract line 2b(7) from line 2a		2c	
3	Inclusion in ACE of items included in earnings and profits (E&P):			
a	Tax-exempt interest income	3a		
b	Death benefits from life insurance contracts	3b		
c	All other distributions from life insurance contracts (including surrenders)	3c		
d	Inside buildup of undistributed income in life insurance contracts	3d		
e	Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)	3e		
f	Total increase to ACE from inclusion in ACE of items included in E&P. Add lines 3a through 3e		3f	
4	Disallowance of items not deductible from E&P:			
a	Certain dividends received	4a		
b	Dividends paid on certain preferred stock of public utilities that are deductible under section 247 (as affected by P.L. 113-295, Div. A, section 221(a)(41)(A), Dec. 19, 2014, 128 Stat. 4043)	4b		
c	Dividends paid to an ESOP that are deductible under section 404(k)	4c		
d	Nonpatronage dividends that are paid and deductible under section 1382(c)	4d		
e	Other items (see Regulations sections 1.56(g)-1(d)(3)(i) and (ii) for a partial list)	4e		
f	Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e		4f	
5	Other adjustments based on rules for figuring E&P:			
a	Intangible drilling costs	5a		
b	Circulation expenditures	5b		
c	Organizational expenditures	5c		
d	LIFO inventory adjustments	5d		
e	Installment sales	5e		
f	Total other E&P adjustments. Combine lines 5a through 5e		5f	
6	Disallowance of loss on exchange of debt pools		6	
7	Acquisition expenses of life insurance companies for qualified foreign contracts		7	
8	Depletion		8	
9	Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property		9	
10	Adjusted current earnings. Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626		10	-2,561,470.

Form **1125-A**

### Cost of Goods Sold

OMB No. 1545-0123

(Rev. October 2016)

▶ Attach to Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B.

Department of the Treasury  
Internal Revenue Service

▶ Information about Form 1125-A and its instructions is at [www.irs.gov/form1125a](http://www.irs.gov/form1125a).

Name <b>ZUMOBI, INC.</b>		Employer identification number <b>38-3740014</b>	
1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule) <b>SEE STATEMENT 10</b>	5	<b>6,881,875.</b>
6	<b>Total.</b> Add lines 1 through 5	6	<b>6,881,875.</b>
7	Inventory at end of year	7	
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions	8	<b>6,881,875.</b>

9 a Check all methods used for valuing closing inventory:

- (i)  Cost
- (ii)  Lower of cost or market
- (iii)  Other (Specify method used and attach explanation) ▶ \_\_\_\_\_

b Check if there was a writedown of subnormal goods ..... ▶

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ..... ▶

d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO ..... **9d**

e If property is produced or acquired for resale, do the rules of Section 263A apply to the entity? See instructions .....  Yes  No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? .....  Yes  No  
If "Yes," attach explanation.

For Paperwork Reduction Act Notice, see separate instructions.

Form 1125-A (Rev. 10-2016)





Form **4562**  
 Department of the Treasury  
 Internal Revenue Service (99)  
 Name(s) shown on return

**Depreciation and Amortization**  
 (Including Information on Listed Property) OTHER

OMB No. 1545-0172

**2017**  
 Attachment  
 Sequence No. 179

▶ Attach to your tax return.

▶ Go to [www.irs.gov/Form4562](http://www.irs.gov/Form4562) for instructions and the latest information.

ZUMOBI, INC.

OTHER DEPRECIATION

38-3740014

**Part I Election To Expense Certain Property Under Section 179** Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	510,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2,030,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2016 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2018. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	10,573.

**Part III MACRS Depreciation (Don't include listed property.) (See instructions.)**

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2017	17	11,624.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		<input type="checkbox"/>

**Section B - Assets Placed in Service During 2017 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

**Section C - Assets Placed in Service During 2017 Tax Year Using the Alternative Depreciation System**

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

**Part IV Summary (See instructions.)**

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	22,197.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	



Form 4562 (2017)

ZUMOBI, INC.

38-3740014 Page 2

**Part V Listed Property** (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)**

24a Do you have evidence to support the business/investment use claimed?		Yes <input type="checkbox"/>		No <input type="checkbox"/>		24b If "Yes," is the evidence written?		Yes <input type="checkbox"/>		No <input type="checkbox"/>	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use								25			
26 Property used more than 50% in a qualified business use:											
		%									
		%									
		%									
27 Property used 50% or less in a qualified business use:											
		%				S/L -					
		%				S/L -					
		%				S/L -					
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1								28			
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1										29	

**Section B - Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (don't include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

**Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

**Note:** If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2017 tax year:					
43 Amortization of costs that began before your 2017 tax year				43	23.
44 Total. Add amounts in column (f). See the instructions for where to report				44	23.

Form **6765**  
 (Rev. March 2018)  
 Department of the Treasury  
 Internal Revenue Service  
 Name(s) shown on return

### Credit for Increasing Research Activities

▶ Attach to your tax return.  
 ▶ Go to [www.irs.gov/Form6765](http://www.irs.gov/Form6765) for instructions and the latest information.

OMB No. 1545-0619

Attachment Sequence No. **81**

Identifying number

**38-3740014**

**ZUMOBI, INC.**

**Section A - Regular Credit.** Skip this section and go to Section B if you are electing or previously elected (and are not revoking) the alternative simplified credit.

1	Certain amounts paid or incurred to energy consortia		1
2	Basic research payments to qualified organizations	2	
3	Qualified organization base period amount	3	
4	Subtract line 3 from line 2. If zero or less, enter -0-		4
5	Wages for qualified services (do not include wages used in figuring the work opportunity credit)	5	
6	Cost of supplies	6	
7	Rental or lease costs of computers	7	
8	Enter the applicable percentage of contract research expenses	8	
9	Total qualified research expenses. Add lines 5 through 8	9	
10	Enter fixed-base percentage, but not more than 16% (0.16)	10	16.0000 %
11	Enter average annual gross receipts	11	5,393,681.
12	Multiply line 11 by the percentage on line 10	12	862,989.
13	Subtract line 12 from line 9. If zero or less, enter -0-	13	0.
14	Multiply line 9 by 50% (0.50)	14	
15	Enter the smaller of line 13 or line 14		15
16	Add lines 1, 4, and 15		16
17	Are you electing the reduced credit under section 280C? ▶ Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If "Yes," multiply line 16 by 13% (0.13). If "No," multiply line 16 by 20% (0.20) and see the instructions for the statement that must be attached. Fiscal year filers: see instructions. Members of controlled groups or businesses under common control: see instructions for the statement that must be attached		17

**Section B - Alternative Simplified Credit.** Skip this section if you are completing Section A.

18	Certain amounts paid or incurred to energy consortia		18
19	Basic research payments to qualified organizations	19	
20	Qualified organization base period amount	20	
21	Subtract line 20 from line 19. If zero or less, enter -0-		21
22	Add lines 18 and 21		22
23	Multiply line 22 by 20% (0.20)		23
24	Wages for qualified services (do not include wages used in figuring the work opportunity credit)	24	
25	Cost of supplies	25	
26	Rental or lease costs of computers	26	
27	Enter the applicable percentage of contract research expenses	27	
28	Total qualified research expenses. Add lines 24 through 27	28	
29	Enter your total qualified research expenses for the prior 3 tax years. If you had no qualified research expenses in any one of those years, skip lines 30 and 31	29	
30	Divide line 29 by 6.0	30	
31	Subtract line 30 from line 28. If zero or less, enter -0-	31	
32	Multiply line 31 by 14% (0.14). If you skipped lines 30 and 31, multiply line 28 by 6% (0.06)		32

LHA For Paperwork Reduction Act Notice, see separate instructions.

Form 6765 (Rev. 3-2018)

**Section B - Alternative Simplified Credit** (continued)

<b>33</b>	Add lines 23 and 32	<b>33</b>	
<b>34</b>	Are you electing the reduced credit under section 280C? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," multiply line 33 by 65% (0.65). If "No," enter the amount from line 33 and see the line 17 instructions for the statement that must be attached. Fiscal year filers: see instructions. Members of controlled groups or businesses under common control: see instructions for the statement that must be attached	<b>34</b>	

**Section C - Current Year Credit**

<b>35</b>	Enter the portion of the credit from Form 8932, line 2, that is attributable to wages that were also used to figure the credit on line 17 or line 34 (whichever applies)	<b>35</b>	
<b>36</b>	Subtract line 35 from line 17 or line 34 (whichever applies). If zero or less, enter -0-	<b>36</b>	0.
<b>37</b>	Credit for increasing research activities from partnerships, S corporations, estates, and trusts	<b>37</b>	
<b>38</b>	Add lines 36 and 37 • Estates and trusts, go to line 39. • Partnerships and S corporations not electing the payroll tax credit, stop here and report this amount on Schedule K. • Partnerships and S corporations electing the payroll tax credit, complete Section D and report on Schedule K the amount on this line reduced by the amount on line 44. • Eligible small businesses, stop here and report the credit on Form 3800, Part III, line 4i. See instructions for the definition of eligible small business. • Filers other than eligible small businesses, stop here and report the credit on Form 3800, Part III, line 1c. <b>Note:</b> Qualified small business filers, other than partnerships and S corporations, electing the payroll tax credit must complete Form 3800 before completing Section D.	<b>38</b>	
<b>39</b>	Amount allocated to beneficiaries of the estate or trust	<b>39</b>	
<b>40</b>	Estates and trusts, subtract line 39 from line 38. For eligible small businesses, report the credit on Form 3800, Part III, line 4i. See instructions. For filers other than eligible small businesses, report the credit on Form 3800, Part III, line 1c	<b>40</b>	

**Section D - Qualified Small Business Payroll Tax Election and Payroll Tax Credit.** Skip this section if the payroll tax election does not apply. See instructions.

<b>41</b>	Check this box if you are a qualified small business electing the payroll tax credit. See instructions <input type="checkbox"/>		
<b>42</b>	Enter the portion of line 36 elected as a payroll tax credit (do not enter more than \$250,000). See instructions	<b>42</b>	
<b>43</b>	General business credit carryforward from the current year (see instructions). Partnerships and S corporations skip this line and go to line 44	<b>43</b>	
<b>44</b>	Partnerships and S corporations, enter the smaller of line 36 or line 42. All others, enter the smallest of line 36, line 42, or line 43. Enter here and on the applicable line of Form 8974, Part 1, column (e). Members of controlled groups or businesses under common control: see instructions for the statement that must be attached	<b>44</b>	

ELECTION NOT TO CLAIM THE ADDITIONAL FIRST YEAR  
DEPRECIATION ALLOWABLE UNDER IRC SEC. 168(K)

ZUMOBİ, INC.  
1525 4TH AVENUE, SUITE 800  
SEATTLE, WA 98101

EMPLOYER IDENTIFICATION NUMBER: 38-3740014

FOR THE YEAR ENDING DECEMBER 31, 2017

ZUMOBİ, INC., HEREBY ELECTS, PURSUANT TO IRC SEC. 168(K)(7), NOT TO  
CLAIM THE ADDITIONAL DEPRECIATION ALLOWABLE UNDER IRC SEC. 168(K)  
FOR THE FOLLOWING QUALIFYING PROPERTY PLACED IN SERVICE DURING THE  
TAX YEAR ENDING DECEMBER 31, 2017.

COMPUTER SOFTWARE AS DEFINED BY IRC SEC. 167(F)(1)(B).

SEE ATTACHED FORM 4562.

SECTION 1.263(A)-1(F) DE MINIMIS SAFE HARBOR ELECTION

ZUMOBİ, INC.  
1525 4TH AVENUE, SUITE 800  
SEATTLE, WA 98101

EMPLOYER IDENTIFICATION NUMBER: 38-3740014

FOR THE YEAR ENDING DECEMBER 31, 2017

ZUMOBİ, INC. IS MAKING THE DE MINIMIS SAFE HARBOR ELECTION UNDER  
REG. SEC. 1.263(A)-1(F).

ZUMOBI, INC.

38-3740014

FORM 1120	OTHER INCOME	STATEMENT 1
DESCRIPTION		AMOUNT
OTHER INCOME		113,446.
TOTAL TO FORM 1120, LINE 10		113,446.

FORM 1120	TAXES AND LICENSES	STATEMENT 2
DESCRIPTION		AMOUNT
BUSINESS TAXES		34,916.
LICENSES AND PERMITS		2,351.
PAYROLL TAXES		196,942.
STATE TAX PAYMENTS		7,707.
TOTAL TO FORM 1120, LINE 17		241,916.

FORM 1120	OTHER DEDUCTIONS	STATEMENT 3
DESCRIPTION		AMOUNT
481(A) ADJUSTMENT		-280,936.
AMORTIZATION		23.
BANK FEES		2,715.
COMMUNICATIONS		48,563.
COMPUTER EXPENSES		109,578.
CONTRACT LABOR EXPENSES		244,494.
DIRECTORS EXPENSE		46,643.
DUES AND SUBSCRIPTIONS		33,968.
EMPLOYEE EXPENSES		28,172.
INSURANCE		34,311.
MEALS AND ENTERTAINMENT		22,028.
MOBILE DEVICE EXPENSE		944.
OFFICE EXPENSES		43,237.
PARKING EXPENSE		25,830.
PROFESSIONAL FEES		309,558.
RECRUITING EXPENSE		99,539.
TRAVEL EXPENSES		83,134.
UTILITIES		247.
TOTAL TO FORM 1120, LINE 26		852,048.

STATEMENT(S) 1, 2, 3

ZUMOBI, INC.

38-3740014

SCHEDULE L	OTHER CURRENT ASSETS	STATEMENT 4	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
PREPAID EXPENSES		126,013.	96,485.
TOTAL TO SCHEDULE L, LINE 6		126,013.	96,485.

SCHEDULE L	OTHER CURRENT LIABILITIES	STATEMENT 5	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
ACCRUED COMPENSATION AND BENEFITS		1,093,493.	1,866,189.
DEFERRED RENT - CURRENT PORTION		0.	-1,477.
INTEREST PAYABLE		448,285.	0.
OTHER ACCRUED LIABILITIES		83,915.	106,304.
SQUARE1 A/R LOC - SHORT TERM		1,175,000.	1,390,656.
UNBILLED REVENUE		4,569.	0.
TOTAL TO SCHEDULE L, LINE 18		2,805,262.	3,361,672.

SCHEDULE L	OTHER LIABILITIES	STATEMENT 6	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
DEBT DISCOUNT - LONG TERM PORTION		-38,361.	-20,901.
DEFERRED RENT - LONG TERM PORTION		0.	5,918.
WARRANT LIABILITY		155,856.	115,297.
TOTAL TO SCHEDULE L, LINE 21		117,495.	100,314.

SCHEDULE M-1	TAXABLE INCOME NOT RECORDED ON BOOKS	STATEMENT 7	
DESCRIPTION		AMOUNT	
481(A) ADJUSTMENT		280,936.	
TOTAL TO SCHEDULE M-1, LINE 4		280,936.	

STATEMENT(S) 4, 5, 6, 7

ZUMOBI, INC.

38-3740014

SCHEDULE M-1	OTHER EXPENSES RECORDED ON BOOKS NOT DEDUCTED IN THIS RETURN	STATEMENT 8
--------------	---	-------------

DESCRIPTION	AMOUNT
INCENTIVE STOCK OPTION EXPENSE	35,553.
NONQUALIFIED STOCK OPTION EXPENSE	2,049.
INTEREST EXPENSE 163(I)	379,375.
CHANGE IN FMV OF STOCK WARRANT	40,559.
PREPAID EXPENSES	29,528.
ACCRUED EXPENSES	16,209.
TOTAL TO SCHEDULE M-1, LINE 5	503,273.

SCHEDULE M-1	OTHER DEDUCTIONS IN THIS RETURN NOT CHARGED AGAINST BOOK INCOME	STATEMENT 9
--------------	--	-------------

DESCRIPTION	AMOUNT
BAD DEBT RESERVE	211,774.
ACCRUED BONUSES	17,826.
AMORTIZATION	23.
TOTAL TO SCHEDULE M-1, LINE 8	229,623.

FORM 1125-A	OTHER COSTS	STATEMENT 10
-------------	-------------	--------------

DESCRIPTION	AMOUNT
AD SERVING COSTS	445,697.
COLOCATION SERVICES	105,933.
DATA FEED COSTS	162,374.
PARTNER REVENUE SHARE	6,159,100.
PUSH NOTIFICATION FEES	8,771.
TOTAL TO LINE 5	6,881,875.

STATEMENT(S) 8, 9, 10



Caution: Forms printed from within Adobe Acrobat products may not meet IRS or state taxing agency specifications. When using Acrobat 5.x products, uncheck the "Shrink oversized pages to page size" and uncheck the "Expand small pages to paper size" options, in the Adobe "Print" dialog. When using Acrobat 6.x and later products versions, select "None" in the "PageScaling" selection box in the Adobe "Print" dialog.

STATE COPY

**2017 TAX RETURN FILING INSTRUCTIONS**

MARYLAND FORM 500

**FOR THE YEAR ENDING**

December 31, 2017

**Prepared For:**

Lara Rickard  
Zumobi, Inc.  
1525 4th Avenue, Suite 800  
Seattle, WA 98101

**Prepared By:**

Moss Adams LLP  
999 Third Avenue, Suite 2800  
Seattle, WA 98104

**To Be Signed and Dated By:**

The appropriate corporate officer(s).

**Amount of Tax:**

Total tax	\$	0
Less: payments and credits	\$	0
Plus: other amount	\$	0
Plus: interest and penalties	\$	0
No payment required	\$	

**Overpayment:**

Not applicable

**Make Check Payable to:**

Not applicable

**Mail Tax Return and Check (if applicable) to:**

This return has qualified for electronic filing. After you have reviewed your return for accuracy, please sign, date and return Form EL101B to our office. We will then transmit your return to the MDDOR. Do not mail a copy of the return.

**Return Must be Mailed On or Before:**

Return Form EL101B to us as soon as possible.

**Special Instructions:**

DO NOT MAIL

MARYLAND FORM EL 101B

INCOME TAX DECLARATION FOR BUSINESSES ELECTRONIC FILING



17101B005

2017

OR FISCAL YEAR BEGINNING 2017, ENDING

ZUMOB I INC

Name of corporation or pass-through entity

383740014

Federal Employer Identification Number

1525 4TH AVENUE SUITE 800

Street Address

SEATTLE

City or town

WA

State

98101

ZIP Code

+4

PART I Tax Return Information (whole dollars only)

Table with 3 rows: 1. Amount of overpayment to be applied to 2018 estimated tax... 2. Amount of overpayment to be refunded... 3. Total amount due. Includes a 'REFUND' box.

PART II Declaration and Signature Authorization

Check appropriate box to consent to:

Direct Deposit of refund or Electronic Funds Withdrawal (direct debit)

4a. Type of account:

Checking Savings

4b. Routing Number (9-digits):

4c. Account number:

4d. Direct debit settlement date (Enter the date (MMDDYY) you want the payment withdrawn from the account.)

4d.

4e. Direct debit amount

4e.

I consent that the corporation's refund be directly deposited as designated above and declare that the information shown is correct. By consenting, I also agree to disclose to the Maryland State Treasurer's Office certain income tax information including name, amount of refund and the above bank information. This disclosure is necessary to effect direct deposit.

I authorize the State of Maryland and its designated financial agent to initiate an electronic funds withdrawal payment entry to the financial institution account indicated for payment of the Maryland taxes owed by the corporation or pass-through entity and the financial institution to debit the entry to this account. Upon confirmation of consent during the filing of the corporation or pass-through entity state return, this authorization is to remain in full force and effect, and I may not terminate the authorization. I also authorize the financial institutions involved in the processing of this electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

X I do not want direct deposit of the refund or an electronic funds withdrawal (direct debit) of the balance due.

Under penalties of perjury, I declare that I am an officer, general partner or managing member of the above corporation or of the pass-through entity. I have compared the information contained on my electronic return with the information that I provided to my electronic return originator or entered on-line and that the name(s), address and amounts described above agree with the amounts shown on the corresponding lines of my 2017 Maryland electronic income tax return. To the best of my knowledge and belief, the return is true, correct and complete. I consent that the return, including accompanying schedules and statements, be sent to the Maryland Revenue Administration Division by my electronic return originator or by the electronic return software provider.

Sign Here

Corporate officer, general partner or managing member's signature

VP FINANCE

Title

Date

Wait ten (10) days after the receipt of a valid acknowledgement before calling 1-800-638-2937 or from Central Maryland 410-260-7980, about the refund.

PART III Declaration of Electronic Return Originator (paid preparer)

I declare that I have reviewed the return of the corporation or pass-through entity and that the entries on this form are complete and correct to the best of my knowledge. I have obtained the signature of the corporate officer, general partner or managing member, before submitting the return to the Maryland Revenue Administration Division, have provided that official with a copy of all forms and information to be filed with the Maryland Revenue Administration Division, and have followed all other requirements described in the Maryland Business E-File Handbook. This declaration is to be retained at the site of the electronic return originator.

Electronic Return Originator Use Only

Originator's Signature

916872

EFIN

101218

Date

MOSS ADAMS LLP

Firm's name (or yours if self-employed)

SEATTLE WA

Address

2063026500

Telephone Number

98104

ZIP Code

DO NOT MAIL

MARYLAND FORM 500

CORPORATION INCOME TAX RETURN



2017 \$

OR FISCAL YEAR BEGINNING \_\_\_\_\_ 2017, ENDING \_\_\_\_\_

383740014

Federal Employer Identification Number (9 digits) FEIN Applied for Date (MMDDYY)

081506

Date of Organization or Incorporation (MMDDYY)

517000

Business Activity Code No. (6 digits)

ZUMOB I INC

Name

1525 4TH AVENUE SUITE 800

Current Mailing Address Line 1 (Street No. and Street Name or PO Box)

Current Mailing Address Line 2 (Apt No., Suite No., Floor No.)

SEATTLE

City or town

WA

State

98101

ZIP Code

+4

ME

YE

STAPLE CHECK HERE

CHECK HERE IF:

- Name or address has changed, Inactive corporation, First filing of the corporation, Final Return, This tax year's beginning and ending dates are different from last year's due to an acquisition or consolidation.

SEE CORPORATION INSTRUCTIONS. ATTACH A COPY OF THE FEDERAL INCOME TAX RETURN THROUGH SCHEDULE M2.

- 1a. Federal Taxable Income (Enter amount from Federal Form 1120 line 28 or Form 1120-C line 25.) See Instructions. Check applicable box: 1120, 1120-REIT, 990T, Other: IF 1120S, FILE ON FORM 510 1a. -2562153.
1b. Special Deductions (Federal Form 1120 line 29b or Form 1120-C line 26b.) 1b.
1c. Federal Taxable Income before net operating loss deduction (Subtract line 1b from 1a.) 1c. -2562153.

MARYLAND ADJUSTMENTS TO FEDERAL TAXABLE INCOME

(All entries must be positive amounts.)

ADDITION ADJUSTMENTS

- 2a. Section 10-306.1 related party transactions 2a.
2b. Decoupling Modification Addition adjustment (Enter code letter(s) from instructions.) 2b.
2c. Total Maryland Addition Adjustments to Federal Taxable Income (Add lines 2a and 2b.) 2c.

SUBTRACTION ADJUSTMENTS

- 3a. Section 10-306.1 related party transactions 3a.
3b. Dividends for domestic corporation claiming foreign tax credits (Federal form 1120/1120C Schedule C line 15) 3b.
3c. Dividends from related foreign corporations (Federal form 1120/1120C Schedule C line 13 and 14) 3c.
3d. Decoupling Modification Subtraction adjustment (Enter code letter(s) from instructions.) 3d.
3e. Total Maryland Subtraction Adjustments to Federal Taxable Income (Add lines 3a through 3d.) 3e.
4. Maryland Adjusted Federal Taxable Income before NOL deduction is applied (Add lines 1c and 2c, and subtract line 3e.) 4. -2562153.
5. Enter Adjusted Federal NOL Carry-forward available from previous tax years (including FDSC Carry-forward) on a separate company basis (Enter NOL as a positive amount.) 5.

**MARYLAND  
FORM  
500**

**CORPORATION INCOME  
TAX RETURN**



**2017**  
page 2

NAME ZUMOBI INC FEIN 383740014

6. **Maryland Adjusted Federal Taxable Income** (If line 4 is less than or equal to zero, enter amount from line 4.) (If line 4 is greater than zero, subtract line 5 from line 4 and enter result. If result is less than zero, enter zero.) 6. -2562153.

**MARYLAND ADDITION MODIFICATIONS**

(All entries must be positive amounts.)

7a. State and local income tax ▶ 7a. \_\_\_\_\_  
 7b. Dividends and interest from another state, local or federal tax exempt obligation ▶ 7b. \_\_\_\_\_  
 7c. Net operating loss modification recapture (Do not enter NOL carryover. See instructions.) ▶ 7c. \_\_\_\_\_  
 7d. Domestic Production Activities Deduction ▶ 7d. \_\_\_\_\_  
 7e. Deduction for Dividends paid by captive REIT ▶ 7e. \_\_\_\_\_  
 7f. Other additions (Enter code letter(s) from instructions and attach schedule.) ▶ 7f. \_\_\_\_\_  
 7g. Total Addition Modifications (Add lines 7a through 7f.) 7g. \_\_\_\_\_

**MARYLAND SUBTRACTION MODIFICATIONS**

(All entries must be positive amounts.)

8a. Income from US Obligations ▶ 8a. \_\_\_\_\_  
 8b. Other Subtractions (Enter code letter(s) from instructions and attach schedule.) ▶ 8b. \_\_\_\_\_  
 8c. Total Subtraction Modifications (Add lines 8a and 8b.) 8c. \_\_\_\_\_

**NET MARYLAND MODIFICATIONS**

9. Total Maryland Modifications (Subtract line 8c from 7g. If less than zero, enter negative amount.) 9. \_\_\_\_\_  
 10. Maryland Modified Income (Add lines 6 and 9.) 10. -2562153.

**APPORTIONMENT OF INCOME**  
 (To be completed by multistate corporations whose apportionment factor is less than 1, otherwise skip to line 13.)

11. Maryland apportionment factor (from page 4 of this form) (If factor is zero, enter .000001.) ▶ 11. .000001  
 12. Maryland apportionment income (Multiply line 10 by line 11.) 12. -3.  
 13. Maryland taxable income (from line 10 or line 12, whichever is applicable.) 13. 0.  
 14. Tax (Multiply line 13 by 8.25%) 14. 0.

15a. Estimated tax paid with Form 500D, Form MW506NRS and/or credited from 2016 overpayment ▶ 15a. \_\_\_\_\_  
 15b. Tax paid with an extension request (Form 500E) ▶ 15b. \_\_\_\_\_

15c. Nonrefundable business income tax credits from Part BB. (See instructions for Form 500CR.)  
 15d. Refundable business income tax credits from Part EE. (See instructions for Form 500CR.)

You must file this form electronically to claim business tax credits from Form 500CR.

15e. The Heritage Structure Rehabilitation Tax Credit is claimed on line 1 of Part EE on Form 500CR. Check here  if you are a non-profit corporation.

15f. Nonresident tax paid on behalf of the corporation by pass-through entities (Attach Maryland Schedule K-1.) ▶ 15f. \_\_\_\_\_

15g. Total payments and credits (Add lines 15a through 15f.) 15g. \_\_\_\_\_

16. Balance of tax due (If line 14 exceeds line 15g, enter the difference.) ▶ 16. \_\_\_\_\_

17. Overpayment (If line 15g exceeds line 14, enter the difference.) ▶ 17. \_\_\_\_\_

18. Interest and/or penalty from Form 500UP or late payment interest TOTAL ▶ 18. \_\_\_\_\_

19. Total balance due (Add lines 16 and 18, or if line 18 exceeds line 17 enter the difference.) 19. \_\_\_\_\_

20. Amount of overpayment to be applied to estimated tax for 2018 (not to exceed the net of line 17 less line 18) ▶ 20. \_\_\_\_\_

21. Amount of overpayment TO BE REFUNDED (Add lines 18 and 20, and subtract the total from line 17.) ▶ 21. \_\_\_\_\_

MARYLAND  
FORM  
500

CORPORATION INCOME  
TAX RETURN



175000205

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page 3

NAME ZUMOBI INC FEIN 383740014

**DIRECT DEPOSIT OF REFUND** (See Instructions.) **Be sure the account information is correct.**

If this refund will go to an account outside of the United States, then to comply with banking rules, place a "Y" in this box  and see Instructions.

For the direct deposit option, complete the following information clearly and legibly.

22a. Type of account:  Checking  Savings

22b. Routing Number (9-digits):

22c. Account number:

**INFORMATIONAL PURPOSES ONLY (LINES 23 & 24)**

23. NOL generated in Current Year - Carryforward 20 years and back 2 years  
(If line 6 is less than zero, enter on line 23.) ..... 23. -2562153.

24. NAM generated in Current Year - Carried Forward/Back with Loss on Line 23 per  
Section 10-205(e) (If line 6 is less than zero AND line 9 is greater than zero, enter the  
amount from line 9 on line 24.) ..... 24. 0.

**MARYLAND  
FORM  
500**

**CORPORATION INCOME  
TAX RETURN**



175000305

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NAME ZUMOBI INC FEIN 383740014

**Schedule A - COMPUTATION OF APPORTIONMENT FACTOR** (Applies only to multistate corporations. See instructions.)

	Column 1 TOTALS WITHIN MARYLAND	Column 2 TOTALS WITHIN AND WITHOUT MARYLAND	Column 3 DECIMAL FACTOR (Column 1 ÷ Column 2 rounded to six places)
<b>NOTE:</b> Special apportionment formulas are required for rental/leasing, financial institutions, transportation and manufacturing companies.			
<b>1A. Receipts</b>			
a. Gross receipts or sales less returns and allowances	0	14053955	
b. Dividends			
c. Interest			
d. Gross rents			
e. Gross royalties			
f. Capital gain net income			
g. Other income (Attach schedule.)			
h. Total receipts (Add lines 1A(a) through 1A(g), for Columns 1 and 2.)	0	14053955	.000001
<b>1B. Receipts</b>			
Enter the same factor shown on line 1A, Column 3. Disregard this line if special apportionment formula is used			.000001
<b>2. Property</b>			
a. Inventory			
b. Machinery and equipment	0	267805	
c. Buildings			
d. Land			
e. Other tangible assets (Attach schedule.)			
f. Rent expense capitalized (multiply by eight)	0	1493168	
g. Total property (Add lines 2a through 2f, for Columns 1 and 2.)	0	1760973	.000001
<b>3. Payroll</b>			
a. Compensation of officers	0	389022	
b. Other salaries and wages	0	2585969	
c. Total payroll (Add lines 3a and 3b, for Columns 1 and 2.)	0	2974991	.000001
<b>4. Total of factors</b> (Add entries in Column 3.)			.000004
<b>5. Maryland apportionment factor</b> Divide line 4 by four for three-factor formula, or by the number of factors used if special apportionment formula required. (If factor is zero, enter .000001 on line 11 page 2.)			.000001

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500

CORPORATION INCOME  
TAX RETURN



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NAME ZUMOBI INC FEIN 383740014

**SCHEDULE B - ADDITIONAL INFORMATION REQUIRED (Attach a separate schedule if more space is necessary.)**

- 1. Telephone number of corporation tax department: 2062691111
- 2. Address of principal place of business in Maryland (if other than indicated on page 1): \_\_\_\_\_
- 3. Brief description of operations in Maryland: DEVELOPER WORKING OUT OF HOME OFFICE
- 4. Has the Internal Revenue Service made adjustments (for a tax year in which a Maryland return was required) that were not previously reported to the Maryland Revenue Administration Division?  Yes  No  
If "yes", indicate tax year(s) here: \_\_\_\_\_ and submit an amended return(s) together with a copy of the IRS adjustment report(s) under separate cover.
- 5. Did the corporation file employer withholding tax returns/forms with the Maryland Revenue Administration Division for the last calendar year?  Yes  No
- 6. Is this entity part of the federal consolidated filing?  Yes  No  
**If a multistate operation, provide the following:**
- 7. Is this entity a multistate corporation that is a member of a unitary group?  Yes  No
- 8. Is this entity a multistate manufacturer with more than 25 employees?  Yes  No

**SIGNATURE AND VERIFICATION**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements and to the best of my knowledge and belief it is true, correct and complete. If prepared by a person other than taxpayer, the declaration is based on all information of which the preparer has any knowledge.

Check here  if you authorize your preparer to discuss this return with us.

\_\_\_\_\_  
Officer's Signature Date

LARA RICKARD, VP FINANCE  
Officer's Name and Title

KARINA B STADELMAN  
Preparer's Signature

MOSS ADAMS LLP  
Preparer's name, address and telephone number  
999 THIRD AVENUE SUITE 2800  
SEATTLE WA 98104  
2063026500

▶ P00363599  
Preparer's PTIN (required by law)

**INCLUDE ALL REQUIRED PAGES OF FORM 500**

**Make checks payable to and mail to:**  
Comptroller Of Maryland  
Revenue Administration Division  
110 Carroll Street  
Annapolis, Maryland 21411-0001  
(Write Your FEIN On Check Using Blue or Black Ink.)



Form **1120**

**U.S. Corporation Income Tax Return**

For calendar year 2017 or tax year

OMB No. 1545-0123

beginning \_\_\_\_\_, ending \_\_\_\_\_  
**EXTENSION GRANTED TO 10/15/18**

**2017**

Department of the Treasury  
 Internal Revenue Service

▶ Go to [www.irs.gov/Form1120](http://www.irs.gov/Form1120) for instructions and the latest information.

A Check if: 1a Consolidated return (attach Form 851) <input type="checkbox"/> b Life/nonlife consolidated return <input type="checkbox"/> 2 Personal holding co. (attach Sch. PH) <input type="checkbox"/> 3 Personal service corp. (see instructions) <input type="checkbox"/> 4 Schedule M-3 attached <input type="checkbox"/>	TYPE OR PRINT	Name <b>ZUMOBI, INC.</b>	B Employer identification number <b>38-3740014</b>
		Number, street, and room or suite no. If a P.O. box, see instructions. <b>1525 4TH AVENUE, SUITE 800</b>	C Date incorporated <b>08/15/2006</b>
		City or town, state, or province, country, and ZIP or foreign postal code <b>SEATTLE, WA 98101</b>	D Total assets (see instructions) <b>\$ 4,495,929.</b>
		E Check if: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change	

Income	1a Gross receipts or sales	1a	10,042,048.	
	b Returns and allowances	1b		
	c Balance. Subtract line 1b from line 1a	1c	10,042,048.	
	2 Cost of goods sold (attach Form 1125-A)	2	6,881,875.	
	3 Gross profit. Subtract line 2 from line 1c	3	3,160,173.	
	4 Dividends (Schedule C, line 19)	4		
	5 Interest	5		
	6 Gross rents	6		
	7 Gross royalties	7		
	8 Capital gain net income (attach Schedule D (Form 1120))	8		
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9		

Deductions (See instructions for limitations on deductions.)	10 Other income (attach statement) <b>SEE STATEMENT 1</b>	10	113,446.
	11 <b>Total income.</b> Add lines 3 through 10	11	3,273,619.
	12 Compensation of officers (attach Form 1125-E)	12	389,021.
	13 Salaries and wages (less employment credits)	13	2,603,795.
	14 Repairs and maintenance	14	
	15 Bad debts	15	1,083,264.
	16 Rents	16	186,646.
	17 Taxes and licenses <b>SEE STATEMENT 2</b>	17	241,916.
	18 Interest	18	239,651.
	19 Charitable contributions	19	
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20	22,197.
	21 Depletion	21	
	22 Advertising	22	32,363.
	23 Pension, profit-sharing, etc., plans	23	
	24 Employee benefit programs	24	184,871.

Tax, Refundable Credits, and Payments	25 Domestic production activities deduction (attach Form 8903)	25	
	26 Other deductions (attach statement) <b>SEE STATEMENT 3</b>	26	852,048.
	27 <b>Total deductions.</b> Add lines 12 through 26	27	5,835,772.
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28	-2,562,153.
	29a Net operating loss deduction (see instructions)	29a	
	29b Special deductions (Schedule C, line 20)	29b	

Sign Here	29c Add lines 29a and 29b	29c	
	30 <b>Taxable income.</b> Subtract line 29c from line 28. See instructions	30	-2,562,153.
	31 Total tax (Schedule J, Part I, line 11)	31	0.
	32 Total payments and refundable credits (Schedule J, Part II, line 21)	32	
	33 Estimated tax penalty. See instructions. Check if Form 2220 is attached <input type="checkbox"/>	33	
	34 <b>Amount owed.</b> If line 32 is smaller than the total of lines 31 and 33, enter amount owed	34	0.

Paid Preparer Use Only	Print/Type preparer's name <b>KARINA B. STADELMAN</b>	Preparer's signature <b>KARINA B. STADELMAN</b>	Date <b>10/12/18</b>	Check if self-employed <input type="checkbox"/>	PTIN <b>P00363599</b>
	Firm's name ▶ <b>MOSS ADAMS LLP</b>	Firm's EIN ▶ <b>91-0189318</b>			
	Firm's address ▶ <b>999 THIRD AVENUE, SUITE 2800 SEATTLE, WA 98104</b>	Phone no. <b>206-302-6500</b>			

Form 1120 (2017) ZUMOBI, INC.

38-3740014 Page 2

Schedule C Dividends and Special Deductions (see instructions)	(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1 Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock) .....		70	
2 Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock) .....		80	
3 Dividends on debt-financed stock of domestic and foreign corporations .....		see instructions	
4 Dividends on certain preferred stock of less-than-20%-owned public utilities .....		42	
5 Dividends on certain preferred stock of 20%-or-more-owned public utilities .....		48	
6 Dividends from less-than-20%-owned foreign corporations and certain FSCs .....		70	
7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs .....		80	
8 Dividends from wholly owned foreign subsidiaries .....		100	
9 Total. Add lines 1 through 8 .....			
10 Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958 .....		100	
11 Dividends from affiliated group members .....		100	
12 Dividends from certain FSCs .....		100	
13 Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, or 12 .....			
14 Income from controlled foreign corporations under subpart F (attach Form(s) 5471) .....			
15 Foreign dividend gross-up .....			
16 IC-DISC and former DISC dividends not included on line 1, 2, or 3 .....			
17 Other dividends .....			
18 Deduction for dividends paid on certain preferred stock of public utilities .....			
19 Total dividends. Add lines 1 through 17. Enter here and on page 1, line 4 .....			
20 Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b .....			

Form 1120 (2017)

**Schedule J Tax Computation and Payment** (see instructions)

**Part I - Tax Computation**

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120))		
2	Income tax. Check if a qualified personal service corporation. See instructions		0.
3	Alternative minimum tax (attach Form 4626)		
4	Add lines 2 and 3		0.
5a	Foreign tax credit (attach Form 1118)	5a	
5b	Credit from Form 8834 (see instructions)	5b	
5c	General business credit (attach Form 3800)	5c	
5d	Credit for prior year minimum tax (attach Form 8827)	5d	
5e	Bond credits from Form 8912	5e	
6	<b>Total credits.</b> Add lines 5a through 5e	6	
7	Subtract line 6 from line 4	7	0.
8	Personal holding company tax (attach Schedule PH (Form 1120))	8	
9a	Recapture of investment credit (attach Form 4255)	9a	
9b	Recapture of low-income housing credit (attach Form 8611)	9b	
9c	Interest due under the look-back method-completed long-term contracts (attach Form 8697)	9c	
9d	Interest due under the look-back method-income forecast method (attach Form 8866)	9d	
9e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e	
9f	Other (see instructions - attach statement)	9f	
10	<b>Total.</b> Add lines 9a through 9f	10	
11	<b>Total tax.</b> Add lines 7, 8, and 10. Enter here and on page 1, line 31	11	0.

**Part II - Payments and Refundable Credits**

12	2016 overpayment credited to 2017	12	
13	2017 estimated tax payments	13	
14	2017 refund applied for on Form 4466	14	( )
15	Combine lines 12, 13, and 14	15	
16	Tax deposited with Form 7004	16	
17	Withholding (see instructions)	17	
18	<b>Total payments.</b> Add lines 15, 16, and 17	18	
19	Refundable credits from:		
19a	Form 2439	19a	
19b	Form 4136	19b	
19c	Form 8827, line 8c	19c	
19d	Other (attach statement - see instructions)	19d	
20	<b>Total credits.</b> Add lines 19a through 19d	20	
21	<b>Total payments and credits.</b> Add lines 18 and 20. Enter here and on page 1, line 32	21	

**Schedule K Other Information** (see instructions)

1	Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify)	Yes	No
2	See the instructions and enter the:		
a	Business activity code no. <b>517000</b>		
b	Business activity <b>CELL PHONE SOFTWARE</b>		
c	Product or service <b>CELL PHONE SOFTWARE</b>		
3	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter name and EIN of the parent corporation		X
4	At the end of the tax year:		
a	Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G)	X	
b	Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G)		X

**Schedule K Other Information** (continued from page 3)

				Yes	No
<b>5</b> At the end of the tax year, did the corporation:					
<b>a</b> Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on Form 851, Affiliations Schedule? For rules of constructive ownership, see instructions .....					<b>X</b>
If "Yes," complete (i) through (iv) below.					
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock		
<b>b</b> Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions .....					<b>X</b>
If "Yes," complete (i) through (iv) below.					
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Organization	(iv) Maximum Percentage Owned in Profit, Loss, or Capital		
<b>6</b> During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? See sections 301 and 316 .....					<b>X</b>
If "Yes," file Form 5452, Corporate Report of Nondividend Distributions. See the instructions for Form 5452.					
If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.					
<b>7</b> At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of the total voting power of all classes of the corporation's stock entitled to vote or at least 25% of the total value of all classes of the corporation's stock? .....					<b>X</b>
For rules of attribution, see section 318. If "Yes," enter:					
(a) Percentage owned ▶ _____ and (b) Owner's country ▶ _____					
(c) The corporation may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached ▶ _____					
<b>8</b> Check this box if the corporation issued publicly offered debt instruments with original issue discount ..... <input type="checkbox"/>					
If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.					
<b>9</b> Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ _____					
<b>10</b> Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶ <u>27</u>					
<b>11</b> If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ..... <input type="checkbox"/>					
If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.					
<b>12</b> Enter the available NOL carryover from prior tax years (do not reduce it by any deduction reported on page 1, line 29a.) ... ▶ \$ _____					
<b>13</b> Are the corporation's total receipts (page 1, line 1a, plus lines 4 through 10) for the tax year and its total assets at the end of the tax year less than \$250,000? .....					<b>X</b>
If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year ▶ \$ _____					
<b>14</b> Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement? See instructions .....					<b>X</b>
If "Yes," complete and attach Schedule UTP.					
<b>15a</b> Did the corporation make any payments in 2017 that would require it to file Form(s) 1099? .....				<b>X</b>	
<b>b</b> If "Yes," did or will the corporation file required Forms 1099? .....				<b>X</b>	
<b>16</b> During this tax year, did the corporation have an 80% or more change in ownership, including a change due to redemption of its own stock? .....					<b>X</b>
<b>17</b> During or subsequent to this tax year, but before the filing of this return, did the corporation dispose of more than 65% (by value) of its assets in a taxable, non-taxable, or tax deferred transaction? .....					<b>X</b>
<b>18</b> Did the corporation receive assets in a section 351 transfer in which any of the transferred assets had a fair market basis or fair market value of more than \$1 million? .....					<b>X</b>
<b>19</b> During the corporation's tax year, did the corporation make any payments that would require it to file Forms 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474) of the Code? .....					<b>X</b>

Form 1120 (2017) **ZUMOB I, INC.**

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Schedule L Balance Sheets per Books	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
<b>Assets</b>				
1 Cash		209,023.		392,684.
2a Trade notes and accounts receivable	3,026,122.		4,022,577.	
b Less allowance for bad debts	(231,156.)	2,794,966.	(19,351.)	4,003,226.
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (att. stmt.) <b>STMT 4</b>		126,013.		96,485.
7 Loans to shareholders				
8 Mortgage and real estate loans				
9 Other investments (att. stmt.)				
10a Buildings and other depreciable assets	271,094.		264,516.	
b Less accumulated depreciation	(254,037.)	17,057.	(260,982.)	3,534.
11a Depletable assets				
b Less accumulated depletion	( )		( )	
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
b Less accumulated amortization	( )		( )	
14 Other assets (att. stmt.)				
15 Total assets		3,147,059.		4,495,929.
<b>Liabilities and Shareholders' Equity</b>				
16 Accounts payable		328,301.		1,756,000.
17 Mortgages, notes, bonds payable in less than 1 year		3,600,000.		7,695,307.
18 Other current liabilities (att. stmt.) <b>STMT 5</b>		2,805,262.		3,361,672.
19 Loans from shareholders				
20 Mortgages, notes, bonds payable in 1 year or more		2,000,000.		372,549.
21 Other liabilities (att. stmt.) <b>STMT 6</b>		117,495.		100,314.
22 Capital stock: a Preferred stock	39,714,668.		39,714,668.	
b Common stock	930.	39,715,598.	930.	39,715,598.
23 Additional paid-in capital		591,506.		629,107.
24 Retained earnings - Appropriated (attach statement)				
25 Retained earnings - Unappropriated		-46,011,103.		-49,134,618.
26 Adjustments to shareholders' equity (attach statement)				
27 Less cost of treasury stock		( )		( )
28 Total liabilities and shareholders' equity		3,147,059.		4,495,929.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return**

Note: The corporation may be required to file Schedule M-3. See instructions.

1 Net income (loss) per books	-3,123,515.	7 Income recorded on books this year not included on this return (itemize):	
2 Federal income tax per books		Tax-exempt interest \$ _____	
3 Excess of capital losses over capital gains			
4 Income subject to tax not recorded on books this year (itemize):			
<b>SEE STATEMENT 7</b>	280,936.	8 Deductions on this return not charged against book income this year (itemize):	
5 Expenses recorded on books this year not deducted on this return (itemize):		a Depreciation \$ 15,252.	
a Depreciation \$ _____		b Charitable contributions \$ _____	
b Charitable contributions \$ _____		<b>STMT 9</b> 229,623.	
c Travel and entertainment \$ 22,028.			244,875.
<b>STMT 8</b> 503,273.	525,301.	9 Add lines 7 and 8	244,875.
6 Add lines 1 through 5	-2,317,278.	10 Income (page 1, line 28) - line 6 less line 9	-2,562,153.

**Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)**

1 Balance at beginning of year	-46,011,103.	5 Distributions: a Cash	
2 Net income (loss) per books	-3,123,515.	b Stock	
3 Other increases (itemize):		c Property	
		6 Other decreases (itemize):	
4 Add lines 1, 2, and 3	-49,134,618.	7 Add lines 5 and 6	
		8 Balance at end of year (line 4 less line 7)	-49,134,618.

711631 JWA  
01-23-18

ZUMOBI, INC.

38-3740014

FORM 1120	OTHER INCOME	STATEMENT 1
DESCRIPTION		AMOUNT
OTHER INCOME		113,446.
TOTAL TO FORM 1120, LINE 10		113,446.

FORM 1120	TAXES AND LICENSES	STATEMENT 2
DESCRIPTION		AMOUNT
BUSINESS TAXES		34,916.
LICENSES AND PERMITS		2,351.
PAYROLL TAXES		196,942.
STATE TAX PAYMENTS		7,707.
TOTAL TO FORM 1120, LINE 17		241,916.

FORM 1120	OTHER DEDUCTIONS	STATEMENT 3
DESCRIPTION		AMOUNT
481(A) ADJUSTMENT		-280,936.
AMORTIZATION		23.
BANK FEES		2,715.
COMMUNICATIONS		48,563.
COMPUTER EXPENSES		109,578.
CONTRACT LABOR EXPENSES		244,494.
DIRECTORS EXPENSE		46,643.
DUES AND SUBSCRIPTIONS		33,968.
EMPLOYEE EXPENSES		28,172.
INSURANCE		34,311.
MEALS AND ENTERTAINMENT		22,028.
MOBILE DEVICE EXPENSE		944.
OFFICE EXPENSES		43,237.
PARKING EXPENSE		25,830.
PROFESSIONAL FEES		309,558.
RECRUITING EXPENSE		99,539.
TRAVEL EXPENSES		83,134.
UTILITIES		247.
TOTAL TO FORM 1120, LINE 26		852,048.

ZUMOBI, INC.

38-3740014

SCHEDULE L	OTHER CURRENT ASSETS	STATEMENT 4	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
PREPAID EXPENSES		126,013.	96,485.
TOTAL TO SCHEDULE L, LINE 6		126,013.	96,485.

SCHEDULE L	OTHER CURRENT LIABILITIES	STATEMENT 5	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
ACCRUED COMPENSATION AND BENEFITS		1,093,493.	1,866,189.
DEFERRED RENT - CURRENT PORTION		0.	-1,477.
INTEREST PAYABLE		448,285.	0.
OTHER ACCRUED LIABILITIES		83,915.	106,304.
SQUARE1 A/R LOC - SHORT TERM		1,175,000.	1,390,656.
UNBILLED REVENUE		4,569.	0.
TOTAL TO SCHEDULE L, LINE 18		2,805,262.	3,361,672.

SCHEDULE L	OTHER LIABILITIES	STATEMENT 6	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
DEBT DISCOUNT - LONG TERM PORTION		-38,361.	-20,901.
DEFERRED RENT - LONG TERM PORTION		0.	5,918.
WARRANT LIABILITY		155,856.	115,297.
TOTAL TO SCHEDULE L, LINE 21		117,495.	100,314.

SCHEDULE M-1	TAXABLE INCOME NOT RECORDED ON BOOKS	STATEMENT 7	
DESCRIPTION		AMOUNT	
481(A) ADJUSTMENT		280,936.	
TOTAL TO SCHEDULE M-1, LINE 4		280,936.	

ZUMOB I, INC.

38-3740014

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SCHEDULE M-1	OTHER EXPENSES RECORDED ON BOOKS NOT DEDUCTED IN THIS RETURN	STATEMENT 8
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DESCRIPTION	AMOUNT
INCENTIVE STOCK OPTION EXPENSE	35,553.
NONQUALIFIED STOCK OPTION EXPENSE	2,049.
INTEREST EXPENSE 163(I)	379,375.
CHANGE IN FMV OF STOCK WARRANT	40,559.
PREPAID EXPENSES	29,528.
ACCRUED EXPENSES	16,209.
<hr/>	
TOTAL TO SCHEDULE M-1, LINE 5	503,273.

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SCHEDULE M-1	OTHER DEDUCTIONS IN THIS RETURN NOT CHARGED AGAINST BOOK INCOME	STATEMENT 9
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DESCRIPTION	AMOUNT
BAD DEBT RESERVE	211,774.
ACCRUED BONUSES	17,826.
AMORTIZATION	23.
<hr/>	
TOTAL TO SCHEDULE M-1, LINE 8	229,623.



Caution: Forms printed from within Adobe Acrobat products may not meet IRS or state taxing agency specifications. When using Acrobat 5.x products, uncheck the "Shrink oversized pages to page size" and uncheck the "Expand small pages to paper size" options, in the Adobe "Print" dialog. When using Acrobat 6.x and later products versions, select "None" in the "PageScaling" selection box in the Adobe "Print" dialog.

STATE COPY

**2017 TAX RETURN FILING INSTRUCTIONS**  
NEW YORK FORM CT-3

**FOR THE YEAR ENDING**  
December 31, 2017

**Prepared For:**

Lara Rickard  
Zumobi, Inc.  
1525 4th Avenue, Suite 800  
Seattle, WA 98101

**Prepared By:**

Moss Adams LLP  
999 Third Avenue, Suite 2800  
Seattle, WA 98104

**To Be Signed and Dated By:**

The appropriate corporate officer(s).

**Amount of Tax:**

Total tax	\$	1,500	
Less: payments and credits	\$	2,529	
Plus: other amount	\$	0	
Plus: interest and penalties	\$	0	
Overpayment	\$	1,029	

**Overpayment:**

Credit to your estimated tax	\$	587	
Other amount	\$	442	Credit to MTA Surcharge
Refunded to you	\$	0	

**Make Check Payable to:**

Not applicable

**Mail Tax Return and Check (if applicable) to:**

This return has qualified for electronic filing. After you have reviewed your return for accuracy, please sign, date and return Form TR-579-CT to our office. We will then transmit your return to the NYSDTF. Do not mail a copy of the return.

**Return Must be Mailed On or Before:**

Return Form TR-579-CT to us by October 15, 2018.

**Special Instructions:**

**2017 TAX RETURN FILING INSTRUCTIONS**

NEW YORK FORM CT-3M

**FOR THE YEAR ENDING**

December 31, 2017

---

**Prepared For:**

Lara Rickard  
Zumobi, Inc.  
1525 4th Avenue, Suite 800  
Seattle, WA 98101

---

**Prepared By:**

Moss Adams LLP  
999 Third Avenue, Suite 2800  
Seattle, WA 98104

---

**To Be Signed and Dated By:**

The appropriate corporate officer(s).

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**Amount of Tax:**

Total tax	\$	424
Less: payments and credits	\$	442
Plus: other amount	\$	0
Plus: interest and penalties	\$	18
No payment required	\$	

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**Overpayment:**

Not applicable

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**Make Check Payable to:**

Not applicable

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**Mail Tax Return and Check (if applicable) to:**

This return has qualified for electronic filing. After you have reviewed your return for accuracy, please sign, date and return Form TR-579-CT to our office. We will then transmit your return to the NYSDTF. Do not mail a copy of the return.

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**Return Must be Mailed On or Before:**

Return Form TR-579-CT to us by October 15, 2018.

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**Special Instructions:**

**2018 ESTIMATED TAX FILING INSTRUCTIONS**

NEW YORK FORM CT-400

**FOR THE YEAR ENDING**

December 31, 2018

**Prepared For:**

Lara Rickard  
 Zumobi, Inc.  
 1525 4th Avenue, Suite 800  
 Seattle, WA 98101

**Prepared By:**

Moss Adams LLP  
 999 Third Avenue, Suite 2800  
 Seattle, WA 98104

**Amount of Tax:**

Total Estimated Tax	\$	1,950
Less credit from prior year	\$	587
Less amount already paid on 2018 Estimate	\$	0
Balance Due	\$	1,363

Payable in full or in installments as follows:

Voucher	Amount	Due Date
No. 1	\$ 0	April 16, 2018
No. 2	\$ 150	June 15, 2018
No. 3	\$ 563	September 17, 2018
No. 4	\$ 650	December 17, 2018

**Make Check Payable to:**

Not applicable

**Mail Voucher and Check (if applicable) to:**

Payments must be filed and paid electronically via the New York State Corporation Tax website at:  
<http://www.tax.ny.gov/online/default.htm>

**Special Instructions:**



Department of Taxation and Finance

788021 09-07-17

**New York State E-File Signature Authorization for Tax Year 2017  
For Form CT-3, CT-3-A, CT-3-M, CT-3-S, CT-13, CT-33, CT-33-A,  
CT-33-C, CT-33-M, CT-33-NL, CT-300, or CT-400**

Electronic return originator (ERO)/paid preparer: **Do not** mail this form to the Tax Department. Keep it for your records.

Legal name of corporation: ZUMOBI, INC.

Return type (mark an X for all that apply): CT-3  CT-3-A  CT-3-M  CT-3-S  CT-13  CT-33   
CT-33-A  CT-33-C  CT-33-M  CT-33-NL  CT-300  CT-400

**Purpose**

Form TR-579-CT must be completed to authorize an ERO to e-file a corporation tax return and to transmit bank account information for the electronic funds withdrawal.

both the paid preparer and the ERO, he or she is only required to sign as the paid preparer. It is not necessary to include the ERO signature in this case. Note that an alternative signature can be used as described in TSB-M-05(1)C, *Alternative Methods of Signing for Tax Return Preparers*. Go to our website at [www.tax.ny.gov](http://www.tax.ny.gov) to find this document.

**General instructions**

Part A must be completed by an officer of the corporation who is authorized to sign the corporation's return before the ERO transmits the electronically filed Form CT-3, *General Business Corporation Franchise Tax Return*; CT-3-A, *General Business Corporation Combined Franchise Tax Return*; CT-3-M, *General Business Corporation MTA Surcharge Return*; CT-3-S, *New York S Corporation Franchise Tax Return*; CT-13, *Unrelated Business Income Tax Return*; CT-33, *Life Insurance Corporation Franchise Tax Return*; CT-33-A, *Life Insurance Corporation Combined Franchise Tax Return*; CT-33-C, *Captive Insurance Company Franchise Tax Return*; CT-33-M, *Insurance Corporation MTA Surcharge Return*; CT-33-NL, *Non-Life Insurance Corporation Franchise Tax Return*; CT-300, *Mandatory First Installment (MFI) of Estimated Tax for Corporations*; or CT-400, *Estimated Tax for Corporations*.

**Do not mail this form to the Tax Department.** EROs/paid preparers must keep this form for three years and present it to the Tax Department upon request.

**Do not use this form for electronically filed Form CT-5, *Request for Six-Month Extension to File (for franchise/business taxes, MTA surcharge, or both)*; CT-5.3, *Request for Six-Month Extension to File (for combined franchise tax return, or combined MTA surcharge return, or both)*; CT-5.4, *Request for Six-Month Extension to File New York S Corporation Franchise Tax Return*; CT-5.6, *Request for Three-Month Extension to File Form CT-186 (for utility corporation franchise tax return, MTA surcharge return, or both)*; CT-5.9, *Request for Three-Month Extension to File (for certain Article 9 tax returns, MTA surcharge, or both)*; or CT-5.9-E, *Request for Three-Month Extension to File Form CT-186-E (for telecommunications tax return and utility services tax return)*. Instead use Form TR-579.1-CT, *New York State Authorization for Electronic Funds Withdrawal For Tax Year 2017 Corporation Tax Extension*.**

EROs/paid preparers must complete Part B prior to transmitting electronically filed corporation tax returns. Both the paid preparer and the ERO are required to sign Part B. However, if an individual performs as

**Financial institution information** (required if electronic payment is authorized)

1 Amount of authorized debit ..... 1. \_\_\_\_\_  
2 Financial institution routing number ..... 2. \_\_\_\_\_  
3 Financial institution account number ..... 3. \_\_\_\_\_

**Part A - Declaration of authorized corporate officer for Form CT-3, CT-3-A, CT-3-M, CT-3-S, CT-13, CT-33, CT-33-A, CT-33-C, CT-33-M, CT-33-NL, CT-300, or CT-400**

Under penalty of perjury, I declare that I have examined the information on this 2017 New York State electronic corporate tax return, including any accompanying schedules, attachments, and statements, and certify that this electronic return is true, correct, and complete. If this filing includes Form DTF-686, *Tax Shelter Reportable Transactions*, as an authorized officer of the corporation, I hereby consent to the waiver of the secrecy provisions of Tax Law sections 202, 211.8, 1467, and 1518 as such provisions relate to the disclosure requirements of Tax Law section 25. The ERO has my consent to send this 2017 New York State electronic corporate return to New York State through the Internal Revenue Service (IRS). I understand that by executing this Form TR-579-CT, I am authorizing the ERO to sign and file this return on behalf of the corporation and agree that the ERO's submission of the corporation's return to the IRS, together with this authorization, will serve as the electronic signature for the return and any authorized payment transaction. If I am paying New York State corporation taxes due by electronic funds withdrawal, I authorize the New York State Tax Department and its designated financial agents to initiate an electronic funds withdrawal from the financial institution account indicated on this 2017 electronic return, and I authorize the financial institution to withdraw the amount from the account. As New York does not support International ACH Transactions (IAT), I attest the source for these funds is within the United States. I understand and agree that I may revoke this authorization for payment only by contacting the Tax Department no later than five business days prior to the payment date.

Signature of authorized officer of the corporation: \_\_\_\_\_ Date: \_\_\_\_\_  
Print your name and title: LARA RICKARD VP, FINANCE

**Part B - Declaration of ERO and paid preparer**

Under penalty of perjury, I declare that the information contained in this 2017 New York State electronic corporate tax return is the information furnished to me by the corporation. If the corporation furnished me a completed paper 2017 New York State corporate tax return signed by a paid preparer, I declare that the information contained in the corporation's 2017 New York State electronic corporate tax return is identical to that contained in the paper return. If I am the paid preparer, under penalty of perjury I declare that I have examined this 2017 New York State electronic corporate tax return, and, to the best of my knowledge and belief, the return is true, correct, and complete. I have based this declaration on all information available to me.

ERO's signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Print name: \_\_\_\_\_

Paid preparer's signature: \_\_\_\_\_ Date: 10-12-18  
Print name: KARINA B. STADELMAN



Department of Taxation and Finance  
**General Business Corporation  
 Franchise Tax Return**  
 Tax Law - Article 9-A

**CT-3**

**Caution:** This form must be used **only** for tax periods beginning on or after January 1, 2017. If you use it for any prior periods, the return will **not** be processed and will **not** be considered timely filed. As a result, penalties and interest may be incurred.

See instructions, Form CT-3-I, before completing return.

**All filers must enter tax period:**

<b>Final return</b> <input type="checkbox"/>	<b>Amended return</b> <input type="checkbox"/>	beginning <b>01-01-17</b> ending <b>12-31-17</b>	
Employer identification number (EIN) <b>38-3740014</b>	File number <b>AA3</b>	Business telephone number <b>206-515-7603</b>	If you claim an overpayment, mark an X in the box <input checked="" type="checkbox"/>
Legal name of corporation <b>ZUMOBI, INC.</b>		Trade name / DBA	
Mailing name (if different from legal name above) c/o <b>LARA RICKARD</b>		State or country of incorporation <b>DE</b>	
Mailing address no. and street or PO box <b>1525 4TH AVENUE, SUITE 800</b>		Date of incorporation <b>08-15-06</b>	Foreign corporations: date began business in NYS <b>01-01-09</b>
City <b>SEATTLE</b>	State ZIP code <b>WA 98101</b>	Country (if not United States)	For office use only
Principal business activity in NYS <b>CELL PHONE SOFTWARE</b>		NAICS business code no. (from NYS Pub 910) <b>517000</b>	
If address/phone above is new mark an X in the box. <input type="checkbox"/> If you need to update your address or phone information for corporation tax, or other tax types, you can do so online. See Business Information in Form CT-1.			

**A.** Pay amount shown on Part 2, line 23c. Make payable to: **New York State Corporation Tax**  
 Attach your payment here. (Detach all check stubs; see instructions for details.)  **A.** Payment enclosed

**B.** Are you subject to the metropolitan transportation business tax (MTA surcharge)? (see instructions, mark an X in the appropriate box)  Yes  No

**C.** If you are disclaiming tax liability in New York State based on Public Law 86-272, mark an X in the box (see instructions)  **C**

<b>Third-party designee</b> (see instructions)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Designee's name (print) <b>KARINA B. STADELMAN</b>	Designee's phone number <b>206-302-6500</b>
	Designee's e-mail address <b>KARINA.STADELMAN@MOSSADAMS.COM</b>		PIN

**Certification:** I certify that this return and any attachments are to the best of my knowledge and belief true, correct, and complete.

<b>Authorized person</b>	Printed name of authorized person	Signature of authorized person		Official Title <b>VP, FINANCE</b>	
	E-mail address of authorized person			Telephone number <b>(206) 269-111</b>	Date
<b>Paid preparer use only</b> (see instr.)	Firm's name (or yours if self-employed) <b>MOSS ADAMS LLP</b>		Firm's EIN <b>91-0189318</b>	Preparer's PTIN or SSN <b>P00363599</b>	
	Signature of individual preparing this return <b>KARINA B. STADELMAN</b>	Address <b>999 THIRD AVENUE, S SEATTLE</b>	City <b>WA</b>	State <b>WA</b>	ZIP code <b>98104</b>
	E-mail address of individual preparing this return <b>KARINA.STADELMAN@MOSSADAMS.COM</b>		Preparer's NYTPRIN <b>03</b>	or Excl. code	Date <b>10-12-18</b>

See instructions for where to file.

**Content of Form CT-3**

Part 1 - General corporate information	Part 5 - Computation of investment capital for the current tax year
Part 2 - Computation of balance due or overpayment	Part 6 - Computation of business apportionment factor
Part 3 - Computation of tax on business income base	Part 7 - Summary of tax credits claimed
Part 4 - Computation of tax on capital base	

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ZUMOB I, INC.  
Page 2 of 8 CT-3 (2017)

38-3740014

**Part 1 - General corporate information**

**Section A - Qualification for preferential tax rates -**

If you are a corporation as identified in this section and qualify for preferential tax rates, mark an **X** in the boxes that apply to you (see instructions).

- 1 A qualified emerging technology company (QETC) for purposes of the lower tax rates, capital base tax cap, and fixed dollar minimum tax amounts  1
- 2 A qualified New York manufacturer based on the principally engaged test for purposes of the lower business income base tax rate and fixed dollar minimum tax amounts  2
- 3 A qualified New York manufacturer based on the principally engaged test for purposes of the lower capital base tax rate and capital base tax cap  3
- 4 A qualified New York manufacturer based on the significant employment and property test for purposes of the lower tax rates, capital base tax cap, and fixed dollar minimum tax amounts  4
- 5 Claiming cooperative housing corporation status for the lower capital base tax rate  5
- 6 A small business eligible for the capital base tax exception  6   
If you marked this box, complete line 6a, also mark the box at line 6b or 6c, as applicable.
- 6a Total capital contributions  6a
- 6b **Small business taxpayers only:** you are also a QETC  6b
- 6c **Small business taxpayers only:** you are also a qualified New York manufacturer  6c
- 7 A qualified entity of a New York State innovation hot spot that operates solely within such New York State Innovation hot spot, and you have elected to be subject only to the fixed dollar minimum tax base  7

**Section B - New York State Information** (see instructions)

- 1 Number of New York State employees  1
- 2 Wages paid to New York State employees  2
- 3 Number of business establishments in New York State  3
- 4 If you have an interest in, or have rented, real property in New York State, mark an **X** in the box  4
- 5 If you are claiming an exception to the related member expense addback under section §208.9(o)(2)(B), mark and **X** in the box  5
- 5a If you marked the line 5 box, use line 5a to report the applicable exception number (1-4) and the amount of royalty payments 

Number	Amount
<input type="checkbox"/> 5a	<input style="width: 100px;" type="text"/>
- 6 If you are not protected by Public Law 86-272 and are subject to tax **solely** as a result of deriving receipts in New York State, mark an **X** in the box  6

**Section C - filing information**

- 1 **Federal form filed** - you must mark an **X** in one box and attach a complete copy of your federal return  
 1120  1120 consolidated  1120-REIT or 1120-RIC  1120S  1120F  1120H
- 2 **Amended return** - If you marked the amended return box on page 1, then for any item(s) that apply, mark an **X** in the box and attach documentation:  
 Failure to meet investment capital holding period   
 Final federal determination  Date of determination  NOL carryback  Capital loss carryback  1139  1120X
- 2a Enter the tax due amount from your most recently filed New York State return for this tax period  2a
- 3 **Required attachments** - For all forms, other than tax credit claim forms, that are attached to this return, mark an **X** in the applicable box(es)  
 CT-3.1  CT-3.2  CT-3.3  CT-3.4  CT-60  CT-225  Other (identify):
- 4 If you are claiming tax credits, enter the number of credit forms attached to this return. Where multiple forms are filed for the same credit, count **each** form filed  4
- 5 If you filed federal Form 1120F and you have effectively connected income (ECI), mark an **X** in the box  5
- 6 Were you required to report, under P.L. 110-343, Div. C, §801(d)(2), any nonqualified deferred compensation on your 2017 federal return? (see instructions) Yes  No
- 7 If you are a foreign corporation computing your tax taking into account **only** your distributive shares from **multiple** limited partnerships, mark an **X** in the box and file Form CT-60

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ZUMOBI, INC.

38-3740014

**Part 2 - Computation of balance due or overpayment**

**Largest of three tax bases, minus credits**

1a	Business income base tax (from Part 3, line 20)	1a	0.	
1b	Capital base tax (from Part 4, line 15: see instructions)	1b	0.	
1c	Fixed dollar minimum tax (see instr) <span style="border: 1px solid black; padding: 2px;">New York receipts 4,137,300.</span>	1c	1,500.	
2	Tax due (enter the amount from line 1a, 1b, or 1c, whichever is largest; see instructions)	2	1,500.	
3	Tax credits used (from Part 7, line 2; see instructions)	3		
4	Tax due after credits (subtract line 3 from line 2; if line 3 is more than line 2, enter 0)	4	1,500.	
5				
6				
7				

**Penalties and interest**

8	Estimated tax penalty (see instructions; if Form CT-222 is attached, mark an X in the box) <input type="checkbox"/>	8	0.	
9	Interest on late payment (see instructions)	9		
10	Late filing and late payment penalties (see instructions)	10		
11	Total penalties and interest (add lines 8, 9, and 10)	11		

**Voluntary gifts/contributions (see instructions)**

12a	Return a Gift to Wildlife	12a		
12b	Breast Cancer Research and Education Fund	12b		
12c	Prostate Cancer Research, Detection, and Education Fund	12c		
12d	9/11 Memorial	12d		
12e	Volunteer Firefighting & EMS Recruitment Fund	12e		
12f	Veterans Remembrance	12f		
12g	Women's Cancers Education and Prevention Fund	12g		
12h	New York State Veterans' Homes	12h		
13	Total voluntary gifts/contributions (add lines 12a through 12h)	13		

**Total amount due**

14	Add lines 4, 11, and 13	14	1,500.	
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**Prepayments**

15	Mandatory first installment from Form CT-300 (see instructions)	15		
16	Second installment (from Form CT-400)	16		
17	Third installment (from Form CT-400)	17		
18	Fourth installment (from Form CT-400)	18		
19	Payment with extension request (from Form CT-5, line 5)	19		
20	Overpayment credited from prior years (see instructions)	20	2,529.	
21	Overpayment credited from Form CT-3-M <span style="border: 1px solid black; padding: 2px;">Period 12-16</span>	21		
22	Total prepayments (add lines 15 through 21; see instructions)	22	2,529.	

**Payment due or overpayment to be credited/refunded (see instructions)**

23a	Underpayment	23a		
23b	Additional amount for 2018 MFI	23b		
23c	Balance due	23c		
24a	Excess prepayments	24a	1,029.	
24b	Amount previously credited to 2018 MFI	24b		
24c	Overpayment	24c	1,029.	
25	Amount of overpayment to be credited to next period	25	587.	
26	Balance of overpayment available (subtract line 25 from line 24c)	26	442.	
27	Amount of overpayment to be credited to Form CT-3-M	27	442.	
28	Balance of overpayment to be refunded (subtract line 27 from line 26)	28	0.	
29	Unused tax credits to be refunded	29		
30	Unused tax credits applied to next period	30		

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Page 4 of 8 CT-3 (2017)  
 ZUMOBI, INC.

38-3740014

**Part 3 - Computation of tax on business income base**

1	Federal taxable income (FTI) before net operating loss (NOL) and special deductions (see instructions) ...	• 1	-2,562,153.
2	Additions to FTI (from Form CT-225, line 5) .....	• 2	
3	Add lines 1 and 2 .....	• 3	-2,562,153.
4	Subtractions from FTI (from Form CT-225, line 10) .....	• 4	
5	Subtract line 4 from line 3 .....	• 5	-2,562,153.
6	Subtraction modification for qualified banks (from Form CT-3.2, Schedule A, line 1; see instructions) .....	• 6	
7	Entire net income (ENI) (subtract line 6 from line 5) .....	• 7	-2,562,153.
8	Investment and other exempt income (from Form CT-3.1, Schedule D, line 1) .....	• 8	
9	Subtract line 8 from line 7 .....	• 9	-2,562,153.
10	Excess interest deductions attributable to investment income, investment capital, and other exempt income (from Form CT-3.1, Schedule D, line 2) .....	• 10	
11	Business income (add lines 9 and 10) .....	• 11	-2,562,153.
12	Addback of income previously reported as investment income (from Form CT-3.1, Schedule F, line 6; if zero, enter 0; see instructions) .....	• 12	
13	Business income after addback (add lines 11 and 12) .....	• 13	-2,562,153.
14	Business apportionment factor (from Part 6, line 55) .....	• 14	0.2944
15	Apportioned business income after addback (multiply line 13 by line 14) .....	• 15	-754,298.
16	Prior net operating loss conversion subtraction (from Form CT-3.3, Schedule C, line 4) .....	• 16	
17	Subtract line 16 from line 15 .....	• 17	-754,298.
18	NOL deduction (from Form CT-3.4, line 6) .....	• 18	
19	Business income base (subtract line 18 from line 17) .....	• 19	-754,298.
20	Business income base tax (multiply line 19 by the appropriate business income tax rate from the tax rates schedule in Form CT-3-I; enter here and on Part 2, line 1a; see instructions) .....	• 20	0.

**Note:** If you make any entry on line 2, 4, 6, 8, 10, 12, 16, or 18, you **must** complete and file the appropriate attachment form, or any tax benefit claimed may be disallowed, or there may be a delay in receiving such benefit. In addition, all amounts entered on these lines must be entered as positive numbers.



ZUMOBI, INC.

38-3740014

**Part 4 - Computation of tax on capital base** (see instructions)

	A	B	C
	Beginning of year	End of year	Average value
1 Total assets from federal return	3,147,059.	4,495,929.	3,821,494.
2 Real property and marketable securities included on line 1			
3 Subtract line 2 from line 1	3,147,059.	4,495,929.	3,821,494.
4 Real property and marketable securities at fair market value			
5 Adjusted total assets (add lines 3 and 4)	3,147,059.	4,495,929.	3,821,494.
6 Total liabilities	8,851,058.	13,285,842.	11,068,450.
7 Total net assets (subtract line 6, column C, from line 5, column C)			-7,246,956.
8 Investment capital (from Part 5, line 19; if zero or less, enter 0)			
9 Business capital (subtract line 8 from line 7)			-7,246,956.
10 Addback of capital previously reported as investment capital (from Part 5, line 20, column C, if zero or less, enter 0)			
11 Total business capital (add lines 9 and 10)			-7,246,956.
12 Business apportionment factor (from Part 6, line 55)			0.2944
13 Apportioned business capital (multiply line 11 by line 12)			-2,133,504.
14 New small business (if in first two tax years, mark an X in one box) Year one <input type="checkbox"/> Year two <input type="checkbox"/>			
15 Capital base tax (multiply line 13 by the appropriate capital base tax rate from the tax rates schedule in Form CT-3-I; enter here and on Part 2, line 1b)			0.

**Part 5 - Computation of investment capital for the current tax year** (see instructions)

	A	B	C
	Average fair market value	Liabilities attributable to column A amount	Net average value (column A - column B)
16 Total capital that generate income claimed to not be taxable by New York under the U.S. Constitution (from Form CT-3.1, Schedule E, line 1)			
17 Total of stocks <b>actually</b> held for more than one year (from Form CT-3.1, Schedule E line 2)			
18 Total of stocks <b>presumed</b> held for more than one year (from Form CT-3.1, Schedule E, line 3)			
19 Total investment capital for the current year (Add column C lines 16, 17, and 18; enter the result here and on Part 4, line 8. If zero or less, enter 0)			

**Addback of capital previously reported as investment capital**

	A	B	C
	Average fair market value as previously reported	Liabilities attributable to column A amount as previously reported	Net average value as previously reported (column A - column B)
20 Total of stocks previously presumed held for more than one year, but did <b>not</b> meet the holding period (from Form CT-3.1, Schedule F, line 1; enter here and on Part 4, line 10)			



Page 6 of 8 CT-3 (2017)  
**ZUMBI, INC.**

38-3740014

**Part 6 - Computation of business apportionment factor** (see instructions)

Mark an X in this box only if you have **no receipts** required to be included in the denominator of the apportionment factor (see instr.)

		A - New York State	B - Everywhere
<b>Section 210-A.2</b>			
1	Sales of tangible personal property .....	4,137,300.	14,053,955.
2	Sales of electricity .....		
3	Net gains from sales of real property .....		
<b>Section 210-A.3</b>			
4	Rentals of real and tangible personal property .....		
5	Royalties from patents, copyrights, trademarks, and similar intangible personal property .....		
6	Sales of rights for certain closed-circuit and cable TV transmissions of an event .....		
<b>Section 210-A.4</b>			
7	Sale, licensing, or granting access to digital products .....		
<b>Section 210-A.5(a)(1) - Fixed percentage method for qualified financial instruments (QFIs)</b>			
8	To make this irrevocable election, mark an X in the box (see instructions) .....		<input type="checkbox"/>
<b>Section 210-A.5(a)(2) - Mark an X in each box that is applicable (see line 8 instructions)</b>			
<b>Section 210-A.5(a)(2)(A)</b>			
9	Interest from loans secured by real property .....		
10	Net gains from sales of loans secured by real property .....		
11	Interest from loans <b>not</b> secured by real property (QFI <input type="checkbox"/> ) .....		
12	Net gains from sales of loans <b>not</b> secured by real property (QFI <input type="checkbox"/> ) .....		
<b>Section 210-A.5(a)(2)(B) (QFI <input type="checkbox"/>)</b>			
13	Interest from federal debt .....		
14			
15	Interest from NYS and its political subdivisions debt .....		
16	Net gains from federal, NYS, and NYS political subdivisions debt .....		
17	Interest from other states and their political subdivisions debt .....		
18	Net gains from other states and their political subdivisions debt .....		
<b>Section 210-A.5(a)(2)(C) (QFI <input type="checkbox"/>)</b>			
19	Interest from asset-backed securities and other government agency debt .....		
20	Net gains from government agency debt or asset-backed securities sold through and exchange .....		
21	Net gains from all other asset-backed securities .....		
<b>Section 210-A.5(a)(2)(D) (QFI <input type="checkbox"/>)</b>			
22	Interest from corporate bonds .....		
23	Net gains from corporate bonds sold through broker/dealer or licensed exchange .....		
24	Net gains from other corporate bonds .....		
<b>Section 210-A.5(a)(2)(E)</b>			
25	Net interest from reverse repurchase and securities borrowing agreements .....		
<b>Section 210-A.5(a)(2)(F)</b>			
26	Interest from federal funds .....		
<b>Section 210-A.5(a)(2)(I) (QFI <input type="checkbox"/>)</b>			
27	Net income from sales of physical commodities .....		
<b>Section 210-A.5(a)(2)(J) (QFI <input type="checkbox"/>)</b>			
28	Marked to market net gains .....		
<b>Section 210-A.5(a)(2)(H) (QFI <input type="checkbox"/>)</b> 210-A.5(a)(2)(G) (QFI <input type="checkbox"/> )			
29	Interest from other financial instruments .....		
30	Net gains and other income from other financial instruments .....		

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ZUMOB I , I N C .

38-3740014

**Part 6 - Computation of business apportionment factor** (continued)

		A - New York State	B - Everywhere
<b>Section 210-A.5(b)</b>			
31	Brokerage commissions		
32	Margin interest earned on behalf of brokerage accounts		
33	Fees for advisory services for underwriting or management of underwriting		
34	Receipts from primary spread of selling concessions		
35	Receipts from account maintenance fees		
36	Fees for management or advisory services		
37	Interest from an affiliated corporation		
<b>Section 210-A.5(c)</b>			
38	Interest, fees, and penalties from credit cards		
39	Service charges and fees from credit cards		
40	Receipts from merchant discounts		
41	Receipts from credit card authorizations and settlement processing		
42	Other credit card processing receipts		
<b>Section 210-A.5(d)</b>			
43	Receipts from certain services to investment companies		
<b>Section 210-A.6</b>			
44	Receipts from railroad and trucking business		
<b>Section 210-A.6-a</b>			
45	Receipts from the operation of vessels		
<b>Section 210-A.7</b>			
46	Receipts from air freight forwarding		
47	Receipts from other aviation services		
<b>Section 210-A.8</b>			
48	Advertising in newspapers or periodicals		
49	Advertising on television or radio		
50	Advertising via other means		
<b>Section 210-A.9</b>			
51	Transportation of transmission of gas through pipes		
<b>Section 210-A.10</b>			
52	Receipts from other services/activities not specified		
<b>Section 210-A.11</b>			
53	Discretionary adjustment		
<b>Total receipts</b>			
54	Add lines 1 through 53 in columns A and B	4,137,300.	14,053,955.

**Calculation of business apportionment factor**

55 New York State business apportionment factor (divide line 54, column A by line 54, column B and enter the result here; round to the fourth decimal place; if 100% in New York State, enter as 1.0000 ) 55 .2944

Enter line 55 on Part 3, Computation of tax on business income base, line 14; and on Part 4, Computation of tax on capital base, line 12.

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ZUMOBI, INC.  
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**Part 7- Summary of tax credits claimed**

1 Have you been convicted of an offense, or are you an owner of an entity convicted of an offense, defined in New York State Penal Law, Article 200 or 496, or section 195.20? (see Form CT-1; mark an X in one box) .....  1 Yes  No  X

Enter in the appropriate box below the amount of each tax credit used to reduce the tax due shown on Part 2, line 2, and attach the corresponding properly completed claim form. The amount of credit to enter is computed on each credit form and carried to this section.

CT-37	•		CT-606	•		DTF-622	•	
CT-40	•		CT-607	•		DTF-624	•	
CT-41	•		CT-611	•		DTF-630	•	
CT-43	•		CT-611.1	•		Other credits	•	
CT-44	•		CT-611.2	•				
CT-46	•		CT-612	•				
CT-47	•		CT-613	•				
CT-236	•		CT-631	•				
CT-238	•		CT-633	•				
CT-239	•		CT-634	•				
CT-241	•		CT-635	•				
CT-242	•		CT-636	•				
CT-243	•		CT-637	•				
CT-246	•		CT-638	•				
CT-248	•		CT-639	•				
CT-249	•		CT-640	•				
CT-250	•		CT-641	•				
CT-261	•		CT-642	•				
CT-501	•		CT-643	•				
CT-601	•		CT-644	•				
CT-602	•		CT-645	•				
CT-603	•		CT-646	•				
CT-604	•		CT-647	•				
CT-605	•		DTF-621	•				

2 Total tax credits claimed above (enter here and on Part 2, line 3; attach appropriate form for each credit claimed) .....  2

3 Total tax credits claimed that are refund eligible (see instructions) .....  3

4a If you claimed the QEZE tax reduction credit and you had a 100% zone allocation factor, mark an X in the box .....  4a

4b If you claimed the tax-free NY area tax elimination credit, and you had a 100% area allocation factor, mark an X in the box .....  4b

4c If you claimed the tax-free NY area excise tax on telecommunications credit and you had a 100% area allocation factor, mark an X in the box .....  4c







ZUMOB I, INC.

38-3740014

NY					NET OPERATING LOSS INCURRED AFTER 2014					STATEMENT 1				
TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	LOSS REMAINING	AVAILABLE THIS YEAR										
12/31/17	754,298.	0.	754,298.	754,298.										
TOTAL NOLD AFTER 2014 - FORM CT-3.4, LINE 5			754,298.	754,298.										
NOLD USED THIS YEAR - FORM CT-3.4, LINE 6			0.											
NOLD CARRIED FORWARD - FORM CT-3.4, LINE 7			754,298.											



Form **1120**

**U.S. Corporation Income Tax Return**

OMB No. 1545-0123

For calendar year 2017 or tax year

beginning \_\_\_\_\_, ending \_\_\_\_\_

**2017**

**EXTENSION GRANTED TO 10/15/18**

▶ Go to [www.irs.gov/Form1120](http://www.irs.gov/Form1120) for instructions and the latest information.

Department of the Treasury  
Internal Revenue Service

<b>A</b> Check if: 1a Consolidated return (attach Form 851) <input type="checkbox"/> b Life/nonlife consolidated return <input type="checkbox"/> 2 Personal holding co. (attach Sch. PH) <input type="checkbox"/> 3 Personal service corp. (see instructions) <input type="checkbox"/> 4 Schedule M-3 attached <input type="checkbox"/>	<b>TYPE OR PRINT</b>	Name <b>ZUMOBI, INC.</b>	<b>B</b> Employer identification number <b>38-3740014</b>
		Number, street, and room or suite no. If a P.O. box, see instructions. <b>1525 4TH AVENUE, SUITE 800</b>	<b>C</b> Date incorporated <b>08/15/2006</b>
		City or town, state, or province, country, and ZIP or foreign postal code <b>SEATTLE, WA 98101</b>	<b>D</b> Total assets (see instructions) <b>\$ 4,495,929.</b>
		<b>E</b> Check if: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change	

<b>Income</b>	1a Gross receipts or sales	1a	10,042,048.	
	b Returns and allowances	1b		
	c Balance. Subtract line 1b from line 1a	1c	10,042,048.	
	2 Cost of goods sold (attach Form 1125-A)	2	6,881,875.	
	3 Gross profit. Subtract line 2 from line 1c	3	3,160,173.	
	4 Dividends (Schedule C, line 19)	4		
	5 Interest	5		
	6 Gross rents	6		
	7 Gross royalties	7		
	8 Capital gain net income (attach Schedule D (Form 1120))	8		
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9		
10 Other income (attach statement) <b>SEE STATEMENT 1</b>	10	113,446.		
11 <b>Total income.</b> Add lines 3 through 10	11	3,273,619.		
<b>Deductions (See instructions for limitations on deductions.)</b>	12 Compensation of officers (attach Form 1125-E)	12	389,021.	
	13 Salaries and wages (less employment credits)	13	2,603,795.	
	14 Repairs and maintenance	14		
	15 Bad debts	15	1,083,264.	
	16 Rents	16	186,646.	
	17 Taxes and licenses <b>SEE STATEMENT 2</b>	17	241,916.	
	18 Interest	18	239,651.	
	19 Charitable contributions	19		
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20	22,197.	
	21 Depletion	21		
	22 Advertising	22	32,363.	
	23 Pension, profit-sharing, etc., plans	23		
	24 Employee benefit programs	24	184,871.	
	25 Domestic production activities deduction (attach Form 8903)	25		
	26 Other deductions (attach statement) <b>SEE STATEMENT 3</b>	26	852,048.	
	27 <b>Total deductions.</b> Add lines 12 through 26	27	5,835,772.	
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28	-2,562,153.	
<b>Tax, Refundable Credits, and Payments</b>	29a Net operating loss deduction (see instructions)	29a		
	b Special deductions (Schedule C, line 20)	29b		
	c Add lines 29a and 29b	29c		
	30 <b>Taxable income.</b> Subtract line 29c from line 28. See instructions	30	-2,562,153.	
31 Total tax (Schedule J, Part I, line 11)	31	0.		
32 Total payments and refundable credits (Schedule J, Part II, line 21)	32			
33 Estimated tax penalty. See instructions. Check if Form 2220 is attached <input type="checkbox"/>	33			
34 <b>Amount owed.</b> If line 32 is smaller than the total of lines 31 and 33, enter amount owed	34	0.		
35 <b>Overpayment.</b> If line 32 is larger than the total of lines 31 and 33, enter amount overpaid	35			
36 Enter amount from line 35 you want: <b>Credited to 2018 estimated tax</b> ▶ <b>Refunded</b> ▶	36			

**Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer: \_\_\_\_\_ Date: \_\_\_\_\_ Title: **VP, FINANCE**

May the IRS discuss this return with the preparer shown below?  Yes  No

**Paid** Print/Type preparer's name: **KARINA B. STADELMAN** Preparer's signature: **KARINA B. STADELMA** Date: **10/12/18** Check if self-employed  PTIN: **P00363599**

**Preparer Use Only** Firm's name: **MOSS ADAMS LLP** Firm's EIN: **91-0189318**

Firm's address: **999 THIRD AVENUE, SUITE 2800 SEATTLE, WA 98104** Phone no.: **206-302-6500**

Form 1120 (2017) **ZUMOB I, INC.**

**38-3740014** Page 2

<b>Schedule C</b> Dividends and Special Deductions (see instructions)	(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1 Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock) .....		70	
2 Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock) .....		80	
3 Dividends on debt-financed stock of domestic and foreign corporations .....		see instructions	
4 Dividends on certain preferred stock of less-than-20%-owned public utilities .....		42	
5 Dividends on certain preferred stock of 20%-or-more-owned public utilities .....		48	
6 Dividends from less-than-20%-owned foreign corporations and certain FSCs .....		70	
7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs .....		80	
8 Dividends from wholly owned foreign subsidiaries .....		100	
9 <b>Total.</b> Add lines 1 through 8 .....			
10 Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958 .....		100	
11 Dividends from affiliated group members .....		100	
12 Dividends from certain FSCs .....		100	
13 Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, or 12 .....			
14 Income from controlled foreign corporations under subpart F (attach Form(s) 5471) .....			
15 Foreign dividend gross-up .....			
16 IC-DISC and former DISC dividends not included on line 1, 2, or 3 .....			
17 Other dividends .....			
18 Deduction for dividends paid on certain preferred stock of public utilities .....			
19 <b>Total dividends.</b> Add lines 1 through 17. Enter here and on page 1, line 4 .....			
20 <b>Total special deductions.</b> Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b .....			

Form **1120** (2017)

**Schedule J Tax Computation and Payment** (see instructions)

**Part I - Tax Computation**

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120))		
2	Income tax. Check if a qualified personal service corporation. See instructions	<input type="checkbox"/>	2 0.
3	Alternative minimum tax (attach Form 4626)		3
4	Add lines 2 and 3		4 0.
5a	Foreign tax credit (attach Form 1118)	5a	
5b	Credit from Form 8834 (see instructions)	5b	
5c	General business credit (attach Form 3800)	5c	
5d	Credit for prior year minimum tax (attach Form 8827)	5d	
5e	Bond credits from Form 8912	5e	
6	<b>Total credits.</b> Add lines 5a through 5e		6
7	Subtract line 6 from line 4		7 0.
8	Personal holding company tax (attach Schedule PH (Form 1120))		8
9a	Recapture of investment credit (attach Form 4255)	9a	
9b	Recapture of low-income housing credit (attach Form 8611)	9b	
9c	Interest due under the look-back method-completed long-term contracts (attach Form 8697)	9c	
9d	Interest due under the look-back method-income forecast method (attach Form 8866)	9d	
9e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e	
9f	Other (see instructions - attach statement)	9f	
10	<b>Total.</b> Add lines 9a through 9f		10
11	<b>Total tax.</b> Add lines 7, 8, and 10. Enter here and on page 1, line 31		11 0.

**Part II - Payments and Refundable Credits**

12	2016 overpayment credited to 2017		12
13	2017 estimated tax payments		13
14	2017 refund applied for on Form 4466		14 ( )
15	Combine lines 12, 13, and 14		15
16	Tax deposited with Form 7004		16
17	Withholding (see instructions)		17
18	<b>Total payments.</b> Add lines 15, 16, and 17		18
19	Refundable credits from:		
19a	Form 2439	19a	
19b	Form 4136	19b	
19c	Form 8827, line 8c	19c	
19d	Other (attach statement - see instructions)	19d	
20	<b>Total credits.</b> Add lines 19a through 19d		20
21	<b>Total payments and credits.</b> Add lines 18 and 20. Enter here and on page 1, line 32		21

**Schedule K Other Information** (see instructions)

1	Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify)		Yes	No
2	See the instructions and enter the:			
a	Business activity code no. <b>517000</b>			
b	Business activity <b>CELL PHONE SOFTWARE</b>			
c	Product or service <b>CELL PHONE SOFTWARE</b>			
3	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter name and EIN of the parent corporation			X
4	At the end of the tax year:			
a	Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G)		X	
b	Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G)			X

**Schedule K Other Information** (continued from page 3)

		Yes	No																				
<p><b>5</b> At the end of the tax year, did the corporation:</p> <p><b>a</b> Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on <b>Form 851</b>, Affiliations Schedule? For rules of constructive ownership, see instructions .....                      If "Yes," complete (i) through (iv) below.</p> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:45%;">(i) Name of Corporation</th> <th style="width:15%;">(ii) Employer Identification Number (if any)</th> <th style="width:20%;">(iii) Country of Incorporation</th> <th style="width:20%;">(iv) Percentage Owned in Voting Stock</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>				(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock																
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock																				
<p><b>b</b> Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions .....                      If "Yes," complete (i) through (iv) below.</p> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:45%;">(i) Name of Entity</th> <th style="width:15%;">(ii) Employer Identification Number (if any)</th> <th style="width:20%;">(iii) Country of Organization</th> <th style="width:20%;">(iv) Maximum Percentage Owned in Profit, Loss, or Capital</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>				(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Organization	(iv) Maximum Percentage Owned in Profit, Loss, or Capital																
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Organization	(iv) Maximum Percentage Owned in Profit, Loss, or Capital																				
<p><b>6</b> During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? See sections 301 and 316 .....                      If "Yes," file <b>Form 5452</b>, Corporate Report of Nondividend Distributions. See the instructions for Form 5452.                      If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.</p> <p><b>7</b> At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of the total voting power of all classes of the corporation's stock entitled to vote or at least 25% of the total value of all classes of the corporation's stock? .....                      For rules of attribution, see section 318. If "Yes," enter:                      (a) Percentage owned ▶ _____ and (b) Owner's country ▶ _____                      (c) The corporation may have to file <b>Form 5472</b>, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached ▶ _____</p> <p><b>8</b> Check this box if the corporation issued publicly offered debt instruments with original issue discount ..... <input type="checkbox"/>                      If checked, the corporation may have to file <b>Form 8281</b>, Information Return for Publicly Offered Original Issue Discount Instruments.</p> <p><b>9</b> Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ _____</p> <p><b>10</b> Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶ <u>27</u></p> <p><b>11</b> If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ..... <input type="checkbox"/>                      If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.</p> <p><b>12</b> Enter the available NOL carryover from prior tax years (do not reduce it by any deduction reported on page 1, line 29a.) ..... ▶ \$ _____</p> <p><b>13</b> Are the corporation's total receipts (page 1, line 1a, plus lines 4 through 10) for the tax year and its total assets at the end of the tax year less than \$250,000? .....                      If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year ▶ \$ _____</p> <p><b>14</b> Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement? See instructions .....                      If "Yes," complete and attach Schedule UTP.</p> <p><b>15a</b> Did the corporation make any payments in 2017 that would require it to file Form(s) 1099? ..... <input checked="" type="checkbox"/> <b>X</b></p> <p><b>b</b> If "Yes," did or will the corporation file required Forms 1099? ..... <input checked="" type="checkbox"/> <b>X</b></p> <p><b>16</b> During this tax year, did the corporation have an 80% or more change in ownership, including a change due to redemption of its own stock? ..... <input checked="" type="checkbox"/> <b>X</b></p> <p><b>17</b> During or subsequent to this tax year, but before the filing of this return, did the corporation dispose of more than 65% (by value) of its assets in a taxable, non-taxable, or tax deferred transaction? ..... <input checked="" type="checkbox"/> <b>X</b></p> <p><b>18</b> Did the corporation receive assets in a section 351 transfer in which any of the transferred assets had a fair market basis or fair market value of more than \$1 million? ..... <input checked="" type="checkbox"/> <b>X</b>                      During the corporation's tax year, did the corporation make any payments that would require it to file Forms 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474) of the Code? ..... <input checked="" type="checkbox"/> <b>X</b></p>																							

Form 1120 (2017) **ZUMOBI, INC.**

38-3740014 Page 5

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
<b>Assets</b>					
1	Cash		209,023.		392,684.
2a	Trade notes and accounts receivable	3,026,122.		4,022,577.	
b	Less allowance for bad debts	(231,156.)	2,794,966.	(19,351.)	4,003,226.
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities				
6	Other current assets (att. stmt.) <b>STMT 4</b>		126,013.		96,485.
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (att. stmt.)				
10a	Buildings and other depreciable assets	271,094.		264,516.	
b	Less accumulated depreciation	(254,037.)	17,057.	(260,982.)	3,534.
11a	Depletable assets				
b	Less accumulated depletion	( )		( )	
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization	( )		( )	
14	Other assets (att. stmt.)				
15	<b>Total assets</b>		3,147,059.		4,495,929.
<b>Liabilities and Shareholders' Equity</b>					
16	Accounts payable		328,301.		1,756,000.
17	Mortgages, notes, bonds payable in less than 1 year		3,600,000.		7,695,307.
18	Other current liabilities (att. stmt.) <b>STMT 5</b>		2,805,262.		3,361,672.
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more		2,000,000.		372,549.
21	Other liabilities (att. stmt.) <b>STMT 6</b>		117,495.		100,314.
22	Capital stock: a Preferred stock	39,714,668.		39,714,668.	
	b Common stock	930.	39,715,598.	930.	39,715,598.
23	Additional paid-in capital		591,506.		629,107.
24	Retained earnings - Appropriated (attach statement)				
25	Retained earnings - Unappropriated		-46,011,103.		-49,134,618.
26	Adjustments to shareholders' equity (attach statement)				
27	Less cost of treasury stock		( )		( )
28	<b>Total liabilities and shareholders' equity</b>		3,147,059.		4,495,929.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return**

Note: The corporation may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books	-3,123,515.	7	Income recorded on books this year not included on this return (itemize):	
2	Federal income tax per books			Tax-exempt interest \$ _____	
3	Excess of capital losses over capital gains				
4	Income subject to tax not recorded on books this year (itemize):				
	<b>SEE STATEMENT 7</b>	280,936.	8	Deductions on this return not charged against book income this year (itemize):	
5	Expenses recorded on books this year not deducted on this return (itemize):		a	Depreciation \$ 15,252.	
a	Depreciation \$ _____		b	Charitable contributions \$ _____	
b	Charitable contributions \$ _____			<b>STMT 9</b> 229,623.	
c	Travel and entertainment \$ 22,028.				244,875.
	<b>STMT 8</b> 503,273.	525,301.	9	Add lines 7 and 8	244,875.
6	Add lines 1 through 5	-2,317,278.	10	Income (page 1, line 28) - line 6 less line 9	-2,562,153.

**Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)**

1	Balance at beginning of year	-46,011,103.	5	Distributions: a Cash	
2	Net income (loss) per books	-3,123,515.		b Stock	
3	Other increases (itemize):			c Property	
			6	Other decreases (itemize):	
4	Add lines 1, 2, and 3	-49,134,618.	7	Add lines 5 and 6	
			8	Balance at end of year (line 4 less line 7)	-49,134,618.

711631 01-23-18 JWA

Form 1120 (2017)

Form **4626**  
Department of the Treasury  
Internal Revenue Service

**Alternative Minimum Tax - Corporations**

▶ Attach to the corporation's tax return.

▶ Go to [www.irs.gov/Form4626](http://www.irs.gov/Form4626) for instructions and the latest information.

OMB No. 1545-0123

**2017**

Name <b>ZUMOBI, INC.</b>		Employer identification number <b>38-3740014</b>
<b>Note:</b> See the instructions to find out if the corporation is a small corporation exempt from the alternative minimum tax (AMT) under section 55(e).		
1	Taxable income or (loss) before net operating loss deduction	-2,562,153.
2	<b>Adjustments and preferences:</b>	
a	Depreciation of post-1986 property	683.
b	Amortization of certified pollution control facilities	
c	Amortization of mining exploration and development costs	
d	Amortization of circulation expenditures (personal holding companies only)	
e	Adjusted gain or loss	
f	Long-term contracts	
g	Merchant marine capital construction funds	
h	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	
i	Tax shelter farm activities (personal service corporations only)	
j	Passive activities (closely held corporations and personal service corporations only)	
k	Loss limitations	
l	Depletion	
m	Tax-exempt interest income from specified private activity bonds	
n	Intangible drilling costs	
o	Other adjustments and preferences	
3	Pre-adjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2o	-2,561,470.
4	<b>Adjusted current earnings (ACE) adjustment:</b>	
a	ACE from line 10 of the ACE worksheet in the instructions	-2,561,470.
b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount. See instructions	0.
c	Multiply line 4b by 75% (0.75). Enter the result as a positive amount	
d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments. See instructions. <b>Note:</b> You <b>must</b> enter an amount on line 4d (even if line 4b is positive)	
e	ACE adjustment. <ul style="list-style-type: none"> <li>• If line 4b is zero or more, enter the amount from line 4c</li> <li>• If line 4b is less than zero, enter the <b>smaller</b> of line 4c or line 4d as a negative amount</li> </ul>	0.
5	Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe any AMT	-2,561,470.
6	Alternative tax net operating loss deduction. See instructions	
7	<b>Alternative minimum taxable income.</b> Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see instructions	
8	<b>Exemption phase-out</b> (if line 7 is \$310,000 or more, skip lines 8a and 8b and enter -0- on line 8c):	
a	Subtract \$150,000 from line 7. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0-	
b	Multiply line 8a by 25% (0.25)	
c	Exemption. Subtract line 8b from \$40,000. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0-	
9	Subtract line 8c from line 7. If zero or less, enter -0-	
10	Multiply line 9 by 20% (0.20)	
11	Alternative minimum tax foreign tax credit (AMTFTC). See instructions	
12	Tentative minimum tax. Subtract line 11 from line 10	
13	Regular tax liability before applying all credits except the foreign tax credit	
14	<b>Alternative minimum tax.</b> Subtract line 13 from line 12. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return	

JWA For Paperwork Reduction Act Notice, see separate instructions.

Form 4626 (2017)

ZUMOBI, INC.

38-3740014

**Adjusted Current Earnings (ACE) Worksheet**

▶ See ACE Worksheet Instructions.

1	Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626		1	-2,561,470.
2	ACE depreciation adjustment:			
a	AMT depreciation	2a		21,514.
b	ACE depreciation:			
(1)	Post-1993 property	2b(1)		21,514.
(2)	Post-1989, pre-1994 property	2b(2)		
(3)	Pre-1990 MACRS property	2b(3)		
(4)	Pre-1990 original ACRS property	2b(4)		
(5)	Property described in sections 168(f)(1) through (4)	2b(5)		
(6)	Other property	2b(6)		
(7)	Total ACE depreciation. Add lines 2b(1) through 2b(6)	2b(7)		21,514.
c	ACE depreciation adjustment. Subtract line 2b(7) from line 2a		2c	
3	Inclusion in ACE of items included in earnings and profits (E&P):			
a	Tax-exempt interest income	3a		
b	Death benefits from life insurance contracts	3b		
c	All other distributions from life insurance contracts (including surrenders)	3c		
d	Inside buildup of undistributed income in life insurance contracts	3d		
e	Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)	3e		
f	Total increase to ACE from inclusion in ACE of items included in E&P. Add lines 3a through 3e		3f	
4	Disallowance of items not deductible from E&P:			
a	Certain dividends received	4a		
b	Dividends paid on certain preferred stock of public utilities that are deductible under section 247 (as affected by P.L. 113-295, Div. A, section 221(e)(4)(A), Dec. 19, 2014, 128 Stat. 4043)	4b		
c	Dividends paid to an ESOP that are deductible under section 404(k)	4c		
d	Nonpatronage dividends that are paid and deductible under section 1382(c)	4d		
e	Other items (see Regulations sections 1.56(g)-1(d)(3)(i) and (ii) for a partial list)	4e		
f	Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e		4f	
5	Other adjustments based on rules for figuring E&P:			
a	Intangible drilling costs	5a		
b	Circulation expenditures	5b		
c	Organizational expenditures	5c		
d	LIFO inventory adjustments	5d		
e	Installment sales	5e		
f	Total other E&P adjustments. Combine lines 5a through 5e		5f	
6	Disallowance of loss on exchange of debt pools		6	
7	Acquisition expenses of life insurance companies for qualified foreign contracts		7	
8	Depletion		8	
9	Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property		9	
10	<b>Adjusted current earnings.</b> Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626		10	-2,561,470.

Form **1125-A**

**Cost of Goods Sold**

(Rev. October 2016)

▶ Attach to Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B.

OMB No. 1545-0123

Department of the Treasury  
Internal Revenue Service

▶ Information about Form 1125-A and its instructions is at [www.irs.gov/form1125a](http://www.irs.gov/form1125a).

Name **ZUMOBI, INC.** Employer Identification number **38-3740014**

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule) <b>SEE STATEMENT 10</b>	5	<b>6,881,875.</b>
6	<b>Total.</b> Add lines 1 through 5	6	<b>6,881,875.</b>
7	Inventory at end of year	7	
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions	8	<b>6,881,875.</b>

- 9a Check all methods used for valuing closing inventory:
- (i)  Cost
  - (ii)  Lower of cost or market
  - (iii)  Other (Specify method used and attach explanation) ▶ \_\_\_\_\_
- b Check if there was a writedown of subnormal goods ..... ▶
- c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ..... ▶
- d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO ..... **9d** \_\_\_\_\_
- e If property is produced or acquired for resale, do the rules of Section 263A apply to the entity? See instructions .....  Yes  No
- f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? .....  Yes  No  
If "Yes," attach explanation.

For Paperwork Reduction Act Notice, see separate instructions. Form 1125-A (Rev. 10-2016)







Form **4562**  
 Department of the Treasury  
 Internal Revenue Service (99)

**Depreciation and Amortization**  
 (Including Information on Listed Property) OTHER

OMB No. 1545-0172

**2017**

Attachment  
 Sequence No. 179

▶ Attach to your tax return.

▶ Go to [www.irs.gov/Form4562](http://www.irs.gov/Form4562) for instructions and the latest information.

Name(s) shown on return: **ZUMOBI, INC.**  
 Business or activity to which this form relates: **OTHER DEPRECIATION**  
 Identifying number: **38-3740014**

**Part I Election To Expense Certain Property Under Section 179** Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	510,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2,030,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2016 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2018. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	10,573.

**Part III MACRS Depreciation (Don't include listed property.) (See instructions.)**

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2017	17	11,624.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		<input type="checkbox"/>

**Section B - Assets Placed in Service During 2017 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

**Section C - Assets Placed in Service During 2017 Tax Year Using the Alternative Depreciation System**

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

**Part IV Summary (See instructions.)**

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	22,197.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

**Part V Listed Property** (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)  
**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)**

**24a** Do you have evidence to support the business/investment use claimed?  Yes  No **24b** If "Yes," is the evidence written?  Yes  No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
<b>25</b> Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							<b>25</b>	
<b>26</b> Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
<b>27</b> Property used 50% or less in a qualified business use:								
		%				S/L -		
		%				S/L -		
		%				S/L -		
<b>28</b> Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							<b>28</b>	
<b>29</b> Add amounts in column (i), line 26. Enter here and on line 7, page 1								<b>29</b>

**Section B - Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
<b>30</b> Total business/investment miles driven during the year (don't include commuting miles)												
<b>31</b> Total commuting miles driven during the year												
<b>32</b> Total other personal (noncommuting) miles driven												
<b>33</b> Total miles driven during the year. Add lines 30 through 32												
<b>34</b> Was the vehicle available for personal use during off-duty hours?												
<b>35</b> Was the vehicle used primarily by a more than 5% owner or related person?												
<b>36</b> Is another vehicle available for personal use?												

**Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons.

	Yes	No
<b>37</b> Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
<b>38</b> Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
<b>39</b> Do you treat all use of vehicles by employees as personal use?		
<b>40</b> Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
<b>41</b> Do you meet the requirements concerning qualified automobile demonstration use?		

**Note:** If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
<b>42</b> Amortization of costs that begins during your 2017 tax year:					
<b>43</b> Amortization of costs that began before your 2017 tax year				<b>43</b>	<b>23.</b>
<b>44</b> Total. Add amounts in column (f). See the instructions for where to report				<b>44</b>	<b>23.</b>

Form **6765**  
 (Rev. March 2018)  
 Department of the Treasury  
 Internal Revenue Service  
 Name(s) shown on return

### Credit for Increasing Research Activities

OMB No. 1545-0619

▶ Attach to your tax return.

▶ Go to [www.irs.gov/Form6765](http://www.irs.gov/Form6765) for instructions and the latest information.

Attachment Sequence No. **81**

Identifying number

ZUMOBI, INC.

38-3740014

**Section A - Regular Credit.** Skip this section and go to Section B if you are electing or previously elected (and are not revoking) the alternative simplified credit.

1	Certain amounts paid or incurred to energy consortia		1
2	Basic research payments to qualified organizations	2	
3	Qualified organization base period amount	3	
4	Subtract line 3 from line 2. If zero or less, enter -0-		4
5	Wages for qualified services (do not include wages used in figuring the work opportunity credit)	5	
6	Cost of supplies	6	
7	Rental or lease costs of computers	7	
8	Enter the applicable percentage of contract research expenses	8	
9	Total qualified research expenses. Add lines 5 through 8	9	
10	Enter fixed-base percentage, but not more than 16% (0.16)	10	16.0000 %
11	Enter average annual gross receipts	11	5,393,681.
12	Multiply line 11 by the percentage on line 10	12	862,989.
13	Subtract line 12 from line 9. If zero or less, enter -0-	13	0.
14	Multiply line 9 by 50% (0.50)	14	
15	Enter the smaller of line 13 or line 14		15
16	Add lines 1, 4, and 15		16
17	Are you electing the reduced credit under section 280C? ▶ Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If "Yes," multiply line 16 by 13% (0.13). If "No," multiply line 16 by 20% (0.20) and see the instructions for the statement that must be attached. Fiscal year filers: see instructions. Members of controlled groups or businesses under common control: see instructions for the statement that must be attached		17

**Section B - Alternative Simplified Credit.** Skip this section if you are completing Section A.

18	Certain amounts paid or incurred to energy consortia		18
19	Basic research payments to qualified organizations	19	
20	Qualified organization base period amount	20	
21	Subtract line 20 from line 19. If zero or less, enter -0-		21
22	Add lines 18 and 21		22
23	Multiply line 22 by 20% (0.20)		23
24	Wages for qualified services (do not include wages used in figuring the work opportunity credit)	24	
25	Cost of supplies	25	
26	Rental or lease costs of computers	26	
27	Enter the applicable percentage of contract research expenses	27	
28	Total qualified research expenses. Add lines 24 through 27	28	
29	Enter your total qualified research expenses for the prior 3 tax years. If you had no qualified research expenses in any one of those years, skip lines 30 and 31	29	
30	Divide line 29 by 6.0	30	
31	Subtract line 30 from line 28. If zero or less, enter -0-	31	
32	Multiply line 31 by 14% (0.14). If you skipped lines 30 and 31, multiply line 28 by 6% (0.06)		32

LHA For Paperwork Reduction Act Notice, see separate instructions.

Form 6765 (Rev. 3-2018)

**Section B - Alternative Simplified Credit** (continued)

<b>33</b>	Add lines 23 and 32 .....	<b>33</b>	
<b>34</b>	Are you electing the reduced credit under section 280C? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> If "Yes," multiply line 33 by 65% (0.65). If "No," enter the amount from line 33 and see the line 17 instructions for the statement that must be attached. Fiscal year filers: see instructions. Members of controlled groups or businesses under common control: see instructions for the statement that must be attached .....	<b>34</b>	

**Section C - Current Year Credit**

<b>35</b>	Enter the portion of the credit from Form 8932, line 2, that is attributable to wages that were also used to figure the credit on line 17 or line 34 (whichever applies) .....	<b>35</b>	
<b>36</b>	Subtract line 35 from line 17 or line 34 (whichever applies). If zero or less, enter -0- .....	<b>36</b>	0.
<b>37</b>	Credit for increasing research activities from partnerships, S corporations, estates, and trusts .....	<b>37</b>	
<b>38</b>	Add lines 36 and 37 .....	<b>38</b>	
	<ul style="list-style-type: none"> <li>• Estates and trusts, go to line 39.</li> <li>• Partnerships and S corporations not electing the payroll tax credit, stop here and report this amount on Schedule K.</li> <li>• Partnerships and S corporations electing the payroll tax credit, complete Section D and report on Schedule K the amount on this line reduced by the amount on line 44.</li> <li>• Eligible small businesses, stop here and report the credit on Form 3800, Part III, line 4i. See instructions for the definition of eligible small business.</li> <li>• Filers other than eligible small businesses, stop here and report the credit on Form 3800, Part III, line 1c.</li> </ul> <p><b>Note:</b> Qualified small business filers, other than partnerships and S corporations, electing the payroll tax credit must complete Form 3800 before completing Section D.</p>		
<b>39</b>	Amount allocated to beneficiaries of the estate or trust .....	<b>39</b>	
<b>40</b>	Estates and trusts, subtract line 39 from line 38. For eligible small businesses, report the credit on Form 3800, Part III, line 4i. See instructions. For filers other than eligible small businesses, report the credit on Form 3800, Part III, line 1c .....	<b>40</b>	

**Section D - Qualified Small Business Payroll Tax Election and Payroll Tax Credit.** Skip this section if the payroll tax election does not apply. See instructions.

<b>41</b>	Check this box if you are a qualified small business electing the payroll tax credit. See instructions <input type="checkbox"/>		
<b>42</b>	Enter the portion of line 36 elected as a payroll tax credit (do not enter more than \$250,000). See instructions .....	<b>42</b>	
<b>43</b>	General business credit carryforward from the current year (see instructions). Partnerships and S corporations skip this line and go to line 44 .....	<b>43</b>	
<b>44</b>	Partnerships and S corporations, enter the smaller of line 36 or line 42. All others, enter the smallest of line 36, line 42, or line 43. Enter here and on the applicable line of Form 8974, Part 1, column (e). Members of controlled groups or businesses under common control: see instructions for the statement that must be attached .....	<b>44</b>	

ELECTION NOT TO CLAIM THE ADDITIONAL FIRST YEAR  
DEPRECIATION ALLOWABLE UNDER IRC SEC. 168(K)

ZUMOBI, INC.  
1525 4TH AVENUE, SUITE 800  
SEATTLE, WA 98101

EMPLOYER IDENTIFICATION NUMBER: 38-3740014

FOR THE YEAR ENDING DECEMBER 31, 2017

ZUMOBI, INC., HEREBY ELECTS, PURSUANT TO IRC SEC. 168(K)(7), NOT TO  
CLAIM THE ADDITIONAL DEPRECIATION ALLOWABLE UNDER IRC SEC. 168(K)  
FOR THE FOLLOWING QUALIFYING PROPERTY PLACED IN SERVICE DURING THE  
TAX YEAR ENDING DECEMBER 31, 2017.

COMPUTER SOFTWARE AS DEFINED BY IRC SEC. 167(F)(1)(B).

SEE ATTACHED FORM 4562.

SECTION 1.263(A)-1(F) DE MINIMIS SAFE HARBOR ELECTION

ZUMOBI, INC.  
1525 4TH AVENUE, SUITE 800  
SEATTLE, WA 98101

EMPLOYER IDENTIFICATION NUMBER: 38-3740014

FOR THE YEAR ENDING DECEMBER 31, 2017

ZUMOBI, INC. IS MAKING THE DE MINIMIS SAFE HARBOR ELECTION UNDER  
REG. SEC. 1.263(A)-1(F).



ZUMOBI, INC.

38-3740014

FORM 1120	OTHER INCOME	STATEMENT 1
DESCRIPTION		AMOUNT
OTHER INCOME		113,446.
TOTAL TO FORM 1120, LINE 10		113,446.

FORM 1120	TAXES AND LICENSES	STATEMENT 2
DESCRIPTION		AMOUNT
BUSINESS TAXES		34,916.
LICENSES AND PERMITS		2,351.
PAYROLL TAXES		196,942.
STATE TAX PAYMENTS		7,707.
TOTAL TO FORM 1120, LINE 17		241,916.

FORM 1120	OTHER DEDUCTIONS	STATEMENT 3
DESCRIPTION		AMOUNT
481(A) ADJUSTMENT		-280,936.
AMORTIZATION		23.
BANK FEES		2,715.
COMMUNICATIONS		48,563.
COMPUTER EXPENSES		109,578.
CONTRACT LABOR EXPENSES		244,494.
DIRECTORS EXPENSE		46,643.
DUES AND SUBSCRIPTIONS		33,968.
EMPLOYEE EXPENSES		28,172.
INSURANCE		34,311.
MEALS AND ENTERTAINMENT		22,028.
MOBILE DEVICE EXPENSE		944.
OFFICE EXPENSES		43,237.
PARKING EXPENSE		25,830.
PROFESSIONAL FEES		309,558.
RECRUITING EXPENSE		99,539.
TRAVEL EXPENSES		83,134.
UTILITIES		247.
TOTAL TO FORM 1120, LINE 26		852,048.

STATEMENT(S) 1, 2, 3

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SCHEDULE L	OTHER CURRENT ASSETS	STATEMENT 4	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
PREPAID EXPENSES		126,013.	96,485.
TOTAL TO SCHEDULE L, LINE 6		126,013.	96,485.

SCHEDULE L	OTHER CURRENT LIABILITIES	STATEMENT 5	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
ACCRUED COMPENSATION AND BENEFITS		1,093,493.	1,866,189.
DEFERRED RENT - CURRENT PORTION		0.	-1,477.
INTEREST PAYABLE		448,285.	0.
OTHER ACCRUED LIABILITIES		83,915.	106,304.
SQUARE1 A/R LOC - SHORT TERM		1,175,000.	1,390,656.
UNBILLED REVENUE		4,569.	0.
TOTAL TO SCHEDULE L, LINE 18		2,805,262.	3,361,672.

SCHEDULE L	OTHER LIABILITIES	STATEMENT 6	
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR
DEBT DISCOUNT - LONG TERM PORTION		-38,361.	-20,901.
DEFERRED RENT - LONG TERM PORTION		0.	5,918.
WARRANT LIABILITY		155,856.	115,297.
TOTAL TO SCHEDULE L, LINE 21		117,495.	100,314.

SCHEDULE M-1	TAXABLE INCOME NOT RECORDED ON BOOKS	STATEMENT 7	
DESCRIPTION		AMOUNT	
481(A) ADJUSTMENT		280,936.	
TOTAL TO SCHEDULE M-1, LINE 4		280,936.	

STATEMENT(S) 4, 5, 6, 7

ZUMOBI, INC.

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SCHEDULE M-1	OTHER EXPENSES RECORDED ON BOOKS NOT DEDUCTED IN THIS RETURN	STATEMENT 8
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DESCRIPTION	AMOUNT
INCENTIVE STOCK OPTION EXPENSE	35,553.
NONQUALIFIED STOCK OPTION EXPENSE	2,049.
INTEREST EXPENSE 163(I)	379,375.
CHANGE IN FMV OF STOCK WARRANT	40,559.
PREPAID EXPENSES	29,528.
ACCRUED EXPENSES	16,209.
TOTAL TO SCHEDULE M-1, LINE 5	503,273.

SCHEDULE M-1	OTHER DEDUCTIONS IN THIS RETURN NOT CHARGED AGAINST BOOK INCOME	STATEMENT 9
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DESCRIPTION	AMOUNT
BAD DEBT RESERVE	211,774.
ACCRUED BONUSES	17,826.
AMORTIZATION	23.
TOTAL TO SCHEDULE M-1, LINE 8	229,623.

FORM 1125-A	OTHER COSTS	STATEMENT 10
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DESCRIPTION	AMOUNT
AD SERVING COSTS	445,697.
COLOCATION SERVICES	105,933.
DATA FEED COSTS	162,374.
PARTNER REVENUE SHARE	6,159,100.
PUSH NOTIFICATION FEES	8,771.
TOTAL TO LINE 5	6,881,875.



**CT-3-M**

Department of Taxation and Finance  
**General Business Corporation  
 MTA Surcharge Return**  
 Tax Law - Article 9-A, Section 209-B

**Caution:** This form must be used **only** for tax periods beginning on or after January 1, 2017. If you use it for any prior periods, the return will **not** be processed and will **not** be considered timely filed. As a result, penalties and interest may be incurred.

Amended return <input type="checkbox"/>		All filers must enter tax period: beginning <b>01-01-17</b> ending <b>12-31-17</b>	
Employer identification number (EIN) <b>38-3740014</b>	File number <b>AA3</b>	Business telephone number <b>206-515-7603</b>	If you claim an overpayment, mark an X in the box <input type="checkbox"/>
Legal name of corporation <b>ZUMOBI, INC.</b>		Trade name/DBA	
Mailing name (if different from legal name above) c/o <b>LARA RICKARD</b>		State or country of incorporation <b>DE</b>	Date received (for Tax Dept use only)
Number and street or PO box <b>1525 4TH AVENUE, SUITE 800</b>		Date of incorporation <b>08-15-06</b>	
City <b>SEATTLE</b>	State ZIP code <b>WA 98101</b>	Foreign corporations: date began business in NYS <b>01-01-09</b>	

If you need to update your address or phone information for corporation tax, or other tax types, you can do so online. See Business Information in Form CT-1.

File this form with your Form CT-3 or CT-3-A. Before completing this return, see Form CT-3-M-I, Instructions for Form CT-3-M.

<b>A.</b> Pay amount shown on line 12. Make payable to: <b>New York State Corporation Tax</b>	Payment enclosed
← Attach your payment here. Detach all check stubs. (See instructions for details.)	<b>A.</b> <b>0.</b>

**Computation of MTA surcharge**

1 New York State franchise tax (see instructions) .....	•	1,500.
2 MCTD apportionment percentage from line 82 .....	•	100.0000 %
3 Apportioned franchise tax (multiply line 1 by line 2) .....	•	1,500.
4 MTA surcharge (multiply line 3 by 28.3% (.283)) .....	•	424.
5a		
5b		
6		
7 Total prepayments from line 91 .....	•	442.
8a Underpayment (subtract line 7 from line 4) .....	•	
8b Additional amount for 2018 MFI (see instructions) .....	•	
8c Balance due (add lines 8a and 8b) .....	•	
9 Estimated tax penalty (see instructions; mark an X in the box if Form CT-222 is attached) • <input checked="" type="checkbox"/>	•	18.
10 Interest on late payment (see instructions for Form CT-3 or CT-3-A) .....	•	
11 Late filing and late payment penalties (see instructions for Form CT-3 or CT-3-A) .....	•	
12 Balance due (add lines 8c through 11 and enter here; enter the payment amount on line A above) .....	•	0.
13a Excess prepayments (subtract line 4 from line 7) .....	•	
13b Amount previously credited to 2018 MFI (see instructions) .....	•	
13c Overpayment (subtract line 13b from from line 13a) .....	•	0.
14 Amount of overpayment to be credited to New York State franchise tax (see instructions) .....	•	
15 Amount of overpayment to be credited to MTA surcharge for next period (see instructions) .....	•	
16 Amount of overpayment to be refunded (see instructions) .....	•	

**Schedule A - Computation of MCTD apportionment percentage (see instructions)**

Average value of property (see instructions)	A MCTD	B New York State	
17 Real estate owned (see instructions) .....	17.		
18 Real estate rented (see instructions) .....	18.	194,800.	194,800.
19 Inventories owned .....	19.		
20 Tangible personal property owned (see instructions) .....	20.	0.	0.
21 Tangible personal property rented (see instructions) .....	21.		
22 Total (add lines 17 through 21 in columns A and B) .....	• 22.	194,800.	194,800.
23 MCTD property factor (divide line 22, column A, by line 22, column B) .....	•	23.	100.0000 %

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Receipts from: (see instructions for lines 24 through 76)		A MCTD	B New York State
<b>Section 210-A.2</b>			
24	Sales of tangible personal property .....	4,137,300.	4,137,300.
25	Sales of electricity .....		
26	Net gains from sales of real property .....		
<b>Section 210-A.3</b>			
27	Rentals of real and tangible personal property .....		
28	Royalties from patents, copyrights, trademarks, and similar intangible personal property .....		
29	Sales of rights for certain closed-circuit and cable TV transmissions of an event .....		
<b>Section 210-A.4</b>			
30	Sale, licensing, or granting access to digital products .....		
<b>Section 210-A.5(a)(1) - Fixed percentage method for qualified financial instruments (QFIs)</b>			
31	If this irrevocable election was made on Form CT-3 or CT-3-A, mark an X in the box (see Form CT-3-I or CT-3-A-I, line 8 instructions) ...		<input checked="" type="checkbox"/> 31
<b>Section 210-A.5(a)(2) - Mark an X in each box that is applicable (see Form CT-3-I or CT-3-A-I line 8 instructions)</b>			
<b>Section 210-A.5(a)(2)(A)</b>			
32	Interest from loans secured by real property .....		
33	Net gains from sales of loans secured by real property .....		
34	Interest from loans <b>not</b> secured by real property (QFI <input type="checkbox"/> ) .....		
35	Net gains from sales of loans <b>not</b> secured by real property (QFI <input type="checkbox"/> ) .....		
<b>Section 210-A.5(a)(2)(B) (QFI <input type="checkbox"/>)</b>			
36	Interest from federal debt .....		
37			
38	Interest from NYS and its political subdivisions debt .....		
39	Net gains from federal, NYS, and NYS political subdivisions debt .....		
40	Interest from other states and their political subdivisions debt .....		
41	Net gains from other states and their political subdivisions debt .....		
<b>Section 210-A.5(a)(2)(C) (QFI <input type="checkbox"/>)</b>			
42	Interest from asset-backed securities and other government agency debt .....		
43	Net gains from government agency debt or asset-backed securities sold through an exchange .....		
44	Net gains from all other asset-backed securities .....		
<b>Section 210-A.5(a)(2)(D) (QFI <input type="checkbox"/>)</b>			
45	Interest from corporate bonds .....		
46	Net gains from corporate bonds sold through broker/dealer or licensed exchange .....		
47	Net gains from other corporate bonds .....		
<b>Section 210-A.5(a)(2)(E)</b>			
48	Net interest from reverse repurchase and securities borrowing agreements .....		
<b>Section 210-A.5(a)(2)(F)</b>			
49	Net interest from federal funds .....		
<b>Section 210-A.5(a)(2)(I) (QFI <input type="checkbox"/>)</b>			
50	Net income from sales of physical commodities .....		
<b>Section 210-A.5(a)(2)(J) (QFI <input type="checkbox"/>)</b>			
51	Marked to market net gains .....		
<b>Section 210-A.5(a)(2)(H) (QFI <input type="checkbox"/>)</b> <b>210-A.5(a)(2)(G) (QFI <input type="checkbox"/>)</b>			
52	Interest from other financial instruments .....		
53	Net gains and other income from other financial instruments .....		

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Receipts from: (continued)		A MCTD	B New York State
<b>Section 210-A.5(b)</b>			
54	Brokerage commissions	54	
55	Margin interest earned on behalf of brokerage accounts	55	
56	Fees for advisory services for underwriting or management of underwriting	56	
57	Receipts from primary spread of selling concessions	57	
58	Receipts from account maintenance fees	58	
59	Fees for management or advisory services	59	
60	Interest from an affiliated corporation	60	
<b>Section 210-A.5(c)</b>			
61	Interest, fees, and penalties from credit cards	61	
62	Service charges and fees from credit cards	62	
63	Receipts from merchant discounts	63	
64	Receipts from credit card authorizations and settlement processing	64	
65	Other credit card processing receipts	65	
<b>Section 210-A.5(d)</b>			
66	Receipts from certain services to investment companies	66	
<b>Section 210-A.6</b>			
67	Receipts from railroad and trucking business	67	
<b>Section 210-A.6-a</b>			
68	Receipts from the operation of vessels	68	
<b>Section 210-A.7</b>			
69	Receipts from air freight forwarding	69	
70	Receipts from other aviation services	70	
<b>Section 210-A.8</b>			
71	Advertising in newspapers or periodicals	71	
72	Advertising on television or radio	72	
73	Advertising via other means	73	
<b>Section 210-A.9</b>			
74	Transportation or transmission of gas through pipes	74	
<b>Section 210-A.10</b>			
75	Receipts from other services/activities not specified	75	
<b>Section 210-A.11</b>			
76	Discretionary adjustments	76	
77	Total (add lines 24 through 76 in columns A and B)	77	4,137,300.
78	MCTD receipts factor (divide line 77, column A, by line 77, column B)	78	100.0000 %
<b>Payroll</b>		A MCTD	B New York State
79	Wages and other compensation of employees except general executive officers	79	242,588.
80	MCTD payroll factor (divide line 79, column A, by line 79, column B)	80	100.0000 %
81	Total MCTD factors (add lines 23, 78, and 80)	81	300.0000 %
82	MCTD apportionment percentage (Divide line 81 by three; if a factor is missing, see instructions. Enter here and on line 2)	82	100.0000 %

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Composition of prepayments claimed on line 7 (see instructions)		Date paid	Amount
83	Mandatory first installment from Form CT-300 (see instructions)	83	
84	Second installment from Form CT-400	84	
85	Third installment from Form CT-400	85	
86	Fourth installment from Form CT-400	86	
87	Payment with extension request from Form CT-5, line 10, or Form CT-5.3, line 13	87	
88	Overpayment credited from prior years (see instructions)	88	
89	Add lines 83 through 88	89	
90	Overpayment credited from Form CT- <u>3</u> Period <u>12-17</u>	90	442.
91	Total prepayments (add lines 89 and 90, enter here and on line 7)	91	442.

Third - party designee (see instructions)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Designee's name (print) <b>KARINA B. STADELMAN</b>	Designee's phone number <b>206-302-6500</b>
	Designee's e-mail address <b>KARINA.STADELMAN@MOSSADAMS.COM</b>	PIN	

**Certification:** I certify that this return and any attachments are to the best of my knowledge and belief true, correct, and complete.

Authorized person	Printed name of authorized person	Signature of authorized person	Official Title <b>VP, FINANCE</b>	
	E-mail address of authorized person	Telephone number <b>(206) 269-1111</b>		Date
Paid preparer use only (see instr.)	Firm's name (or yours if self-employed) <b>MOSS ADAMS LLP</b>	Firm's EIN <b>91-0189318</b>	Preparer's PTIN or SSN <b>P00363599</b>	
	Signature of individual preparing this return <b>KARINA B. STADELMAN</b>	Address <b>999 THIRD AVENUE, SEATTLE</b>	State <b>WA</b>	ZIP code <b>98104</b>
	E-mail address of individual preparing this return <b>KARINA.STADELMAN@MOSSADAMS.COM</b>	Preparer's NYTPRIN or Excl. code <b>03</b>	Date <b>10-12-18</b>	

See instructions for where to file.

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Department of Taxation and Finance

**Underpayment of Estimated Tax  
by a Corporation**  
Tax Law - Article 27, Section 1085

**CT-222**

Tax return filed: CT-3M

All filers must enter tax period:

beginning 01-01-17 ending 12-31-17

Legal name of corporation <b>ZUMOBI, INC.</b>	Employer identification number <b>38-3740014</b>
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Read the instructions, Form CT-222-I, before completing.

**Part 1 - Annual payment**

1 Enter your 2017 corporation franchise, excise, or gross receipts tax after credits or enter the 2017 metropolitan transportation business tax (MTA surcharge) (if both, use separate forms)	1	424.
2 Multiply line 1 by 91% (.91) or, if a large corporation, 100% (1.0). Large corporations enter this amount on line 5 and skip lines 3 and 4	2	386.
3 Enter your 2016 corporation franchise, excise or gross receipts tax after credits or enter the 2016 MTA surcharge	3	
4 Enter the amount from line 101; if not using the line 9 exception, skip this line	4	
5 Annual payment. Enter the lesser of lines 2, 3, or 4. Large corporations, enter the line 2 amount	5	386.

**Part 2 - Reasons for filing**

Mark an X in the boxes below that apply. If any boxes are marked, you must file Form CT-222 even if you do not owe a penalty.

- 6 You are using the adjusted seasonal installment method (see instructions; complete applicable parts of Schedule A)
- 7 You are using the annualized income installment method (see instructions; complete applicable parts of Schedule A)
- 8 You are **not** a large corporation and figure your estimated tax based on the prior year's tax (the prior year cannot be a short year, and your return must show a tax liability)
- 9 You are **not** a large corporation and figure your estimated tax by applying to the tax base on which the current year's tax was paid the facts shown on your return for, and the law applicable to, the preceding tax year, but using the rates applicable to the current year (complete Schedule B)

**Part 3 - Computing the underpayment** - for lines 11 through 19, complete one column before going to the next column.

	A	B	C	D
10 Installment due dates (see instructions)	03-15-17	06-15-17	09-15-17	12-15-17
11 Required installments (see instructions)		129.	129.	128.
12 Estimated tax timely paid or credited for each period (see instructions). For column A only, also enter the amount from this line on line 16				
13 Enter amount, if any, from line 19 of the preceding column				
14 Add lines 12 and 13			129.	258.
15 In column B, enter line 18, column A amount. In columns C and D, add amounts on lines 17 and 18 of the preceding column				
16 In column A, enter the line 12 amount. For other columns, subtract line 15 from line 14. If zero or less, enter 0	0.	0.	0.	0.
17 If the amount on line 16 is zero, subtract line 14 from line 15. Otherwise, enter 0		0.	129.	
18 <b>Underpayment</b> - If line 16 is less than or equal to line 11, subtract line 16 from line 11. Otherwise, go to line 19 (see instructions)	0.	129.	129.	128.
19 <b>Overpayment</b> - If line 11 is less than line 16, subtract line 11 from line 16				

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Part 4 - Computation of the underpayment penalty (see instr.)	A First	B Second	C Third	D Fourth
20 Enter the date of payment or the 15th day of the 3rd month after the end of the tax year, whichever is earlier (mm/dd/yy) .....		04-17-18	04-17-18	04-17-18
<b>Number of days:</b>				
21 From due date of installment to the date shown on line 20 .....		304	212	121
22 On line 21 after 3/15/17 and before 4/1/17 .....				
23 On line 21 after 3/31/17 and before 7/1/17 .....		15		
24 On line 21 after 6/30/17 and before 10/1/17 .....		92	15	
25 On line 21 after 9/30/17 and before 1/1/18 .....		92	92	16
26 On line 21 after 12/31/17 and before 4/1/18 .....		90	90	90
27 On line 21 after 3/31/18 and before 7/1/18 .....		15	15	15
28 On line 21 after 6/30/18 and before 10/1/18 .....				
29 On line 21 after 9/30/18 and before 1/1/19 .....				
30 On line 21 after 12/31/18 and before 3/15/19 .....				
31 On line 22 ÷ 365 x 8% x amount on line 18 .....				
32 On line 23 ÷ 365 x 8% x amount on line 18 .....				
33 On line 24 ÷ 365 x 8% x amount on line 18 .....		3.		
34 On line 25 ÷ 365 x 8% x amount on line 18 .....		3.	3.	
35 On line 26 ÷ 365 x %* x amount on line 18 .....		3.	3.	3.
36 On line 27 ÷ 365 x %* x amount on line 18 .....				
37 On line 28 ÷ 365 x %* x amount on line 18 .....				
38 On line 29 ÷ 365 x %* x amount on line 18 .....				
39 On line 30 ÷ 365 x %* x amount on line 18 .....				
40 Add lines 31 through 39 .....		9.	6.	3.
41 Underpayment penalty (see instructions) .....		9.	6.	3.
<b>SEE STATEMENT 1</b>				
42 Add line 41, columns A through D; enter here and on your franchise tax return or MTA surcharge return .....			42	18.
43 Multiply line 1 by 80% (.8) .....			43	339.
44 Subtract line 11, column A from line 43 .....			44	339.
45 Divide line 44 by three .....			45	113.

\*For rates not shown, access our Web site or call the Corporation Tax Information Center (see *Need help?* in Form CT-1).

**Schedule A, Part I - Adjusted seasonal installment method** (see instructions)

**Note:** Use this method only if the base period percentage for any 6 consecutive months is at least 70%. Use lines 46 through 51 below to compute the base period percentage. When appropriate, in lieu of ENI, use the applicable tax base.

	A - 2014	B - 2015	C - 2016
46 Enter the period of 6 consecutive months for which the base period percentage is to be computed:  • <input type="text"/> through • <input type="text"/>			
47 Enter the ENI for the same 6 consecutive month period in preceding periods .....			
48 Enter the total ENI for the entire year in preceding periods .....			
49 In each column, enter as a percentage the result of dividing that column's line 47 by that column's line 48 .....	%	%	%
50 Add the percentages in ln 49, columns A, B, and C, and enter the result here .....	%		
51 Base period percentage: Divide line 50 by three; enter the result here .....	%	If 70% or higher, continue with Schedule A, line 52a.	



	A	B - 1st 5 months	C - 1st 8 months	D - 1st 11 months
Enter ENI for the following:				
52a Tax year beginning in 2014 .....		•	•	•
52b Tax year beginning in 2015 .....		•	•	•
52c Tax year beginning in 2016 .....		•	•	•
53 Enter the total of the amounts that enter into the computation of the business income base for 2017 for the months delineated in each column		•	•	•
Enter ENI for the following periods:		1st 6 months	1st 9 months	Entire year
54a Tax year beginning in 2014 .....		•	•	•
54b Tax year beginning in 2015 .....		•	•	•
54c Tax year beginning in 2016 .....		•	•	•
55 Divide the amount in each column on line 52a by the amount in column D on line 54a .....				
56 Divide the amount in each column on line 52b by the amount in column D on line 54b .....				
57 Divide the amount in each column on line 52c by the amount in column D on line 54c .....				
58 Add lines 55 through 57 .....				
59 Divide line 58 by three .....				
60 Divide line 53 by line 59 .....				
61 Figure the tax on the amount on line 60 using the instructions for your corporation's return (see instructions for MTA surcharge) .....		•	•	•
62 Divide the amount in each of columns B and C on line 54a by the amount in column D on line 54a				
63 Divide the amount in each of columns B and C on line 54b by the amount in column D on line 54b				
64 Divide the amount in each of columns B and C on line 54c by the amount in column D on line 54c				
65 Add lines 62 through 64 .....				
66 Divide line 65 by three .....				
67 Multiply the amounts in columns B and C of line 61 by columns B and C of line 66. In column D, enter the amount from line 61, column D ...				
68 Enter any other taxes for each payment period (see instructions) .....		•	•	•
69 Total tax before credits (add lines 67 and 68)				
70 Enter the amount of tax credits your corporation is entitled to for the months shown in each column heading above line 52a .....		•	•	•
71 Total tax after credits. Subtract line 70 from line 69. If zero or less, enter 0 .....				
72 If not a large corporation, enter .91 (91%). Otherwise, enter 1. ....				
73 Multiply line 71 by line 72 .....				



**Schedule A, Part 2 - Annualized income installment method**

	A	B	C	D
74 Annualized periods (see instructions) .....		1st • months	1st • months	1st • months
75 See instructions .....		•	•	•
76 See instructions .....				
77 Annualized taxable inc. Multiply line 75 by line 76 .....				
78 Figure the tax on the line 77 amount using the instructions for your corporation's return (see instructions for MTA surcharge) .....		•	•	•
79 Enter any other taxes for each payment period (see insts.) .....		•	•	•
80 Total tax before credits (add lines 78 and 79) .....				
81 Tax credits (see instructions) .....		•	•	•
82 Total tax after credits. Subtract line 81 from line 80; if zero or less, enter 0 .....				
83 If not a large corporation, enter .91 (91%). Otherwise, enter 1 .....				
84 Multiply line 82 by line 83 .....				
85 Applicable percentage .....		50%	75%	100%
86 Multiply line 84 by line 85 .....				

**Schedule A, Part 3 - Required installment** - In completing Part 3, complete one column before going to the next column.

	A	B	C	D
87 If only Schedule A, Part 1 or Part 2 is completed, enter the amount in each column from line 73 or line 86. If both parts are completed, enter the smaller of the amounts in each column from line 73 or line 86 .....				
88 Add the amounts in all preceding columns of line 93 .....				
89 Subtract line 88 from line 87. If zero or less, enter 0 .....				
90 Subtract line 11, column A (MFI), from line 5. Divide the result by three and enter in each of columns B, C, and D .....				
91 In column C, subtract line 89, column B from line 90, column B. If zero or less, enter 0. In column D, subtract line 93, column C from line 92, column C and enter the result .....				
92 Add lines 90 and 91 .....				
93 <b>Required installments</b> - For column A, enter the amount from line 11, column A (MFI). For column B, enter the smaller of line 89, column B or line 90, column B. For columns C and D, respectively, enter the smaller of line 89 or line 92. Also enter each result on line 11 .....				

**Schedule B - Line 9 exception** - (see instructions)

94 2016 ENI or business income (as applicable) base multiplied by 2017 ENI or business income base tax rate (as applicable) .....	•	94	
95 2016 capital base multiplied by 2017 capital tax rate .....	•	95	
96 Enter the amount from line 94 or 95, as applicable .....		96	
97 2016 subsidiary capital base multiplied by 2017 subsidiary capital tax rate .....	•	97	
98 Any other taxes (see instructions) .....	•	98	
99 Add line 96, 97, and 98 .....		99	
100 2016 tax credits .....	•	100	
101 Recomputed tax (subtract line 100 from line 99); enter here and on line 4 .....		101	

415004171019



768724  
01-18-18

1019

ZUMOBI, INC.

38-3740014

NY FORM CT-3M  
 NY FORM CT-33M

UNDERPAYMENT OF ESTIMATED TAX

STATEMENT 1

Q T R	EVENT AMOUNT TYPE	REMAINING UNDERPAYMENT	PERIOD OF UNDERPAYMENT	DAYS	INTEREST RATE	AMOUNT OF PENALTY
B	Q	129.	06/15/2017 06/30/2017	15	8.0000	0.
	R	129.	06/30/2017 09/30/2017	92	8.0000	3.
	R	129.	09/30/2017 12/31/2017	92	8.0000	3.
	R	129.	12/31/2017 03/31/2018	90	8.0000	3.
	R	129.	03/31/2018 04/15/2018	15	9.0000	0.
C	Q	129.	09/15/2017 09/30/2017	15	8.0000	0.
	R	129.	09/30/2017 12/31/2017	92	8.0000	3.
	R	129.	12/31/2017 03/31/2018	90	8.0000	3.
	R	129.	03/31/2018 04/15/2018	15	9.0000	0.
D	Q	128.	12/15/2017 12/31/2017	16	8.0000	0.
	R	128.	12/31/2017 03/31/2018	90	8.0000	3.
	R	128.	03/31/2018 04/15/2018	15	9.0000	0.
TOTAL TO FORM CT-222 LINE 42						18.

EVENT TYPE: Q = QUARTERLY AMOUNT DUE  
 P = PAYMENT  
 R = INTEREST RATE CHANGE  
 L = LEAP YEAR CHANGE  
 O = OVERPAYMENT FROM PRIOR YEAR/QUARTER

Caution: Forms printed from within Adobe Acrobat products may not meet IRS or state taxing agency specifications. When using Acrobat 5.x products, uncheck the "Shrink oversized pages to page size" and uncheck the "Expand small pages to paper size" options, in the Adobe "Print" dialog. When using Acrobat 6.x and later products versions, select "None" in the "PageScaling" selection box in the Adobe "Print" dialog.

CITY COPY



**2017 TAX RETURN FILING INSTRUCTIONS**

NEW YORK CITY FORM NYC-2

**FOR THE YEAR ENDING**

December 31, 2017

**Prepared For:**

Lara Rickard  
 Zumobi, Inc.  
 1525 4th Avenue, Suite 800  
 Seattle, WA 98101

**Prepared By:**

Moss Adams LLP  
 999 Third Avenue, Suite 2800  
 Seattle, WA 98104

**To Be Signed and Dated By:**

The appropriate corporate officer(s).

**Amount of Tax:**

Total tax	\$	1,500
Less: payments and credits	\$	2,063
Plus: other amount	\$	0
Plus: interest and penalties	\$	0
Overpayment	\$	563

**Overpayment:**

Credit to your estimated tax	\$	563
Other amount	\$	0
Refunded to you	\$	0

**Make Check Payable to:**

Not applicable

**Mail Tax Return and Check (if applicable) to:**

This return has qualified for electronic filing. After you have reviewed your return for accuracy, please sign, date and return NYC-579-COR to our office. We will then transmit your return to the NYC DOF. Do not mail a copy of the return.

**Return Must be Mailed On or Before:**

Return NYC-579-COR to us by October 15, 2018.

**Special Instructions:**

**2018 ESTIMATED TAX FILING INSTRUCTIONS**

NEW YORK CITY FORM NYC-400

**FOR THE YEAR ENDING**

December 31, 2018

**Prepared For:**

Lara Rickard  
 Zumobi, Inc.  
 1525 4th Avenue, Suite 800  
 Seattle, WA 98101

**Prepared By:**

Moss Adams LLP  
 999 Third Avenue, Suite 2800  
 Seattle, WA 98104

**Amount of Tax:**

Total Estimated Tax	\$	1,500
Less credit from prior year	\$	563
Less amount already paid on 2018 Estimate	\$	0
Balance Due	\$	937

Payable in full or in installments as follows:

Voucher	Amount	Due Date
No. 1	\$ 0	April 16, 2018
No. 2	\$ 0	June 15, 2018
No. 3	\$ 437	September 17, 2018
No. 4	\$ 500	December 17, 2018

**Make Check Payable to:**

NYC Department of Finance

**Mail Voucher and Check (if applicable) to:**

NYC Department of Finance  
 P.O. Box 3922  
 New York, NY 10008-3922

**Special Instructions:**



<b>NYC</b> <small>Department of Finance</small>	<b>NYC</b> <b>579-COR</b>	<b>NEW YORK CITY DEPARTMENT OF FINANCE</b> <b>Signature Authorization for</b> <b>E-Filed Business Corporation Tax Return</b>	<b>2017</b>
<b>ELECTRONIC RETURN ORIGINATORS (ERO): DO NOT MAIL THIS FORM TO THE DEPARTMENT OF FINANCE. KEEP THIS FOR YOUR RECORDS.</b>			
LEGAL NAME OF CORPORATION: <b>ZUMOBI, INC.</b>		EMPLOYER IDENTIFICATION NUMBER <b>38-3740014</b>	
EMAIL ADDRESS:	TYPE OF <input type="checkbox"/> NYC-EXT <input type="checkbox"/> NYC-EXT.1 <input type="checkbox"/> NYC-300 (2018) <input type="checkbox"/> NYC-400 (2018) RETURN: <input checked="" type="checkbox"/> NYC-2 <input type="checkbox"/> NYC-2A <input type="checkbox"/> NYC-2S		

<b>Financial Institution Information - must be included if electronic payment is authorized</b>		
AMOUNT OF AUTHORIZED DEBIT:	FINANCIAL INSTITUTION ROUTING NUMBER:	FINANCIAL INSTITUTION ACCOUNT NUMBER:

**Part A - Declaration and authorization of corporate officer for Forms NYC-2, NYC-2A, NYC-2S, NYC-EXT, NYC-EXT.1, NYC-300 or NYC-400**

Under penalty of perjury, I declare that I am an officer of the corporation authorized to act on behalf of the above-named corporation, and that I have examined the information on its 2017 New York City electronically filed corporation tax return, including any accompanying schedules, attachments, and statements or other report checked above, and to the best of my knowledge and belief, the electronically filed corporation tax return or other report is true, correct, and complete. The ERO has my consent to send the 2017 New York City electronically filed corporation tax return or other report checked above to New York City Department of Finance through the Internal Revenue Service. I authorize the ERO to enter my PIN as my signature on the 2017 New York City electronically filed corporation tax return or other report, or I will enter my PIN as my signature on the 2017 New York City electronically filed corporation tax return or other report. If I am paying the New York City corporation tax owed by electronic funds withdrawal, I authorize the New York City Department of Finance and its designated financial agents to initiate an electronic funds withdrawal from the financial institution account indicated on the corporation's 2017 New York City electronically filed corporation tax return or other report, and I authorize the financial institution to debit the amount from that account.

**Officer's PIN (mark an X in one box only)**

I authorize MOSS ADAMS LLP to enter my PIN: 40014

ERO FIRM NAME

as my signature on the corporation's 2017 electronically filed corporation tax return or other report checked above.

As an authorized person of the corporation, I will enter my PIN as my signature on the corporation's 2017 electronically filed corporation tax return or other report checked above.

\_\_\_\_\_  
Signature of authorized person

VP, FINANCE  
Official title

\_\_\_\_\_  
Date

**Part B - Declaration of electronic return originator (ERO) and paid preparer**

Under penalty of perjury, I declare that the information contained in the above-named corporation's 2017 New York City electronically filed corporation tax return or other report checked above is the information furnished to me by the corporation's authorized officer. If the corporate officer furnished me with a completed 2017 New York City paper corporation tax return or other report signed by a paid preparer, I declare that the information contained in the corporation's 2017 New York City electronically filed corporation tax return or report is identical to that contained in the paper return or report. If I am the paid preparer, under penalty of perjury I declare that I have examined this 2017 New York City electronically filed corporation tax return or other report, and, to the best of my knowledge and belief, the return or other report is true, correct, and complete. I have based this declaration on all information available to me.

ERO EFIN/PIN: Enter your six-digit EFIN followed by your five digit PIN: 91687263599

\_\_\_\_\_  
ERO's Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Paid Preparer's Signature

KARINA B. STADELMAN  
Print Name

10/12/18  
Date

**PURPOSE** - A completed Form NYC-579-COR provides documentation that an ERO has been authorized to electronically file the Business Corporation Tax return or other report. The officer of the corporation who is authorized to sign the corporation's returns may designate the ERO to electronically sign the return or other report by entering the officer's personal identification number (PIN). The form also authorizes payment of tax due on an electronically submitted return or report by an automatic clearing house (ACH) debit from a designated checking or savings account of the corporation. **You cannot revoke this authorization.**

**GENERAL INSTRUCTIONS** - Part A must be completed by an officer of the corporation who is authorized to sign the corporation's return or report before the ERO transmits the electronically filed Form NYC-2A (Combined Business Corporation Tax Return); NYC-2 (Business Corporation Tax Return); NYC-2S (Business Corporation Tax Return); NYC-EXT (Application for 6-month Extension to File Business Income Tax Return); NYC-EXT.1 (Application for Additional Extension); NYC-300 (Mandatory First Installment (MFI) by Business C Corporations) or NYC-400 (Declaration of Estimated Tax by Business Corporations and Subchapter S General Corporations).

EROs/paid preparers must complete Part B prior to transmitting an electronically filed corporation tax returns or reports (Forms NYC-2, NYC-2A, NYC-2S, NYC-EXT, NYC-EXT.1, NYC-300 or NYC-400). Both the paid preparer and the ERO are required to sign Part B. However, if an individual performs as both the paid preparer and the ERO, he or she is only required to sign as the paid preparer. It is not necessary to include the ERO signature in this case.

**Do not mail Form NYC-579-COR to the Department of Finance.** The EROs/paid preparers must keep the completed Form NYC-579-COR for three years from the due date of the return or report or the date the return or report was filed, whichever is later, and must present it to the Department of Finance upon request.



**NYC - 400**  
Department of Finance

**ESTIMATED TAX BY BUSINESS CORPORATIONS  
AND SUBCHAPTER S GENERAL CORPORATIONS**

**2018**

For CALENDAR YEAR 2018 or FISCAL YEAR beginning 01-01-2018 and ending 12-31-2018

Print or Type:

Name (If combined filer, give name of reporting corporation)		Name Change
<b>ZUMOBI, INC.</b>		
in Care of		
Address (number and street)		Address Change
<b>1525 4TH AVENUE, SUITE 800</b>		
City and State	Zip Code	Country (if not US)
<b>SEATTLE, WA</b>	<b>98101</b>	
Business telephone number	Person to contact	
<b>206-269-1111</b>		

Taxpayer's Email Address

EMPLOYER IDENTIFICATION NUMBER

**38-3740014**

BUSINESS CODE NUMBER  
PER FEDERAL RETURN

**517000**

Business C Corporations only  
NYC-2 NYC-2S NYC-2A

General-Subchapter S Corporations and Qualified Subchapter S Subsidiaries only  
NYC-3L NYC-3A NYC-4S NYC-4SEZ

**COMPUTATION OF ESTIMATED TAX**

		Payment Amount
A. Payment	Amount included with form - Make payable to: NYC Department of Finance	<b>437.</b>
1.	Declaration of estimated tax for current year	<b>1,500.</b>
2.	Estimated Payment Amount	<b>437.</b>

**MAILING INSTRUCTIONS:**

MAIL FORM TO:  
NYC DEPARTMENT OF FINANCE  
P.O. BOX 3922  
NEW YORK, NY 10008-3922

Make remittance payable to the order of:  
**NYC DEPARTMENT OF FINANCE.**  
Payment must be made in U.S.  
dollars, drawn on a U.S. bank.

To receive proper credit,  
you must enter your  
correct Employer Identification Number on your  
declaration and remittance.

**KEEP A COPY OF THIS FORM FOR YOUR RECORDS.**

**ELECTRONIC FILING**

Register for electronic filing. It is an easy, secure and convenient way to file a declaration and an extension and pay taxes on-line.  
For more information log on to [NYC.gov/eservices](http://NYC.gov/eservices)



**NYC - 400**  
Department of Finance

**ESTIMATED TAX BY BUSINESS CORPORATIONS  
AND SUBCHAPTER S GENERAL CORPORATIONS**

**2018**

For CALENDAR YEAR 2018 or FISCAL YEAR beginning 01-01-2018 and ending 12-31-2018

Print or Type:

Name (If combined filer, give name of reporting corporation)		Name Change
<b>ZUMOBI, INC.</b>		
in Care of		
Address (number and street)		Address Change
<b>1525 4TH AVENUE, SUITE 800</b>		
City and State	Zip Code	Country (if not US)
<b>SEATTLE, WA</b>	<b>98101</b>	
Business telephone number	Person to contact	
<b>206-269-1111</b>		

Taxpayer's Email Address

EMPLOYER IDENTIFICATION NUMBER

**38-3740014**

BUSINESS CODE NUMBER  
PER FEDERAL RETURN

**517000**

<input checked="" type="checkbox"/> Business C Corporations only NYC-2 NYC-2S NYC-2A	<input type="checkbox"/> General-Subchapter S Corporations and Qualified Subchapter S Subsidiaries only NYC-3L NYC-3A NYC-4S NYC-4SEZ
---	--

**COMPUTATION OF ESTIMATED TAX**

		Payment Amount
A. Payment	Amount included with form - Make payable to: NYC Department of Finance	<b>500.</b>
1.	Declaration of estimated tax for current year	<b>1,500.</b>
2.	Estimated Payment Amount	<b>500.</b>

**MAILING INSTRUCTIONS:**

MAIL FORM TO:  
NYC DEPARTMENT OF FINANCE  
P.O. BOX 3922  
NEW YORK, NY 10008-3922

Make remittance payable to the order of:  
**NYC DEPARTMENT OF FINANCE.**  
Payment must be made in U.S.  
dollars, drawn on a U.S. bank.

To receive proper credit,  
you must enter your  
correct Employer Identifi-  
cation Number on your  
declaration and remittance.

**KEEP A COPY OF THIS FORM FOR YOUR RECORDS.**

**ELECTRONIC FILING**

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For more information log on to [NYC.gov/eservices](http://NYC.gov/eservices)



**NYC-2**  
Department of Finance

**BUSINESS CORPORATION TAX RETURN**

2017

To be filed by C Corporations ONLY - All Subchapter S Corporations must file Form NYC-1, NYC-3L, NYC-4S or NYC-4SEZ

For CALENDAR YEAR 2017 or FISCAL YEAR beginning and ending

Name and Address <b>ZUMOBI, INC.</b> <b>1525 4TH AVENUE, SUITE 800</b> <b>SEATTLE, WA 98101</b>		Name Change _____ Address Change _____ Country (if not US) _____	EMPLOYER IDENTIFICATION NUMBER <b>38-3740014</b>  BUSINESS CODE NUMBER AS PER FEDERAL RETURN <b>517000</b>
Business telephone number <b>206-269-1111</b>	Taxpayer's email address: _____	2-character special condition code, if applicable (See instructions): _____	
State or country of organization <b>DELAWARE</b>	Date organized <b>08-15-06</b>	Date business began in NYC <b>01-01-2009</b>	
Date business began in NYC <b>01-01-2009</b>	Final Return _____	If final return, date business ended in NYC _____	

CHECK ALL THAT APPLY

Special short period return     52/53-week taxable year     Pro-forma federal return attached     Claim any 9/11/01 - related federal tax benefits

Amended return    If the purpose of the amended return is to report a federal or state change, check the appropriate box.     IRS change     NYS change    Date of Final Determination \_\_\_\_\_

Have you attached any of the following forms to this return? If yes, check all that apply.     Form NYC-2.1     Form NYC-2.2     Form NYC-2.3     Form NYC-2.4     Form NYC-2.5

**SCHEDULE A - Computation of Balance Due or Overpayment**

A. Payment	Amount being paid electronically with this return	A.	Payment Amount
1.	Tax on business income base (from Sch. B, line 38)	1.	
2.	Tax on capital base (from Sch. C, Part 3, line 4) Maximum Tax is \$10,000,000	2.	
3.	Minimum tax - (see instructions) - NYC Gross Receipts: <b>4,137,300.</b>	3.	<b>1,500.</b>
4.	Tax (enter the amount from line 1, 2 or 3, whichever is largest)	4.	<b>1,500.</b>
5.	UBT Paid Credit (attach Form NYC-9.7C)	5.	
6.	Tax after UBT Paid Credit (subtract line 5 from line 4)	6.	<b>1,500.</b>
7.	REAP credits (attach Form NYC-9.5)	7.	
8.	Real Estate Tax Escalation, Employment Opportunity Relocation and IBZ Credits (attach Form NYC-9.6)	8.	
9.	LMREAP Credit (see instructions and attach Form NYC-9.8)	9.	
10.	Biotechnology Credit (attach Form NYC-9.10)	10.	
11.	Beer Production Credit (attach Form NYC-9.12)	11.	
12.	Net Tax after credits (subtract lines 7, 8, 9, 10 and 11 from line 6)	12.	<b>1,500.</b>
13.	Total prepayments (from Composition of Prepayments Schedule, page 8, line G)	13.	<b>2,063.</b>
14.	Balance due (subtract line 13 from line 12)	14.	
15.	Overpayment (subtract line 12 from line 13)	15.	<b>563.</b>
16a.	Interest (see instructions)	16a.	
16b.	Additional charges (see instructions)	16b.	
16c.	Penalty for underpayment of estimated tax (attach Form NYC-222)	16c.	<b>0.</b>
17.	Total of lines 16a, 16b and 16c	17.	
18.	Net overpayment (subtract line 17 from line 15)	18.	<b>563.</b>
19.	Amount of line 18 to be: (a) Refunded - <input type="checkbox"/> Direct deposit - fill out line 19c OR <input type="checkbox"/> Paper check	19a.	
	(b) Credited to 2018 estimated tax	19b.	<b>563.</b>
19c.	Routing Account Number: _____ Account Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
20.	TOTAL REMITTANCE DUE. (see instructions)	20.	
21.	NYC rent deducted on federal tax return or NYC rent from Schedule E, part 1	21.	<b>186,646.</b>
22.	Federal Return Filed: <input checked="" type="checkbox"/> 1120 <input type="checkbox"/> 1120C <input type="checkbox"/> 1120F <input type="checkbox"/> 1120-RIC <input type="checkbox"/> 1120-REIT <input type="checkbox"/> 1120-H <input type="checkbox"/> Other/None		
23.	Gross receipts or sales from federal return	23.	<b>10,042,048.</b>
24.	Total assets from federal return	24.	<b>4,495,929.</b>
25.	Business allocation percentage (from Schedule F, line 5) (if not allocating, enter 100%)	25.	<b>28.09 %</b>

30711706

ATTACH COPY OF YOUR FEDERAL RETURN. SEE PAGE 7 FOR PAYMENT AND MAILING INSTRUCTIONS

NYC-2 2017

Form NYC-2 - 2017

NAME: ZUMOBI, INC.

EIN: 38-3740014

Page 2

**SCHEDULE B - Computation of Tax on Business Income Base**

1. Federal taxable income (FTI) before net operating loss (NOL) and special deductions (see instructions)	1.	-2,562,153.
2. Dividends and interest effectively connected with the conduct of a trade or business in the United State NOT included on line 1 by alien corporations	2.	
3. Any other income not included on line 1 which is exempt by treaty from federal income tax but would otherwise be treated as effectively connected with the conduct of a trade or business in the United States by alien corporations	3.	
4. Dividends not included on line 1 by non-alien corporations	4.	
5. Interest on federal, state, municipal and other obligations not included on line 1 by non-alien corporations	5.	
6. Income taxes paid to the US or its possessions deducted on federal return	6.	
7. NYS Franchise Tax, including MTA taxes and other business taxes deducted on the federal return (see instr.; attach rider)	7.	
8. NYC Corporate Taxes deducted on federal return (see instructions)	8.	
9. Adjustments relating to employment opportunity relocation cost credit and IBZ credit	9.	
10. Adjustments relating to real estate tax escalation credit	10.	
11. ACRS depreciation and/or adjustments (attach Form NYC-399 and/or NYC-399Z)	11.	
12. Payment for use of intangibles	12.	
13. Domestic production activities deduction (see instruction)	13.	
14. Other additions (see instructions; attach rider)	14.	
15. Total of lines 1 through 14	15.	-2,562,153.
16. Gain on sale of certain property acquired prior to 1/1/66 (see instructions)	16.	
17. NYC and NYS tax refunds included in line 15 (see instructions)	17.	
18. Wages and salaries subject to federal jobs credit (see instructions)	18.	
19. Depreciation and/or adjustment calculated under pre-ACRS or pre-9/11/01 rules (attach Form NYC-399 and/or NYC-399Z; see instructions)	19.	
20. Other subtractions (see instructions) (attach rider)	20.	
21. Total subtractions (add lines 16 through 20)	21.	
22. Net modifications to federal taxable income (subtract line 21 from line 15)	22.	-2,562,153.
23. Subtraction modification for qualified banks and other qualified lenders (from Form NYC-2.2, Schedule A, line 1; see instructions)	23.	
24. Entire net income (ENI) (subtract line 23 from line 22)	24.	-2,562,153.
25. Investment and other exempt income (from Form NYC-2.1, Schedule D, line 1)	25.	
26. Entire net income less investment and other exempt income	26.	-2,562,153.
27. Excess interest deductions attributable to investment income, investment capital and other exempt income (from Form NYC-2.1, Schedule D, line 2)	27.	
28. Business income (add lines 26 and 27)	28.	-2,562,153.
29. Addback of income previously reported as investment income (from Form NYC-2.1, Schedule F, line 6; if zero or less, enter 0; see instructions)	29.	
30. Business income after addback (add lines 28 and 29)	30.	-2,562,153.
31. Business allocation percentage (from Schedule F, line 5)	31.	28.09%
32a. Allocated business income after addback (multiply line 30 by line 31)	32a.	-719,709.
32b. If the amount in line 32a is not correct, enter correct amount here and explain in rider (see instructions)	32b.	
33. Prior net operating loss conversion subtraction (from Form NYC-2.3, Schedule C, line 4)	33.	
34. Allocated business income less prior net operating loss conversion subtraction (see instructions)	34.	-719,709.
35. Net operating loss deduction (from Form NYC-2.4, line 6)	35.	
36. Business income base (subtract line 35 from line 34)	36.	-719,709.
37. Tax rate (see instructions)	37.	6.5000%
38. Tax on business income base (multiply line 36 by line 37 and enter here and on Schedule A, line 1)	38.	

Note: If you make an entry on line 23, 25, 27, 29, 33, or 35, you must complete and file the appropriate attachment form.



Form NYC-2 - 2017

NAME: ZUMOBI, INC.

EIN: 38-3740014

Page 3

**SCHEDULE C - Computation of Tax on Capital Base**

**Part 1 - Computation of Total Business Capital**

Basis used to determine average value in column C. Check one. (Attach detailed schedule.)

<input checked="" type="checkbox"/> - Annually	<input type="checkbox"/> - Semi-annually	<input type="checkbox"/> - Qtrly	COLUMN A Beginning of Year	COLUMN B End of Year	COLUMN C Average Value
<input type="checkbox"/> - Monthly	<input type="checkbox"/> - Weekly	<input type="checkbox"/> - Daily			
1.	Total assets from federal return	3,147,059.	4,495,929.	1.	3,821,494.
2.	Real property and marketable securities included in line 1			2.	
3.	Subtract line 2 from line 1			3.	3,821,494.
4.	Real property and marketable securities at fair market value			4.	
5.	Adjusted total assets (add lines 3 and 4)			5.	3,821,494.
6.	Total liabilities	8,851,058.	13,285,842.	6.	11,068,450.
7.	Total capital (subtract line 6, column C, from line 5, column C)			7.	-7,246,956.
8.	Investment capital (from Schedule D, line 4; if zero or less, enter 0)			8.	
9.	Business capital (subtract line 8 from line 7)			9.	-7,246,956.
10.	Addback of capital previously reported as investment capital (from Schedule D, line 5, column C; if zero or less, enter 0)			10.	
11.	Total business capital (add lines 9 and 10)			11.	-7,246,956.
12.	Business allocation percentage (from Schedule F, line 5; if not allocating, enter 100%)			12.	28.09 %

**Part 2 - Computation of Liabilities Attributable to Investment Capital and Within Business Capital**

	COLUMN A	COLUMN B
1. Total liabilities (Schedule C, Part 1, line 6) (see instructions)		11,068,450.
2. Liabilities directly attributable to investment capital (Form NYC-2.1, Schedule E, Part 4, Column G, line 4) (see instructions)		
3. Liabilities directly attributable to business capital		
4. Total liabilities directly attributable (add lines 2 and 3)		
5. Total liabilities indirectly attributable (subtract line 4 from line 1)		11,068,450.
6. Average FMV of investment capital before subtraction of liabilities attributable (Form NYC-2.1, Schedule E, Part 4, Column F, line 4) (see instr.)		
7. Average FMV of adjusted total assets (Schedule C, Part 1, line 5) (see instr.)	3,821,494.	
8. Investment capital factor (divide line 6 by line 7)		.0000
9. Liabilities indirectly attributable to investment capital (multiply line 5 by line 8)		
10. Average FMV of business capital before subtraction of liabilities attributable (subtract line 6 from line 7)	3,821,494.	
11. Liabilities indirectly attributable to business capital (subtract line 9 from line 5)	11,068,450.	
12. Liabilities directly and indirectly attributable to business capital (add lines 3 and 11; if this line 12 exceeds line 10, STOP and do not go further) (see instr.)	11,068,450.	
13. Liabilities directly attributable to Insurance and Utility Capital		
14. Liabilities directly attributable to General Business Capital		
15. Average FMV of Insurance and Utility Capital before subtraction of liabilities attributable		
16. Insurance and Utility Capital factor (divide line 15 by line 10)		
17. Liabilities indirectly attributable to Insurance and Utility Capital (multiply line 16 by line 11)		
18. Liabilities attributable to Insurance and Utility Capital (add lines 13 and 17)		
19. Net Insurance and Utility Capital (subtract line 18 from line 15 and add any negative value from line 22, if line 19 has a positive value without such addition) (see instr.)		
20. Allocated Insurance and Utility Capital (multiply line 19 by the business allocation percentage from Schedule F, line 5)		
21. Liabilities attributable to General Business Capital (subtract line 2, line 9, line 13 and line 17 from line 1)		
22. Net General Business Capital (subtract line 15 and line 21 from line 10, add any amount on Schedule C, Part 1, line 10 and add any negative value from line 19, if this line 22 has a positive value without such addition) (see instr.)		



**SCHEDULE C - (Continued)**

**Part 3 - Computation of tax on capital base**

1a. Allocated General Business Capital (multiply Schedule C, Part 2, line 22 by the business allocation percentage from Schedule F, line 5) .....	1a.	0.
1b. At tax rate 0.15% (multiply line 1a, column B, by 0.15%) .....	1b.	0.
2a. Allocated insurance and utility capital (Schedule C, Part 2 line 20) (see instructions) .....	2a.	
2b. At tax rate 0.075%. Check the appropriate box: <input type="checkbox"/> Utility Corp. <input type="checkbox"/> Insurance Corp. (multiply line 2a by 0.075%) .....	2b.	
3a. Cooperative housing corporations (see instructions) .....	3a.	
3b. At tax rate 0.04% Enter Boro _____ Block _____ Lot _____ (multiply line 3a, column B by 0.04%) .....	3b.	
4. Tax on capital base (add line 1b plus line 2b plus line 3b and subtract \$10,000; if zero or less, enter 0 here and on Schedule A, line 2) .....	4.	

**SCHEDULE D - Computation of Investment Capital for the Current Year (see instructions)**

	A Average fair market value as reported	B Liabilities attributable to column A amount	C Net average value (column A- column B)
1. Total capital that generates income claimed to not be apportionable to New York under the U.S. Constitution (from Form NYC-2.1, Sch. E, line 1) ...	1.		1.
2. Total of stocks actually held for more than one year (from Form NYC-2.1, Schedule E, line 2) ...	2.		2.
3. Total of stocks presumed held for more than one year (from Form NYC-2.1, Schedule E, line 3) ...	3.		3.
4. Total investment capital for the current year (add Column C, lines 1, 2, and 3; enter the result here and on Schedule C, line 8; if zero or less, enter 0) .....	4.		4.

**Addback to business capital of stock presumed and claimed as investment capital in previous year**

	A Average fair market value as reported	B Liabilities attributable to column A amount	C Net average value (column A- column B)
5. Total of stocks previously presumed held for more than one yr., but did not meet the holding period (from Form NYC-2.1, Schedule F, line 1; enter here and on Schedule C, line 10) ...	5.		5.



Form NYC-2 - 2017

NAME: ZUMOBI, INC.

EIN: 38-3740014

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**SCHEDULE E - Location of Places of Business Inside and Outside New York City**

Part 1 - List location of, and rent paid or payable, if any, for each place of business **INSIDE** New York City, nature of activities at each location (manufacturing, sales office, executive office, public warehouse, contractor, converter, etc.), and number of employees, their wages, salaries and duties at each location.

Complete Address	Rent	Nature of Activities	Number of Employees	Wages, Salaries, Etc.	Duties
Total					

Part 2 - List location of, and rent paid or payable, if any, for each place of business **OUTSIDE** New York City, nature of activities at each location (manufacturing, sales office, executive office, public warehouse, contractor, converter, etc.), and number of employees, their wages, salaries and duties at each location.

Complete Address	Rent	Nature of Activities	Number of Employees	Wages, Salaries, Etc.	Duties
Total					

**SCHEDULE F - Computation of Business Allocation Percentage**

		COLUMN A - NEW YORK CITY	COLUMN B - EVERYWHERE
1a.	Real estate owned		1a.
1b.	Real estate rented - multiply by 8 (see instr.) (attach rider)	194,800.	1b. 1,493,168.
1c.	Inventories owned		1c.
1d.	Tangible personal property owned (see instructions)	0.	1d. 267,805.
1e.	Tangible personal property rented - multiply by 8 (see instr., attach rider)		1e.
1f.	Total	194,800.	1f. 1,760,973.
1g.	Percentage in New York City (divide line 1f, column A by line 1f, column B)		1g. 11.0621%
1h.	Multiply line 1g by 3.5		1h. 38.7174
2a.	Receipts (from Form NYC-2.5, line 54)	4,137,300.	2a. 14,053,955.
2b.	Percentage in New York City (divide line 2a, column A by line 2a, column B)		2b. 29.4387%
2c.	Multiply line 2b by 93		2c. 2737.7991
3a.	Wages, salaries and other compensation of employees, except general executive officers (see instructions)	242,588.	3a. 2,585,969.
3b.	Percentage in New York City (divide line 3a, column A by line 3a, column B)		3b. 9.3809%
3c.	Multiply line 3b by 3.5		3c. 32.8332
<b>Weighted Factor Allocation</b>			
4.	Add lines 1h, 2c and 3c		4. 2809.3496
<b>Business Allocation Percentage</b>			
5.	Divide line 4 by 100 if no factors are missing. If a factor is missing, divide line 4 by the total of the weights of the factors present. Enter as percentage. Round to the nearest one hundredth of a percentage point. This is your business allocation percentage		5. 28.09%





SCHEDULE G - Additional required information

CELL PHONE SOFTWARE

- 1. List all significant business activities in NYC and everywhere (see instructions; attach list)
2. Enter your Secondary Business code (see instructions)
3. Trade name of reporting corporation, if different from name entered on page 1
4. Is this corporation included in a consolidated federal return?
5. Is this corporation a member of a controlled group of corporations as defined in IRC section 1563, disregarding any exclusion by reason of paragraph (b)(2) of that section?
6. Has the Internal Revenue Service or the New York State Department of Taxation and Finance corrected any taxable income or other tax base reported in a prior year, or are you currently under audit?
7. If "YES" to question 6, has Form(s) NYC-3360 (Report of Federal/State Change in Tax Base) been filed?
8. Did this corporation make any payments treated as interest in the computation of business income to shareholders owning directly or indirectly, individually or in the aggregate, more than 50% of the corporation's issued and outstanding capital stock?
9. Was this corporation a member of a partnership or joint venture during the tax year?
10. At any time during the taxable year, did the corporation have an interest in real property (including a leasehold interest) located in NYC or a controlling interest in an entity owning such real property?
11a. If "YES" to question 10, attach a schedule of such property, indicating the nature of the interest and including the street address, borough, block and lot number.
11b. Was any NYC real property (including a leasehold interest) or controlling interest in an entity owning NYC real property acquired or transferred with or without consideration?
11c. Was there a partial or complete liquidation of the corporation?
11d. Was 50% or more of the corporation's ownership transferred during the tax year, over a three-year period or according to a plan?
12. If "YES" to questions 11b, 11c or 11d, was a Real Property Transfer Tax Return (Form NYC-RPT) filed?
13. If "NO" to question 12, explain:
14. Does this taxpayer pay rent greater than \$200,000 for any premises in NYC in the borough of Manhattan south of 96th Street for the purpose of carrying on any trade, business, profession, vocation or commercial activity?
15. If "YES" to question 14, were all required Commercial Rent Tax Returns filed?
16. Are you claiming an exception to the related member expense addback under Administrative Code section 11-652(8)(n)(2)(ii)?
17. If you filed federal Form 1120F, did you have Effectively Connected Income (ECI)?
18. Did this corporation carry out any commercial banking business (as defined by Section 11-640(b) of the Ad. Code) during this filing period?
19. Did you include a disregarded entity in this return? If YES, attach a schedule giving the legal name and EIN of each disregarded entity included



Form NYC-2 - 2017

NAME: ZUMOBI, INC.

EIN: 38-3740014

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**SCHEDULE H - DETERMINATION OF TAX RATE**

A. Enter the tax rate computed or used below (see instructions)	A.	6.5000
B. Enter the line number of the tax rate computed or used below	B.	1
Ca. Enter your unallocated business income from Schedule B, line 30 (see instructions)	Ca.	-2,562,153.
Cb. If the amount on line Ca is not correct, enter correct amount here and explain in rider (see instructions)	Cb.	
D. Enter your allocated business income from Schedule B, line 32a or 32b if used	D.	-719,709.
E. If you are a Qualified Manufacturing Corporation mark an X in the box (see instructions)	E.	<input type="checkbox"/>

**TAX RATE COMPUTATION FOR BUSINESS CORPORATIONS NOT SPECIFIED BELOW (see instructions)**

1. If unallocated business income (Schedule B, line 30) is less than \$2M and allocated business income (Schedule B, line 32a or 32b if used) is less than \$1M	6.50%
2. If unallocated business income (Schedule B, line 30) is equal to or greater than \$3M (regardless of the amount of allocated business income)	8.85%
3. If allocated business income (Schedule B, line 32a or 32b if used) is equal to or greater than \$1.5M (regardless of the amount of unallocated business income)	8.85%
4. If unallocated business income (Schedule B, line 30) is equal to or greater than \$2M but less than \$3M and allocated business income (Schedule B, line 32a or 32b if used) is less than \$1M, use unallocated formula	$6.50 + (2.35\% \times \frac{\text{line 30} - 2,000,000}{1,000,000}) = \text{_____} \%$
5. If unallocated business income (Schedule B, line 30) is less than \$2M and allocated business income (Schedule B, line 32a or 32b if used) is equal to or greater than \$1M but less than \$1.5M, use allocated formula	$6.50 + (2.35\% \times \frac{\text{line 32a or 32b} - 1,000,000}{500,000}) = \text{_____} \%$
6. If unallocated business income (Schedule B, line 30) is equal to or greater than \$2M but less than \$3M and allocated business income (Schedule B, line 32a or 32b if used) is equal to or greater than \$1M but less than \$1.5M, compute tax rates using both formulas. Use the greater of the two computed tax rates.	$6.50 + (2.35\% \times \frac{\text{line 30} - 2,000,000}{1,000,000}) = \text{_____} \%$ $6.50 + (2.35\% \times \frac{\text{line 32a or 32b} - 1,000,000}{500,000}) = \text{_____} \%$ <b>Enter the greater of the two computed tax rates: _____ %</b>

**TAX RATE COMPUTATION FOR QUALIFIED MANUFACTURING CORPORATIONS (see instructions)**

7. If unallocated business income (Schedule B, line 30) is less than \$20M and allocated business income (Schedule B, line 32a or 32b if used) is less than \$10M	4.425%
8. If unallocated business income (Schedule B, line 30) is equal to or greater than \$40M (regardless of the amount of allocated business income)	8.85%
9. If allocated business income (Schedule B, line 32a or 32b if used) is equal to or greater than \$20M (regardless of the amount of unallocated business income)	8.85%
10. If unallocated business income (Schedule B, line 30) is equal to or greater than \$20M but less than \$40M and allocated business income (Schedule B, line 32a or 32b if used) is less than \$10M, use unallocated formula	$4.425 + (4.425\% \times \frac{\text{line 30} - 20,000,000}{20,000,000}) = \text{_____} \%$
11. If unallocated business income (Schedule B, line 30) is less than \$20M and allocated business income (Schedule B, line 32a or 32b if used) is equal to or greater than \$10M but less than \$20M, use allocated formula	$4.425 + (4.425\% \times \frac{\text{line 32a or 32b} - 10,000,000}{10,000,000}) = \text{_____} \%$
12. If unallocated business income (Schedule B, line 30) is equal to or greater than \$20M but less than \$40M and allocated business income (Schedule B, line 32a or 32b if used) is equal to or greater than \$10M but less than \$20M, compute tax rates using both formulas. Use the greater of the two computed tax rates	$4.425 + (4.425\% \times \frac{\text{line 30} - 20,000,000}{20,000,000}) = \text{_____} \%$ $4.425 + (4.425\% \times \frac{\text{line 32a or 32b} - 10,000,000}{10,000,000}) = \text{_____} \%$ <b>Enter the greater of the two computed tax rates: _____ %</b>

**TAX RATE COMPUTATION FOR CERTAIN FINANCIAL CORPORATIONS (See instructions)**

13. Financial Corporations as defined in Administrative Code Section 11-654(1)(e)(1)(i)	13.	9.00%
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COMPOSITION OF PREPAYMENTS SCHEDULE		
PREPAYMENTS CLAIMED ON SCHEDULE A, LINE 13	DATE	AMOUNT
A. Mandatory First Installment .....		
B. Payment with Declaration, Form NYC-400 .....		
C. Payment with Notice of Estimated Tax Due .....		
D. Payment with Notice of Estimated Tax Due .....		
E. Payment with extension, Form NYC-EXT .....		
F. Overpayment from preceding year credited to this year .....		2,063.
G. TOTAL of A through F (enter on Schedule A, line 13) .....		2,063.

CERTIFICATION OF AN ELECTED OFFICER OF THE CORPORATION					
I hereby certify that this return, including any accompanying rider, is, to the best of my knowledge and belief, true, correct and complete. I authorize the Dept. of Finance to discuss this return with the preparer listed below. (see instructions) .....				YES <u>X</u>	
SIGN HERE Signature of officer				Title <u>VP, FINANCE</u>	Date
PREPARER'S USE ONLY				Preparer's printed name <u>KARINA B. STADELMA</u>	Check if self-employed <input checked="" type="checkbox"/>
Preparer's signature				Date <u>10-12-18</u>	Firm's Email Address: <u>KARINA.STADE</u>
Preparer's printed name				Firm's Social Security Number or PTIN: <u>P00363599</u>	
Firm's name (or yours, if self-employed) <u>MOSS ADAMS LLP</u>				Firm's Employer Identification No. <u>91-0189318</u>	
Address <u>999 THIRD AVENUE, SUITE 2800 SEATTLE, WA 98104</u>				Zip Code <u>91-0189318</u>	

**MAILING INSTRUCTIONS**

Attach copy of all pages of your federal tax return or pro forma federal tax return. The due date for the calendar year 2017 return is on or before April 17, 2018. For fiscal years beginning in 2017, file on or before the 15th day of the 4th month following the close of the fiscal year.

ALL RETURNS EXCEPT REFUND RETURNS  
 NYC DEPARTMENT OF FINANCE  
 BUSINESS CORPORATION TAX  
 PO BOX 5564  
 BINGHAMTON, NY 13902-5564

REMITTANCES  
 PAY ONLINE WITH FORM NYC-200V  
 AT NYC.GOV/ESERVICES  
 OR  
 Mail Payment and Form NYC-200V ONLY to:  
 NYC DEPARTMENT OF FINANCE  
 P.O. BOX 3933  
 NEW YORK, NY 10008-3933

RETURNS CLAIMING REFUNDS  
 NYC DEPARTMENT OF FINANCE  
 BUSINESS CORPORATION TAX  
 PO BOX 5563  
 BINGHAMTON, NY 13902-5563





**NYC-2.4**

Department of Finance

**NET OPERATING LOSS DEDUCTION (NOLD)**

You MUST attach this form to Form NYC-2 or NYC-2A each tax year

For Calendar Year 2017 or Fiscal Year Beginning \_\_\_\_\_, and ending \_\_\_\_\_

Name as shown on NYC-2 or NYC-2A: <b>ZUMOBI, INC.</b>	Employer Identification Number <b>38-3740014</b>
--	---

- A. Were there any special federal Net Operating Loss elections? \_\_\_\_\_ Yes  No
- B. NYC-2A filers: Have there been any changes in the composition of the group of corporations included in this Combined Business Corporation Tax Return from the prior tax period? If "YES," please complete page 2. (See instructions) \_\_\_\_\_ Yes \_\_\_\_\_ No
- C. Are you making an election to waive the carryback period for NOLs generated in the current tax period? \_\_\_\_\_ Yes  No

**SCHEDULE A - COMPUTATION OF CURRENT NYC NET OPERATING LOSS DEDUCTION (NOLD)**

1. Multiply Form NYC-2 or NYC-2A, Schedule B, line 34 by your appropriate business income base tax rate for the current year from Schedule H, Determination of Tax Rate in form NYC-2 or NYC-2A (see instructions) .....	1.	0.
2. Enter the greater of the capital base tax or the fixed dollar minimum tax for the current tax year (from Form NYC-2 or NYC-2A, Schedule A, line 2 or 3) .....	2.	1,500.
3. Subtract line 2 from line 1. If less than zero, enter "0" (see instructions) .....	3.	0.
4. Maximum amount of the NOLD to be deducted in the current tax year (divide line 3 by the same business income base tax rate used for line 1) .....	4.	0.
5a. NOLs incurred on or after January 1, 2015 and before current year, which have not been previously used .....	5a.	
5b. NOL incurred in the current year .....	5b.	719,709.
5c. Carryback of NOL from a subsequent year .....	5c.	
If you have an entry on line 5c, list the year(s) from which the NOLs are being carried back _____		
5d. Add lines 5a through 5c .....	5d.	719,709.
5e. NOLs expired before current year .....	5e.	
5f. Total NOLs available in this period (subtract line 5e from line 5d) .....	5f.	719,709.
6. NOLD to be used in the current tax year. (Enter the lesser of line 4 or line 5f. Enter here and on Form NYC-2 or NYC-2A, Schedule B, line 35) .....	6.	0.
7. Unused NOLD (subtract line 6 from line 5f, do not enter less than zero) .....	7.	719,709.

**SCHEDULE B - NYC NET OPERATING LOSS DEDUCTION SCHEDULE (NOLD)**

APPLICABLE YEAR	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F
	Tax Year	Amount from NYC-2A or NYC-2, Sch. B, line 34	NYC Net Operating Loss Generalized	NYC Net Operating Loss Utilized	NYC Net Operating Loss Expired	NYC Net Operating Loss Remaining
1. 2nd preceding yr.	2015					
2. 1st preceding yr.	2016					
3. Current year	2017	-719,709.	-719,709.			719,709.

Form NYC-2.4 - 2017 NAME: ZUMOBI, INC.

EIN: 38-3740014

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<b>SCHEDULE C - FORM NYC-2A FILERS ONLY: ENTITIES NOT INCLUDED IN PRIOR COMBINED RETURN</b>					
Are any entities included in the Combined Business Corporation Tax Return that were not included in the return for the prior period? ..... YES <input type="checkbox"/> NO <input type="checkbox"/>					
Complete this schedule for each corporation included in the Combined Business Corporation Tax Return that was not included in the Combined Business Corporation Tax Return for the prior tax period.					
A Name of corporation	B Employer Identification Number	C NOL available at the beginning of this tax period	D Beginning date of this tax period (mm-dd-yy)	E Ending Date of this tax period (mm-dd-yy)	F Reason(s) INCLUDED in combined business corporation tax return
If additional space is required, please use this format on a separate sheet and attach to this page.					

<b>SCHEDULE D - FORM NYC-2A FILERS ONLY: ENTITIES NOT INCLUDED IN CURRENT COMBINED RETURN</b>					
Are any entities excluded from the Combined Business Corporation Tax Return that were included in the return for the prior period? ..... YES <input type="checkbox"/> NO <input type="checkbox"/>					
Complete this schedule for each corporation excluded from the Combined Business Corporation Tax Return that was included in the Combined Business Corporation Tax Return for the prior tax period.					
A Name of corporation	B Employer Identification Number	C NOL available at the beginning of this tax period	D Beginning date of this tax period (mm-dd-yy)	E Ending Date of this tax period (mm-dd-yy)	F Reason(s) EXCLUDED from combined business corporation tax return
If additional space is required, please use this format on a separate sheet and attach to this page.					





**NYC-2.5**  
Department of Finance

**COMPUTATION OF RECEIPTS FACTOR**

You MUST attach this form to Form NYC-2 if you have ANY entries on Form NYC-2, Schedule F, line 2a

Name as shown on NYC-2	Employer Identification Number
ZUMOBI, INC.	38-3740014

		COLUMN A - NEW YORK CITY	COLUMN B - EVERYWHERE
<b>Section 11-654.2(2)</b>			
1. Sales of tangible personal property	1.	4,137,300.	1. 14,053,955.
2. Sales of electricity	2.		2.
3. Net gains from sales of real property	3.		3.
<b>Section 11-654.2(3)</b>			
4. Rentals of real and tangible personal property	4.		4.
5. Royalties from patents, copyrights, trademarks, and similar intangible personal property	5.		5.
6. Sales of rights for certain closed-circuit and cable TV transmissions of an event	6.		6.
<b>Section 11-654.2(4)</b>			
7. Sales, licensing, or granting access to digital products	7.		7.
<b>Section 11-654.2(5)(a)(1) Fixed percentage method for qualified financial instruments (QFIs)</b>			
8. To make this irrevocable election, check Yes; otherwise, check No. <span style="float:right">Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></span>			
<b>Section 11-654.2(5)(a)(2) Mark an X in each box that is applicable (see line 8 instructions)</b>			
<b>Section 11-654.2(5)(a)(2)(i)</b>			
9. Interest from loans secured by real property	9.		9.
10. Net gains from sales of loans secured by real property	10.		10.
11. Interest from loans <b>not</b> secured by real property (QFI ___)	11.		11.
12. Net gains from sales of loans <b>not</b> secured by real property (QFI ___)	12.		12.
<b>Section 11-654.2(5)(a)(2)(ii) (QFI ___)</b>			
13. Interest from federal debt	13.		13.
14. This line intentionally omitted	14.		
15. Interest from debt of NYS or its political subdivisions, including NYC	15.		15.
16. Net gains from federal debt and debt of NYS or its political subdivisions, including NYC	16.		16.
17. Interest from debt of other states or their political subdivisions	17.		17.
18. Net gains from debt of other states or their political subdivisions	18.		18.
<b>Section 11-654.2(5)(a)(2)(iii) (QFI ___)</b>			
19. Interest from asset-backed securities and other government agency debt	19.		19.
20. Net gains from government agency debt or asset-backed securities sold through an exchange	20.		20.
21. Net gains from all other asset-backed securities	21.		21.
<b>Section 11-654.2(5)(a)(2)(iv) (QFI ___)</b>			
22. Interest from corporate bonds	22.		22.
23. Net gains from corporate bonds sold through broker/dealer or licensed exchange	23.		23.
24. Net gains from other corporate bonds	24.		24.
<b>Section 11-654.2(5)(a)(2)(v)</b>			
25. Net interest from reverse repurchase or securities borrowing agreements	25.		25.
<b>Section 11-654.2(5)(a)(2)(vi)</b>			
26. Net interest from federal funds	26.		26.
<b>Section 11-654.2(5)(a)(2)(ix) (QFI ___)</b>			
27. Net income from sales of physical commodities	27.		27.
<b>Section 11-654.2(5)(a)(2)(x) (QFI ___)</b>			
28. Marked to market net gains	28.		28.
<b>Section 11-654.2(5)(a)(2)(viii) (QFI ___)</b>			
<b>11-654.2(5)(a)(2)(vii) (QFI ___)</b>			
29. Interest from other financial instruments	29.		29.
30. Net gains and other income from other financial instruments	30.		30.

	COLUMN A - NEW YORK CITY	COLUMN B - EVERYWHERE
<b>Section 11-654.2(5)(b)</b>		
31. Brokerage commissions .....	31.	31.
32. Margin interest earned on behalf of brokerage accounts .....	32.	32.
33. Fees for advisory services for underwriting or management of underwriting .....	33.	33.
34. Receipts from primary spread of selling concessions .....	34.	34.
35. Receipts from account maintenance fees .....	35.	35.
36. Fees for management or advisory services .....	36.	36.
37. Interest from an affiliated corporation .....	37.	37.
<b>Section 11-654.2(5)(c)</b>		
38. Interest, fees, and penalties from credit cards .....	38.	38.
39. Service charges and fees from credit cards .....	39.	39.
40. Receipts from merchant discounts .....	40.	40.
41. Receipts from credit card authorizations and settlement processing .....	41.	41.
42. Other credit card processing receipts .....	42.	42.
<b>Section 11-654.2(5)(d)</b>		
43. Receipts from certain services to investment companies .....	43.	43.
<b>Section 11-654.2(6)</b>		
44. Receipts from railroad and trucking business .....	44.	44.
<b>Section 11-654.2(12)</b>		
45. Receipts from operation of vessels .....	45.	45.
<b>Section 11-654.2(7)</b>		
46. Receipts from air freight forwarding .....	46.	46.
47. Receipts from other aviation services .....	47.	47.
<b>Section 11-654.2(8)</b>		
48. Advertising in newspapers or periodicals .....	48.	48.
49. Advertising on television or radio .....	49.	49.
50. Advertising via other means .....	50.	50.
<b>Section 11-654.2(9)</b>		
51. Transportation or transmission of gas through pipes .....	51.	51.
<b>Section 11-654.2(10)</b>		
52. Receipts from other services/activities not specified .....	52.	52.
<b>Section 11-654.2(11)</b>		
53. Discretionary adjustments .....	53.	53.
<b>Total receipts</b>		
54. Total of columns A and B, pages 1 and 2, lines 1 through 53. Enter here and on NYC-2, Schedule F, line 2a, column A and line 2a, column B .....	54. 4,137,300.	54. 14,053,955.



ZUMOB I, INC.

38-3740014

NYC					NET OPERATING LOSS INCURRED AFTER 2014					STATEMENT 1				
TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	LOSS REMAINING	AVAILABLE THIS YEAR										
12/31/17	719,709.	0.	719,709.	719,709.										
TOTAL NOLD AFTER 2014 - FORM NYC-2.4, LINE 5			719,709.	719,709.										
NOLD USED THIS YEAR - FORM NYC-2.4, LINE 6			0.											
NOLD CARRIED FORWARD - FORM NYC-2.4, LINE 7			719,709.											



Form **1120**

**U.S. Corporation Income Tax Return**

For calendar year 2017 or tax year

OMB No. 1545-0123

beginning \_\_\_\_\_, ending \_\_\_\_\_

**EXTENSION GRANTED TO 10/15/18**

**2017**

Department of the Treasury  
Internal Revenue Service

▶ Go to [www.irs.gov/Form1120](http://www.irs.gov/Form1120) for instructions and the latest information.

A Check if: 1a Consolidated return (attach Form 851) <input type="checkbox"/> b Life/nonlife consolidated return <input type="checkbox"/> 2 Personal holding co. (attach Sch. PH) <input type="checkbox"/> 3 Personal service corp. (see instructions) <input type="checkbox"/> 4 Schedule M-3 attached <input type="checkbox"/>	TYPE OR PRINT	Name <b>ZUMOBI, INC.</b>	B Employer identification number <b>38-3740014</b>
		Number, street, and room or suite no. If a P.O. box, see instructions. <b>1525 4TH AVENUE, SUITE 800</b>	C Date incorporated <b>08/15/2006</b>
		City or town, state, or province, country, and ZIP or foreign postal code <b>SEATTLE, WA 98101</b>	D Total assets (see instructions) <b>\$ 4,495,929.</b>
		E Check if: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Name change (4) <input type="checkbox"/> Address change	

Income	1a Gross receipts or sales	1a	<b>10,042,048.</b>
	b Returns and allowances	1b	
	c Balance. Subtract line 1b from line 1a	1c	<b>10,042,048.</b>
	2 Cost of goods sold (attach Form 1125-A)	2	<b>6,881,875.</b>
	3 Gross profit. Subtract line 2 from line 1c	3	<b>3,160,173.</b>
	4 Dividends (Schedule C, line 19)	4	
	5 Interest	5	
	6 Gross rents	6	
	7 Gross royalties	7	
	8 Capital gain net income (attach Schedule D (Form 1120))	8	
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9	

Deductions (See instructions for limitations on deductions.)	10 Other income (attach statement)	10	<b>SEE STATEMENT 1</b>
	11 Total income. Add lines 3 through 10	11	<b>3,273,619.</b>
	12 Compensation of officers (attach Form 1125-E)	12	<b>389,021.</b>
	13 Salaries and wages (less employment credits)	13	<b>2,603,795.</b>
	14 Repairs and maintenance	14	
	15 Bad debts	15	<b>1,083,264.</b>
	16 Rents	16	<b>186,646.</b>
	17 Taxes and licenses	17	<b>SEE STATEMENT 2</b>
	18 Interest	18	<b>239,651.</b>
	19 Charitable contributions	19	
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20	<b>22,197.</b>

Deductions (See instructions for limitations on deductions.)	21 Depletion	21	
	22 Advertising	22	<b>32,363.</b>
	23 Pension, profit-sharing, etc., plans	23	

Tax, Refundable Credits, and Payments	24 Employee benefit programs	24	<b>184,871.</b>
	25 Domestic production activities deduction (attach Form 8903)	25	
	26 Other deductions (attach statement)	26	<b>SEE STATEMENT 3</b>
	27 Total deductions. Add lines 12 through 26	27	<b>5,835,772.</b>
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28	<b>-2,562,153.</b>
	29a Net operating loss deduction (see instructions)	29a	

Tax, Refundable Credits, and Payments	b Special deductions (Schedule C, line 20)	29b	
	c Add lines 29a and 29b	29c	
	30 Taxable income. Subtract line 29c from line 28. See instructions	30	<b>-2,562,153.</b>
	31 Total tax (Schedule J, Part I, line 11)	31	<b>0.</b>
	32 Total payments and refundable credits (Schedule J, Part II, line 21)	32	
	33 Estimated tax penalty. See instructions. Check if Form 2220 is attached <input type="checkbox"/>	33	

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.				
	Signature of officer	Date	VP, FINANCE		
	Print/Type preparer's name <b>KARINA B. STADELMAN</b>		Preparer's signature <b>KARINA B. STADELMA</b>	Date <b>10/12/18</b>	Check if self-employed <input type="checkbox"/> PTIN <b>P00363599</b>
	Firm's name <b>MOSS ADAMS LLP</b>			Firm's EIN <b>91-0189318</b>	

Paid	Firm's address <b>999 THIRD AVENUE, SUITE 2800 SEATTLE, WA 98104</b>		Phone no. <b>206-302-6500</b>	
	Use Only			

Form 1120 (2017) ZUMOBI, INC.

38-3740014 Page 2

<b>Schedule C</b> Dividends and Special Deductions (see instructions)	(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1 Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock) .....		70	
2 Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock) .....		80	
3 Dividends on debt-financed stock of domestic and foreign corporations .....		see instructions	
4 Dividends on certain preferred stock of less-than-20%-owned public utilities .....		42	
5 Dividends on certain preferred stock of 20%-or-more-owned public utilities .....		48	
6 Dividends from less-than-20%-owned foreign corporations and certain FSCs .....		70	
7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs .....		80	
8 Dividends from wholly owned foreign subsidiaries .....		100	
9 <b>Total.</b> Add lines 1 through 8 .....			
10 Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958 .....		100	
11 Dividends from affiliated group members .....		100	
12 Dividends from certain FSCs .....		100	
13 Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, or 12 .....			
14 Income from controlled foreign corporations under subpart F (attach Form(s) 5471) .....			
15 Foreign dividend gross-up .....			
16 IC -DISC and former DISC dividends not included on line 1, 2, or 3 .....			
17 Other dividends .....			
18 Deduction for dividends paid on certain preferred stock of public utilities .....			
19 <b>Total dividends.</b> Add lines 1 through 17. Enter here and on page 1, line 4 .....			
20 <b>Total special deductions.</b> Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b .....			

Form 1120 (2017)

**Schedule J Tax Computation and Payment** (see instructions)

**Part I - Tax Computation**

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120))			
2	Income tax. Check if a qualified personal service corporation. See instructions		2	0.
3	Alternative minimum tax (attach Form 4626)		3	
4	Add lines 2 and 3		4	0.
5a	Foreign tax credit (attach Form 1118)	5a		
b	Credit from Form 8834 (see instructions)	5b		
c	General business credit (attach Form 3800)	5c		
d	Credit for prior year minimum tax (attach Form 8827)	5d		
e	Bond credits from Form 8912	5e		
6	<b>Total credits.</b> Add lines 5a through 5e		6	
7	Subtract line 6 from line 4		7	0.
8	Personal holding company tax (attach Schedule PH (Form 1120))		8	
9a	Recapture of investment credit (attach Form 4255)	9a		
b	Recapture of low-income housing credit (attach Form 8611)	9b		
c	Interest due under the look-back method-completed long-term contracts (attach Form 8697)	9c		
d	Interest due under the look-back method-income forecast method (attach Form 8866)	9d		
e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e		
f	Other (see instructions - attach statement)	9f		
10	<b>Total.</b> Add lines 9a through 9f		10	
11	<b>Total tax.</b> Add lines 7, 8, and 10. Enter here and on page 1, line 31		11	0.

**Part II - Payments and Refundable Credits**

12	2016 overpayment credited to 2017		12	
13	2017 estimated tax payments		13	
14	2017 refund applied for on Form 4466		14	( )
15	Combine lines 12, 13, and 14		15	
16	Tax deposited with Form 7004		16	
17	Withholding (see instructions)		17	
18	<b>Total payments.</b> Add lines 15, 16, and 17		18	
19	Refundable credits from:			
a	Form 2439	19a		
b	Form 4136	19b		
c	Form 8827, line 8c	19c		
d	Other (attach statement - see instructions)	19d		
20	<b>Total credits.</b> Add lines 19a through 19d		20	
21	<b>Total payments and credits.</b> Add lines 18 and 20. Enter here and on page 1, line 32		21	

**Schedule K Other Information** (see instructions)

1	Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) ▶	Yes	No
2	See the instructions and enter the: a Business activity code no. ▶ <b>517000</b> b Business activity ▶ <b>CELL PHONE SOFTWARE</b> c Product or service ▶ <b>CELL PHONE SOFTWARE</b>		
3	Is the corporation a subsidiary in an affiliated group or a parent-subsubsidiary controlled group? If "Yes," enter name and EIN of the parent corporation ▶		X
4	At the end of the tax year: a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G)	X	
	b Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G)		X

**Schedule K Other Information** (continued from page 3)

		Yes	No
<b>5</b> At the end of the tax year, did the corporation:			
<b>a</b> Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on Form 851, Affiliations Schedule? For rules of constructive ownership, see instructions			<b>X</b>
If "Yes," complete (i) through (iv) below.			
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock
<b>b</b> Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions			<b>X</b>
If "Yes," complete (i) through (iv) below.			
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Organization	(iv) Maximum Percentage Owned in Profit, Loss, or Capital
<b>6</b> During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? See sections 301 and 316			<b>X</b>
If "Yes," file Form 5452, Corporate Report of Nondividend Distributions. See the instructions for Form 5452.			
If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.			
<b>7</b> At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of the total voting power of all classes of the corporation's stock entitled to vote or at least 25% of the total value of all classes of the corporation's stock?			<b>X</b>
For rules of attribution, see section 318. If "Yes," enter:			
<b>(a)</b> Percentage owned <b>▶</b> _____ and <b>(b)</b> Owner's country <b>▶</b> _____			
<b>(c)</b> The corporation may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached <b>▶</b> _____			
<b>8</b> Check this box if the corporation issued publicly offered debt instruments with original issue discount			<input type="checkbox"/>
If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.			
<b>9</b> Enter the amount of tax-exempt interest received or accrued during the tax year <b>▶</b> \$ _____			
<b>10</b> Enter the number of shareholders at the end of the tax year (if 100 or fewer) <b>▶</b> <u>27</u>			
<b>11</b> If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here			<input type="checkbox"/>
If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.			
<b>12</b> Enter the available NOL carryover from prior tax years (do not reduce it by any deduction reported on page 1, line 29a.) <b>▶</b> \$ _____			
<b>13</b> Are the corporation's total receipts (page 1, line 1a, plus lines 4 through 10) for the tax year and its total assets at the end of the tax year less than \$250,000?			<b>X</b>
If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year <b>▶</b> \$ _____			
<b>14</b> Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement? See instructions			<b>X</b>
If "Yes," complete and attach Schedule UTP.			
<b>15a</b> Did the corporation make any payments in 2017 that would require it to file Form(s) 1099?		<b>X</b>	
<b>b</b> If "Yes," did or will the corporation file required Forms 1099?		<b>X</b>	
<b>16</b> During this tax year, did the corporation have an 80% or more change in ownership, including a change due to redemption of its own stock?			<b>X</b>
<b>17</b> During or subsequent to this tax year, but before the filing of this return, did the corporation dispose of more than 65% (by value) of its assets in a taxable, non-taxable, or tax deferred transaction?			<b>X</b>
<b>18</b> Did the corporation receive assets in a section 351 transfer in which any of the transferred assets had a fair market basis or fair market value of more than \$1 million? During the corporation's tax year, did the corporation make any payments that would require it to file Forms 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474) of the Code?			<b>X</b>
<b>19</b> or chapter 4 (sections 1471 through 1474) of the Code?			<b>X</b>

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
<b>Assets</b>					
1	Cash		209,023.		392,684.
2a	Trade notes and accounts receivable	3,026,122.		4,022,577.	
b	Less allowance for bad debts	(231,156.)	2,794,966.	(19,351.)	4,003,226.
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities				
6	Other current assets (att. stmt.) <b>STMT 4</b>		126,013.		96,485.
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (att. stmt.)				
10a	Buildings and other depreciable assets	271,094.		264,516.	
b	Less accumulated depreciation	(254,037.)	17,057.	(260,982.)	3,534.
11a	Depletable assets				
b	Less accumulated depletion	( )		( )	
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization	( )		( )	
14	Other assets (att. stmt.)				
15	<b>Total assets</b>		3,147,059.		4,495,929.
<b>Liabilities and Shareholders' Equity</b>					
16	Accounts payable		328,301.		1,756,000.
17	Mortgages, notes, bonds payable in less than 1 year		3,600,000.		7,695,307.
18	Other current liabilities (att. stmt.) <b>STMT 5</b>		2,805,262.		3,361,672.
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more		2,000,000.		372,549.
21	Other liabilities (att. stmt.) <b>STMT 6</b>		117,495.		100,314.
22	Capital stock: a Preferred stock	39,714,668.		39,714,668.	
b	Common stock	930.	39,715,598.	930.	39,715,598.
23	Additional paid-in capital		591,506.		629,107.
24	Retained earnings - Appropriated (attach statement)				
25	Retained earnings - Unappropriated		-46,011,103.		-49,134,618.
26	Adjustments to shareholders' equity (attach statement)				
27	Less cost of treasury stock		( )		( )
28	<b>Total liabilities and shareholders' equity</b>		3,147,059.		4,495,929.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return**

Note: The corporation may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books	-3,123,515.	7	Income recorded on books this year not included on this return (itemize):	
2	Federal income tax per books			Tax-exempt interest \$ _____	
3	Excess of capital losses over capital gains				
4	Income subject to tax not recorded on books this year (itemize):				
	<b>SEE STATEMENT 7</b>	280,936.	8	Deductions on this return not charged against book income this year (itemize):	
5	Expenses recorded on books this year not deducted on this return (itemize):		a	Depreciation \$ 15,252.	
a	Depreciation \$ _____		b	Charitable contributions \$ _____	
b	Charitable contributions \$ _____			<b>STMT 9</b> 229,623.	
c	Travel and entertainment \$ 22,028.				244,875.
	<b>STMT 8</b> 503,273.	525,301.	9	Add lines 7 and 8	244,875.
6	Add lines 1 through 5	-2,317,278.	10	Income (page 1, line 28) - line 6 less line 9	-2,562,153.

**Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)**

1	Balance at beginning of year	-46,011,103.	5	Distributions: a Cash	
2	Net income (loss) per books	-3,123,515.		b Stock	
3	Other increases (itemize):			c Property	
			6	Other decreases (itemize):	
4	Add lines 1, 2, and 3	-49,134,618.	7	Add lines 5 and 6	
			8	Balance at end of year (line 4 less line 7)	-49,134,618.

Form **4626**  
Department of the Treasury  
Internal Revenue Service

**Alternative Minimum Tax - Corporations**

▶ Attach to the corporation's tax return.

▶ Go to [www.irs.gov/Form4626](http://www.irs.gov/Form4626) for instructions and the latest information.

OMB No. 1545-0123

**2017**

Name <b>ZUMOBI, INC.</b>		Employer identification number <b>38-3740014</b>
<b>Note:</b> See the instructions to find out if the corporation is a small corporation exempt from the alternative minimum tax (AMT) under section 55(e).		
1	Taxable income or (loss) before net operating loss deduction	<b>-2,562,153.</b>
2	<b>Adjustments and preferences:</b>	
a	Depreciation of post-1986 property	<b>683.</b>
b	Amortization of certified pollution control facilities	
c	Amortization of mining exploration and development costs	
d	Amortization of circulation expenditures (personal holding companies only)	
e	Adjusted gain or loss	
f	Long-term contracts	
g	Merchant marine capital construction funds	
h	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	
i	Tax shelter farm activities (personal service corporations only)	
j	Passive activities (closely held corporations and personal service corporations only)	
k	Loss limitations	
l	Depletion	
m	Tax-exempt interest income from specified private activity bonds	
n	Intangible drilling costs	
o	Other adjustments and preferences	
3	Pre-adjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2o	<b>-2,561,470.</b>
4	<b>Adjusted current earnings (ACE) adjustment:</b>	
a	ACE from line 10 of the ACE worksheet in the instructions	<b>-2,561,470.</b>
b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount. See instructions	<b>0.</b>
c	Multiply line 4b by 75% (0.75). Enter the result as a positive amount	
d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments. See instructions. <b>Note:</b> You <b>must</b> enter an amount on line 4d (even if line 4b is positive)	
e	ACE adjustment. <ul style="list-style-type: none"> <li>If line 4b is zero or more, enter the amount from line 4c</li> <li>If line 4b is less than zero, enter the <b>smaller</b> of line 4c or line 4d as a negative amount</li> </ul>	<b>0.</b>
5	Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe any AMT	<b>-2,561,470.</b>
6	Alternative tax net operating loss deduction. See instructions	
7	<b>Alternative minimum taxable income.</b> Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see instructions	
8	<b>Exemption phase-out</b> (if line 7 is \$310,000 or more, skip lines 8a and 8b and enter -0- on line 8c):	
a	Subtract \$150,000 from line 7. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0-	
b	Multiply line 8a by 25% (0.25)	
c	Exemption. Subtract line 8b from \$40,000. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0-	
9	Subtract line 8c from line 7. If zero or less, enter -0-	
10	Multiply line 9 by 20% (0.20)	
11	Alternative minimum tax foreign tax credit (AMTFTC). See instructions	
12	Tentative minimum tax. Subtract line 11 from line 10	
13	Regular tax liability before applying all credits except the foreign tax credit	
14	<b>Alternative minimum tax.</b> Subtract line 13 from line 12. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return	

JWA For Paperwork Reduction Act Notice, see separate instructions.

Form 4626 (2017)

717001  
01-12-18

ZUMOBI, INC.

38-3740014

**Adjusted Current Earnings (ACE) Worksheet**

▶ See ACE Worksheet Instructions.

1	Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626		1	-2,561,470.
2	ACE depreciation adjustment:			
a	AMT depreciation	2a		21,514.
b	ACE depreciation:			
(1)	Post-1993 property	2b(1)		21,514.
(2)	Post-1989, pre-1994 property	2b(2)		
(3)	Pre-1990 MACRS property	2b(3)		
(4)	Pre-1990 original ACRS property	2b(4)		
(5)	Property described in sections 168(f)(1) through (4)	2b(5)		
(6)	Other property	2b(6)		
(7)	Total ACE depreciation. Add lines 2b(1) through 2b(6)	2b(7)		21,514.
c	ACE depreciation adjustment. Subtract line 2b(7) from line 2a		2c	
3	Inclusion in ACE of items included in earnings and profits (E&P):			
a	Tax-exempt interest income	3a		
b	Death benefits from life insurance contracts	3b		
c	All other distributions from life insurance contracts (including surrenders)	3c		
d	Inside buildup of undistributed income in life insurance contracts	3d		
e	Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)	3e		
f	Total increase to ACE from inclusion in ACE of items included in E&P. Add lines 3a through 3e		3f	
4	Disallowance of items not deductible from E&P:			
a	Certain dividends received	4a		
b	Dividends paid on certain preferred stock of public utilities that are deductible under section 247 (as affected by P.L. 113-295, Div. A, section 221(a)(4)(A), Dec. 19, 2014, 128 Stat. 4043)	4b		
c	Dividends paid to an ESOP that are deductible under section 404(k)	4c		
d	Nonpatronage dividends that are paid and deductible under section 1382(c)	4d		
e	Other items (see Regulations sections 1.56(g)-1(d)(3)(i) and (ii) for a partial list)	4e		
f	Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e		4f	
5	Other adjustments based on rules for figuring E&P:			
a	Intangible drilling costs	5a		
b	Circulation expenditures	5b		
c	Organizational expenditures	5c		
d	LIFO inventory adjustments	5d		
e	Installment sales	5e		
f	Total other E&P adjustments. Combine lines 5a through 5e		5f	
6	Disallowance of loss on exchange of debt pools		6	
7	Acquisition expenses of life insurance companies for qualified foreign contracts		7	
8	Depletion		8	
9	Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property		9	
10	Adjusted current earnings. Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626		10	-2,561,470.

Form **1125-A**

**Cost of Goods Sold**

(Rev. October 2016)  
 Department of the Treasury  
 Internal Revenue Service

▶ Attach to Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B.  
 ▶ Information about Form 1125-A and its instructions is at [www.irs.gov/form1125a](http://www.irs.gov/form1125a).

OMB No. 1545-0123

Name <b>ZUMOBI, INC.</b>	Employer identification number <b>38-3740014</b>
-----------------------------	---

1 Inventory at beginning of year .....	1	
2 Purchases .....	2	
3 Cost of labor .....	3	
4 Additional section 263A costs (attach schedule) .....	4	
5 Other costs (attach schedule) <b>SEE STATEMENT 10</b> .....	5	<b>6,881,875.</b>
6 <b>Total.</b> Add lines 1 through 5 .....	6	<b>6,881,875.</b>
7 Inventory at end of year .....	7	
8 <b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions .....	8	<b>6,881,875.</b>

9 a Check all methods used for valuing closing inventory:

(i)  Cost

(ii)  Lower of cost or market

(iii)  Other (Specify method used and attach explanation) ▶ \_\_\_\_\_

b Check if there was a writedown of subnormal goods ..... ▶

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ..... ▶

d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO ..... 9d

e If property is produced or acquired for resale, do the rules of Section 263A apply to the entity? See instructions .....  Yes  No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? .....  Yes  No  
 If "Yes," attach explanation.

For Paperwork Reduction Act Notice, see separate instructions. Form 1125-A (Rev. 10-2016)







Form **4562**  
 Department of the Treasury  
 Internal Revenue Service (99)

**Depreciation and Amortization**  
 (Including Information on Listed Property) OTHER

OMB No. 1545-0172

**2017**  
 Attachment  
 Sequence No. 179

▶ Attach to your tax return.

▶ Go to [www.irs.gov/Form4562](http://www.irs.gov/Form4562) for instructions and the latest information.

Name(s) shown on return: **ZUMOBI, INC.** Business or activity to which this form relates: **OTHER DEPRECIATION** Identifying number: **38-3740014**

**Part I Election To Expense Certain Property Under Section 179** Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	510,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2,030,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2016 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2018. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	10,573.

**Part III MACRS Depreciation (Don't include listed property.) (See instructions.)**

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2017	17	11,624.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		<input type="checkbox"/>

**Section B - Assets Placed in Service During 2017 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	

**Section C - Assets Placed in Service During 2017 Tax Year Using the Alternative Depreciation System**

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

**Part IV Summary (See instructions.)**

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	22,197.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Form 4562 (2017)

ZUMOBI, INC.

38-3740014 Page 2

**Part V Listed Property** (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)**

24a Do you have evidence to support the business/investment use claimed?		Yes <input type="checkbox"/>		No <input type="checkbox"/>		24b If "Yes," is the evidence written?		Yes <input type="checkbox"/>		No <input type="checkbox"/>	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25				
26 Property used more than 50% in a qualified business use:											
		%									
		%									
		%									
27 Property used 50% or less in a qualified business use:											
		%				S/L -					
		%				S/L -					
		%				S/L -					
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28				
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1										29	

**Section B - Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (don't include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

**Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

**Note:** If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year	
42 Amortization of costs that begins during your 2017 tax year:						
43 Amortization of costs that began before your 2017 tax year					43	23.
44 Total. Add amounts in column (f). See the instructions for where to report					44	23.

Form **6765**  
 (Rev. March 2018)  
 Department of the Treasury  
 Internal Revenue Service  
 Name(s) shown on return

### Credit for Increasing Research Activities

OMB No. 1545-0619

▶ Attach to your tax return.

▶ Go to [www.irs.gov/Form6765](http://www.irs.gov/Form6765) for instructions and the latest information.

Attachment Sequence No. **81**

Identifying number

**ZUMOBI, INC.**

**38-3740014**

**Section A - Regular Credit.** Skip this section and go to Section B if you are electing or previously elected (and are not revoking) the alternative simplified credit.

1	Certain amounts paid or incurred to energy consortia		1
2	Basic research payments to qualified organizations	2	
3	Qualified organization base period amount	3	
4	Subtract line 3 from line 2. If zero or less, enter -0-		4
5	Wages for qualified services (do not include wages used in figuring the work opportunity credit)	5	
6	Cost of supplies	6	
7	Rental or lease costs of computers	7	
8	Enter the applicable percentage of contract research expenses	8	
9	Total qualified research expenses. Add lines 5 through 8	9	
10	Enter fixed-base percentage, but not more than 16% (0.16)	10	16.0000 %
11	Enter average annual gross receipts	11	5,393,681.
12	Multiply line 11 by the percentage on line 10	12	862,989.
13	Subtract line 12 from line 9. If zero or less, enter -0-	13	0.
14	Multiply line 9 by 50% (0.50)	14	
15	Enter the smaller of line 13 or line 14		15
16	Add lines 1, 4, and 15		16
17	Are you electing the reduced credit under section 280C? ▶ Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If "Yes," multiply line 16 by 13% (0.13). If "No," multiply line 16 by 20% (0.20) and see the instructions for the statement that must be attached. Fiscal year filers: see instructions. Members of controlled groups or businesses under common control: see instructions for the statement that must be attached		17

**Section B - Alternative Simplified Credit.** Skip this section if you are completing Section A.

18	Certain amounts paid or incurred to energy consortia		18
19	Basic research payments to qualified organizations	19	
20	Qualified organization base period amount	20	
21	Subtract line 20 from line 19. If zero or less, enter -0-		21
22	Add lines 18 and 21		22
23	Multiply line 22 by 20% (0.20)		23
24	Wages for qualified services (do not include wages used in figuring the work opportunity credit)	24	
25	Cost of supplies	25	
26	Rental or lease costs of computers	26	
27	Enter the applicable percentage of contract research expenses	27	
28	Total qualified research expenses. Add lines 24 through 27	28	
29	Enter your total qualified research expenses for the prior 3 tax years. If you had no qualified research expenses in any one of those years, skip lines 30 and 31	29	
30	Divide line 29 by 6.0	30	
31	Subtract line 30 from line 28. If zero or less, enter -0-	31	
32	Multiply line 31 by 14% (0.14). If you skipped lines 30 and 31, multiply line 28 by 6% (0.06)		32

LHA For Paperwork Reduction Act Notice, see separate instructions.

Form 6765 (Rev. 3-2018)

**Section B - Alternative Simplified Credit** (continued)

<b>33</b>	Add lines 23 and 32	<b>33</b>	
<b>34</b>	Are you electing the reduced credit under section 280C? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," multiply line 33 by 65% (0.65). If "No," enter the amount from line 33 and see the line 17 instructions for the statement that must be attached. Fiscal year filers: see instructions. Members of controlled groups or businesses under common control: see instructions for the statement that must be attached	<b>34</b>	

**Section C - Current Year Credit**

<b>35</b>	Enter the portion of the credit from Form 8932, line 2, that is attributable to wages that were also used to figure the credit on line 17 or line 34 (whichever applies)	<b>35</b>	
<b>36</b>	Subtract line 35 from line 17 or line 34 (whichever applies). If zero or less, enter -0-	<b>36</b>	0.
<b>37</b>	Credit for increasing research activities from partnerships, S corporations, estates, and trusts	<b>37</b>	
<b>38</b>	Add lines 36 and 37 <ul style="list-style-type: none"> <li>• Estates and trusts, go to line 39.</li> <li>• Partnerships and S corporations not electing the payroll tax credit, stop here and report this amount on Schedule K.</li> <li>• Partnerships and S corporations electing the payroll tax credit, complete Section D and report on Schedule K the amount on this line reduced by the amount on line 44.</li> <li>• Eligible small businesses, stop here and report the credit on Form 3800, Part III, line 4i. See instructions for the definition of eligible small business.</li> <li>• Filers other than eligible small businesses, stop here and report the credit on Form 3800, Part III, line 1c.</li> </ul> <b>Note:</b> Qualified small business filers, other than partnerships and S corporations, electing the payroll tax credit must complete Form 3800 before completing Section D.	<b>38</b>	
<b>39</b>	Amount allocated to beneficiaries of the estate or trust	<b>39</b>	
<b>40</b>	Estates and trusts, subtract line 39 from line 38. For eligible small businesses, report the credit on Form 3800, Part III, line 4i. See instructions. For filers other than eligible small businesses, report the credit on Form 3800, Part III, line 1c	<b>40</b>	

**Section D - Qualified Small Business Payroll Tax Election and Payroll Tax Credit.** Skip this section if the payroll tax election does not apply. See instructions.

<b>41</b>	Check this box if you are a qualified small business electing the payroll tax credit. See instructions <input type="checkbox"/>		
<b>42</b>	Enter the portion of line 36 elected as a payroll tax credit (do not enter more than \$250,000). See instructions	<b>42</b>	
<b>43</b>	General business credit carryforward from the current year (see instructions). Partnerships and S corporations skip this line and go to line 44	<b>43</b>	
<b>44</b>	Partnerships and S corporations, enter the smaller of line 36 or line 42. All others, enter the smallest of line 36, line 42, or line 43. Enter here and on the applicable line of Form 8974, Part 1, column (e). Members of controlled groups or businesses under common control: see instructions for the statement that must be attached	<b>44</b>	

ELECTION NOT TO CLAIM THE ADDITIONAL FIRST YEAR  
DEPRECIATION ALLOWABLE UNDER IRC SEC. 168(K)

ZUMOBI, INC.  
1525 4TH AVENUE, SUITE 800  
SEATTLE, WA 98101

EMPLOYER IDENTIFICATION NUMBER: 38-3740014

FOR THE YEAR ENDING DECEMBER 31, 2017

ZUMOBI, INC., HEREBY ELECTS, PURSUANT TO IRC SEC. 168(K)(7), NOT TO  
CLAIM THE ADDITIONAL DEPRECIATION ALLOWABLE UNDER IRC SEC. 168(K)  
FOR THE FOLLOWING QUALIFYING PROPERTY PLACED IN SERVICE DURING THE  
TAX YEAR ENDING DECEMBER 31, 2017.

COMPUTER SOFTWARE AS DEFINED BY IRC SEC. 167(F)(1)(B).

SEE ATTACHED FORM 4562.

SECTION 1.263(A)-1(F) DE MINIMIS SAFE HARBOR ELECTION

ZUMOBI, INC.  
1525 4TH AVENUE, SUITE 800  
SEATTLE, WA 98101

EMPLOYER IDENTIFICATION NUMBER: 38-3740014

FOR THE YEAR ENDING DECEMBER 31, 2017

ZUMOBI, INC. IS MAKING THE DE MINIMIS SAFE HARBOR ELECTION UNDER  
REG. SEC. 1.263(A)-1(F).



ZUMOBI, INC.

38-3740014

FORM 1120	OTHER INCOME	STATEMENT 1
DESCRIPTION		AMOUNT
OTHER INCOME		113,446.
TOTAL TO FORM 1120, LINE 10		113,446.

FORM 1120	TAXES AND LICENSES	STATEMENT 2
DESCRIPTION		AMOUNT
BUSINESS TAXES		34,916.
LICENSES AND PERMITS		2,351.
PAYROLL TAXES		196,942.
STATE TAX PAYMENTS		7,707.
TOTAL TO FORM 1120, LINE 17		241,916.

FORM 1120	OTHER DEDUCTIONS	STATEMENT 3
DESCRIPTION		AMOUNT
481(A) ADJUSTMENT		-280,936.
AMORTIZATION		23.
BANK FEES		2,715.
COMMUNICATIONS		48,563.
COMPUTER EXPENSES		109,578.
CONTRACT LABOR EXPENSES		244,494.
DIRECTORS EXPENSE		46,643.
DUES AND SUBSCRIPTIONS		33,968.
EMPLOYEE EXPENSES		28,172.
INSURANCE		34,311.
MEALS AND ENTERTAINMENT		22,028.
MOBILE DEVICE EXPENSE		944.
OFFICE EXPENSES		43,237.
PARKING EXPENSE		25,830.
PROFESSIONAL FEES		309,558.
RECRUITING EXPENSE		99,539.
TRAVEL EXPENSES		83,134.
UTILITIES		247.
TOTAL TO FORM 1120, LINE 26		852,048.

STATEMENT(S) 1, 2, 3

ZUMOB, INC.

38-3740014

SCHEDULE L		OTHER CURRENT ASSETS		STATEMENT 4	
DESCRIPTION		BEGINNING OF TAX YEAR		END OF TAX YEAR	
PREPAID EXPENSES		126,013.		96,485.	
TOTAL TO SCHEDULE L, LINE 6		126,013.		96,485.	

SCHEDULE L		OTHER CURRENT LIABILITIES		STATEMENT 5	
DESCRIPTION		BEGINNING OF TAX YEAR		END OF TAX YEAR	
ACCRUED COMPENSATION AND BENEFITS		1,093,493.		1,866,189.	
DEFERRED RENT - CURRENT PORTION		0.		-1,477.	
INTEREST PAYABLE		448,285.		0.	
OTHER ACCRUED LIABILITIES		83,915.		106,304.	
SQUARE1 A/R LOC - SHORT TERM		1,175,000.		1,390,656.	
UNBILLED REVENUE		4,569.		0.	
TOTAL TO SCHEDULE L, LINE 18		2,805,262.		3,361,672.	

SCHEDULE L		OTHER LIABILITIES		STATEMENT 6	
DESCRIPTION		BEGINNING OF TAX YEAR		END OF TAX YEAR	
DEBT DISCOUNT - LONG TERM PORTION		-38,361.		-20,901.	
DEFERRED RENT - LONG TERM PORTION		0.		5,918.	
WARRANT LIABILITY		155,856.		115,297.	
TOTAL TO SCHEDULE L, LINE 21		117,495.		100,314.	

SCHEDULE M-1		TAXABLE INCOME NOT RECORDED ON BOOKS		STATEMENT 7	
DESCRIPTION				AMOUNT	
481(A) ADJUSTMENT				280,936.	
TOTAL TO SCHEDULE M-1, LINE 4				280,936.	

ZUMOB I, INC.

38-3740014

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SCHEDULE M-1	OTHER EXPENSES RECORDED ON BOOKS NOT DEDUCTED IN THIS RETURN	STATEMENT 8
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DESCRIPTION	AMOUNT
INCENTIVE STOCK OPTION EXPENSE	35,553.
NONQUALIFIED STOCK OPTION EXPENSE	2,049.
INTEREST EXPENSE 163(I)	379,375.
CHANGE IN FMV OF STOCK WARRANT	40,559.
PREPAID EXPENSES	29,528.
ACCRUED EXPENSES	16,209.
TOTAL TO SCHEDULE M-1, LINE 5	<u>503,273.</u>

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SCHEDULE M-1	OTHER DEDUCTIONS IN THIS RETURN NOT CHARGED AGAINST BOOK INCOME	STATEMENT 9
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DESCRIPTION	AMOUNT
BAD DEBT RESERVE	211,774.
ACCRUED BONUSES	17,826.
AMORTIZATION	23.
TOTAL TO SCHEDULE M-1, LINE 8	<u>229,623.</u>

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FORM 1125-A	OTHER COSTS	STATEMENT 10
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DESCRIPTION	AMOUNT
AD SERVING COSTS	445,697.
COLOCATION SERVICES	105,933.
DATA FEED COSTS	162,374.
PARTNER REVENUE SHARE	6,159,100.
PUSH NOTIFICATION FEES	8,771.
TOTAL TO LINE 5	<u>6,881,875.</u>

STATEMENT(S) 8, 9, 10