SINCERITY APPLIED MATERIALS HOLDINGS CORP.

FORM 10-Q
(Quarterly Report)

Filed 08/15/16 for the Period Ending 06/30/16

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **June 30, 2016**

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _______ to _______

Commission File Number: **333-177500**

SYMBID CORP.
(Exact name of registrant as specified in its charter)

Nevada	**45-2859440**
(State or other jurisdiction of incorporation)	(I.R.S. Employer Identification No.)

Marconistraat 16
3029 AK Rotterdam, The Netherlands
(Address of principal executive offices)

+31(0)1 089 00 400
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐	Non-accelerated filer ☐ (Do not check if a smaller Reporting company)	Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

There were 37,277,039 shares of the issuer's common stock outstanding as of August 15, 2016.

SYMBID CORP.

FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2016
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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SYMBID CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS
(EXPRESSED IN US DOLLARS)
(UNAUDITED)

	June 30, 2016	December 31, 2015
ASSETS		
Current assets		
Cash	$ 35,468	$ 553,696
Accounts receivable, less allowance for doubtful accounts of $10,870 and $39,847 respectively	70,717	64,639
Prepaid expenses and other current assets	79,660	42,553
Total current assets	185,845	660,888
Property and equipment, at cost, less accumulated depreciation	18,586	15,108
Investments in associated companies	1,155	1,134
Intangible assets, net	-	785,070
Total assets	$ 205,586	$ 1,462,200
LIABILITIES AND STOCKHOLDERS' (DEFICIENCY) EQUITY		
Current liabilities		
Accounts payable	$ 156,640	$ 88,774
Accrued expenses and other current liabilities	234,301	301,896
Current maturities of notes payable	33,591	32,993
Subordinated loan – related party	74,340	73,016
Total current liabilities	498,872	496,679
Notes payable, less current maturities	41,976	49,476
8% Convertible promissory notes payable, net of $1,179,181 and $722,622 discount, respectively	680,819	587,378
Total liabilities	1,221,667	1,133,533
Commitments		
Stockholders' (Deficiency) Equity		

Preferred stock		
Authorized: $0.001 par value, 10,000,000 shares authorized	-	-
Issued and outstanding: nil preferred shares		
Common stock		
Authorized: $0.001 par value, 290,000,000 shares authorized		
Issued and outstanding: 37,277,039 and 36,909,472, respectively	37,277	36,909
Additional paid-in capital	8,316,647	7,635,104
Accumulated other comprehensive loss	(295,354)	(322,183)
Accumulated deficit	(8,986,085)	(6,994,274)
Total Symbid Corp. stockholders' (deficiency) equity	(927,515)	355,556
Noncontrolling interests	(88,566)	(26,889)
Total stockholders' (deficiency) equity	(1,016,081)	328,667
Total liabilities and stockholders' equity	$ 205,586	$ 1,462,200

(The accompanying notes are an integral part of these condensed consolidated financial statements)

SYMBID CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(EXPRESSED IN US DOLLARS)
(UNAUDITED)

	Three months ended June 30,		Six months ended June 30,	
	2016	**2015**	**2016**	**2015**
Revenues				
Crowdfunding	$ 43,549	$ 77,804	$ 129,642	$ 132,198
The Funding Network	2,249	-	14,299	-
Other	12,158	14,566	3,309	34,038
Total revenues	57,956	92,370	147,250	166,236
Operating expenses				
Selling, general and administrative	401,227	429,413	916,137	838,766
Professional fees	130,554	152,794	267,589	339,464
Research and development costs	9,540	26,077	26,658	48,319
Depreciation and amortization	37,760	36,202	74,579	73,140
Bad debt expense (recoveries)	(10,145)	-	(29,737)	-
Impairment expense	740,073	-	740,073	-
Total operating expenses	1,309,009	644,486	1,995,299	1,299,689
Operating loss	(1,251,053)	(552,116)	(1,848,049)	(1,133,453)
Other income (expense)				
Interest expense and amortization of debt discount	(81,905)	(2,566)	(155,171)	(5,280
Other income	484	-	455	11,504
Other expense	(2,986)	(517)	(2,986)	(7,791
Total other income (expense)	(84,407)	(3,083)	(157,702)	(1,567
Net loss	(1,335,460)	(555,199)	(2,005,751)	(1,135,020
Net loss attributable to noncontrolling interests	(6,317)	(18,155)	(13,940)	(31,003
	$ (1,329,143	$ (537,044	$ (1,991,811	$ (1,104,017

Net loss attributable to Symbid Corp. stockholders	)	)	)	)
Basic and diluted net loss per common share	$ (0.04)	$ (0.02)	$ (0.05)	$ (0.03)
Weighted average number of shares outstanding				
Basic and diluted	37,119,510	34,705,257	37,014,491	34,394,106
Share-based compensation expense included in operating expenses:				
Selling, general and administrative	5,239	$ 98,147	$ 47,578	$ 218,437
Professional fees	-	630	-	44,842
Research and development costs	(2,500)	16,058	(942)	31,939
	2,739	$ 114,835	$ 46,636	$ 295,218

(The accompanying notes are an integral part of these condensed consolidated financial statements)

SYMBID CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(EXPRESSED IN US DOLLARS)
(UNAUDITED)

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
Net loss	$ (1,335,460)	$ (555,199)	$ (2,005,751)	$ (1,135,020)
Other comprehensive loss:				
Foreign currency translation income (loss)	(5,438)	14,003	26,829	(89,645)
Comprehensive loss	(1,340,898)	(541,196)	(1,978,922)	(1,224,665)
Net loss attributable to noncontrolling interests	(6,317)	(18,155)	(13,940)	(31,003)
Foreign currency translation (loss) income attributable to noncontrolling interests	1,284	1,260	(1,566)	10,131
Comprehensive loss attributable to noncontrolling interests	(5,033)	(16,895)	(15,506)	(20,872)
Comprehensive loss attributable to Symbid Corp. stockholders	$ (1,335,865)	$ (524,301)	$ (1,963,416)	$ (1,203,793)

(The accompanying notes are an integral part of these condensed consolidated financial statements)

SYMBID CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(EXPRESSED IN US DOLLARS)
(UNAUDITED)

	Six months ended June 30,	
	2016	2015
Cash flows from operating activities		
Net loss	$ (2,005,751)	$ (1,135,020)
Adjustments to reconcile net loss to net cash		
used in operating activities		
Employee and non-employee share based compensation	46,636	295,218
Depreciation and amortization	74,579	73,140
Amortization of debt discount	93,441	-
Impairment of intangible asset	740,073	-
Warrant liability - fair value adjustment	-	7,791
Provision for doubtful accounts	(29,737)	9,945
Loss on liquidation of Symbid Italia	2,986	-
Gain on sale of investment in Gambitious B.V.	-	(11,504)
Changes in assets and liabilities		
Accounts receivable	24,922	4,963
Prepaid expenses and other current assets	(42,418)	(14,073)
Accounts payable	67,004	27,552
Accrued expenses and other current liabilities	14,673	(5,509)
Net cash used in operating activities	(1,013,592)	(747,497)
Cash flows from investing activities		
Proceeds from sale of associated companies	$ -	$ 20,309
Net payment from liquidation of Symbid Italia	(44,744)	-
Acquisition of property and equipment	(5,784)	-
Net cash (used in) provided by investing activities	(50,528)	20,309
Cash flows from financing activities		
Line of credit, net	$ -	$ 66,594
Repayments of notes payable	(8,441)	(8,491)
	550,000	-

Proceeds from convertible notes	-	724,116
Proceeds from the issuance of common stock, net of issuance costs	541,559	782,219
Net cash provided by financing activities		
Effect of exchange rate changes on cash	4,333	(32,130)
Net (decrease) / increase in cash	(518,228)	22,901
Cash and cash equivalents, beginning of period	553,696	233,068
Cash and cash equivalents, end of period	$ 35,468	$ 255,969
Supplemental cash flow disclosures		
Interest paid	$ 2,699	$ 5,279
Non-cash investing and financing activities		
Change in accrued expenses related to non-employee share based payments	$ 85,274	$ 70,351
Deconsolidatioin of Symbid Italia assets	5,901	-
Beneficial conversion feature	550,000	-
Reallocation of noncontrolling interests	-	129,918

(The accompanying notes are an integral part of these condensed consolidated financial statements)

1 - BUSINESS, ORGANIZATION AND LIQUIDITY

Interim Condensed Consolidated Financial Statements

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and in conformity with the instructions to Form 10-Q and Rule 8-03 of Regulation S-X and the related rules and regulations of the Securities and Exchange Commission ("SEC"). Accordingly, certain information and note disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. However, we believe that the disclosures included in these financial statements are adequate to make the information presented not misleading. The unaudited condensed consolidated financial statements included in this document have been prepared on the same basis as the annual consolidated financial statements, and in our opinion reflect all adjustments, which include normal recurring adjustments necessary for a fair presentation in accordance with GAAP and SEC regulations for interim financial statements. The results for the three and six months ended June 30, 2016 are not necessarily indicative of the results that we will have for any subsequent period. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes to those statements for the year ended December 31, 2015 included in our Annual Report on Form 10-K.

Business and Organization

Symbid Corp. was incorporated as HapyKidz.com, Inc. in the state of Nevada on July 29, 2011. On September 4, 2013, we filed a Certificate of Amendment to our Articles of Incorporation with the Nevada Secretary of State to change our name from HapyKidz.com, Inc. to Symbid Corp, which we believe more accurately reflects our current business. The Company continues to be a "smaller reporting company," as defined under the Exchange Act.

Symbid Holding B.V. ("Symbid Holding") was incorporated on October 3, 2013 organized under the laws of the Netherlands. Symbid Holding was organized to serve as the holding company for all of Symbid's business activities in the Netherlands and in other countries. As such, on October 3, 2013, the holders of the capital shares of Symbid B.V. exchanged their shares for capital shares of Symbid Holding and, as a result, Symbid B.V. became a wholly owned subsidiary of Symbid Holding. Symbid B.V. is now the operating entity for the Company's business in the Netherlands.

On December 6, 2013, the Company closed a Share Exchange pursuant to which the 19 shareholders of Symbid Holding B.V. sold all of their capital stock in Symbid Holding B.V. to us in exchange for 21,170,000 shares of our common stock, $0.001 par value per share. Because the Company had no operations at the time of our acquisition of Symbid Holding, Symbid Holding is considered to be the predecessor Company for financial reporting purposes.

The Share Exchange has been being accounted for as a "reverse acquisition," and Symbid Holding is deemed to be the acquirer in the reverse acquisition. Consequently, the assets and liabilities and the historical operations that are reflected in the financial statements prior to the Share Exchange are those of Symbid Holding and are recorded at the historical cost basis of Symbid Holding. The consolidated financial statements after completion of the Share Exchange include the assets and liabilities of Symbid Holding, historical operations of Symbid Holding and operations of the Company and its subsidiaries from the Closing Date of the Share Exchange. As a result of the issuance of the shares of our common stock pursuant to the Share Exchange, a change in control occurred as of the date of consummation of the Share Exchange.

1 - BUSINESS, ORGANIZATION AND LIQUIDITY (Continued)

The main operating entity of Symbid Corp. is Symbid B.V. ("Symbid B.V.") and was incorporated in Utrecht, The Netherlands on March 29, 2011 under the laws of the Netherlands. The Company was launched in April 2011 in its headquarters in Rotterdam, The Netherlands as one of the first equity based crowdfunding forerunners worldwide. Entrepreneurs use Symbid to obtain business growth funding from the crowd in exchange for a part of the equity of their company. Investors can participate for as little as $22, and become shareholders of start-up companies or growing businesses in need of capital.

Founded as the provider of one of the first equity based crowdfunding platforms, our business evolved in 2015 into a fully integrated, data driven, user friendly online funding network consisting of several products and services known as The Funding Network™. The Funding Network™ is intended to give small and medium sized entities ("SMEs") direct access to all forms of finance, while offering investors full transparency on the potential risks and return of their portfolios and was developed in response to the following funding hurdles affecting entrepreneurs and investors in general and SMEs in particular:

- Limited or no structured distribution channels for SME finance other than banks, increasing the mismatch between entrepreneurs and financiers;
- No centralized platform for (alternative) financiers, making it difficult and inefficient to find the right financier at the right time;
- No standardized data protocols for SME data, leading to costly and time-intensive (offline) screening and monitoring;
- Limited financial skills of entrepreneurs leading to unnecessary inefficiencies and obstacles within the financing process; and
- Decline in bank financing due to new regulations and recent financial crises, leaving a vacuum in the life cycle of SME financing.

On February 20, 2015, Symbid Italia SPA ("Symbid Italia"), an Italian corporation was created to develop the business of equity crowdfunding in Italy, was formed by our wholly owned subsidiary, Symbid Holding B.V., together with Banca Sella Holding SPA ("Banca Sella") and Marco Bicocchi Pichi. Through Symbid Italia, we intend to create a new online funding platform, based on our existing crowdfunding technology, in which Italian investors and entrepreneurs can connect, fund, grow together and digitalize financial services for Italian small and medium enterprises. Symbid Italia represents the first stage of the European roll-out of our crowdfunding platform outside of The Netherlands. In connection with the formation of Symbid Italia, we paid $284,525 for a 50.1% ownership interest. Banca Sella holds a 29.94% ownership interest and Mr. Pichi holds a 19.96% interest. At the direction of the Symbid Italia board of directors, a special Symbid Italia shareholder meeting was held on April 29, 2016, at which it was determined to liquidate Symbid Italia and return the residual capital to the Symbid Italia shareholders. On May 26, 2016, Symbid Italia was liquidated and the Company received $44,922 for its 50.1% interest and recognized a loss of $2,986. The results of Symbid Italia's operations have been included in the condensed consolidated financial statements (see Note 9).

As of June 30, 2016 and December 31, 2015, the Company has a 14.53% ownership in Kredietpaspoort Coöperatie U.A. ("Kredietpaspoort"), a Cooperative located in the Netherlands, through its wholly owned subsidiary Symbid B.V. and Symbid Coop, a variable interest entity which we effectively control through corporate governance rather than through any ownership further discussed in Note 3. The Kredietpaspoort is a cloud- based platform that was developed to provide credit evaluation and financing options to SME companies in the Netherlands. In addition, the Company's Chief Commercial Officer owns a 5.72% interest in Kredietpaspoort. At June 30, 2016 and December 31, 2015, the combined holdings in Kredietpaspoort by Symbid B.V., Symbid Coop and our executive officer totaled approximately 20.25% (see Note 5).

1 - BUSINESS, ORGANIZATION AND LIQUIDITY (Continued)

During the first quarter of 2015, the Company sold its remaining interest in Gambitious Coöperatie UA ("Gambitious Coop") to better align the goals of the Company (see Note 5).

As of June 30, 2016 and December 31, 2015, the Company held a 7% ownership interest in Equidam Holding B.V. ("Equidam"). Equidam started as an online valuation tool for private companies with a particular focus on SME's, Equidam now also offers simple monitoring services to investors on the Company's platform.

Liquidity and Going Concern Matters

The accompanying condensed consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles, which contemplates continuation of the Company as a going concern.

The Company has suffered recurring losses during the three months ended June 30, 2016 and 2015, of $1,335,460 and $555,199, respectively. Losses during the six months ended June 30, 2016 and 2015 were $2,005,751 and $1,135,020, respectively. At June 30, 2016 and December 31, 2015, the Company had a working capital deficit of $313,027 and working capital of $164,209, respectively. As of June 30, 2016, the Company had cash on hand of $35,468 and current liabilities to credit institutions of $33,591. The recurring losses raise substantial doubt about the Company's ability to continue as a going concern.

Management has evaluated the significance of these conditions and has determined that the recoverability of a major portion of the recorded asset amounts shown in the accompanying condensed consolidated balance sheet is dependent upon continued operations of the Company, which in turn, is dependent upon the Company's ability to raise capital and/or generate positive cash flows from operations. The financial statements do not include any adjustments related to the recoverability and classification of recorded assets and classifications that might be necessary in the event the Company cannot continue in existence.

Management plans to mitigate the conditions that raise substantial doubt about the Company's ability to continue as a going concern through ongoing fund raising efforts with new and current strategic institutional investors and by implementing a cost reduction program. Due to the cash flow position of the Company, management decided to implement a cost reduction program during the second quarter of 2016. During the reporting period the following cost reduction actions have been successfully implemented:

- Closed offices in Milano (Symbid Italia) and Amsterdam (Product development);
- Reduction in costs of office space Rotterdam HQ;
- Terminated employment agreements with 9 FTE product development team, our CFO, 2 FTE Symbid Italia, 4 Commercial FTE operating in the Netherlands;
- Put on hold internationalization of the Symbid services and products;
- Put on hold the investments related to the roll-out of the monitoring services;
- Management salaries reduction of 50% of the net salary.

Successful implementation of the cost reduction program should lead to a cost reduction of at least 50% over the second half of 2016, as compared to the costs over the first half of 2016. By raising additional funds and reducing operational costs management intends to lower the overall cash burn of the Company and be able to meet its operating requirements.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of the Company and its significant subsidiaries on a consolidated basis. The Company also includes subsidiaries over which a direct or indirect legal or effective control exists and for which the Company is deemed to direct the significant activities and has the obligation to absorb the losses or benefits of the entities. All intercompany accounts, balances and transactions with other consolidated entities have been eliminated. The condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States, and include the Company's accounts as well as those of a certain variable interest entity ("VIE") for which the Company is the primary beneficiary.

Reclassifications

Certain reclassifications have been made to the 2015 financial statements to conform to the condensed consolidated 2016 financial statement presentation. These reclassifications had no effect on net earnings or cash flows as previously reported.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Noncontrolling Interests

The Company presents noncontrolling interests as a component of equity. Changes in a parent's ownership interest while the parent retains its controlling interest will be accounted for as equity transactions, and upon loss of control, retained ownership interest will be re-measured at fair value, with any gain or loss recognized in earnings. Income

and losses attributable to the noncontrolling interests associated with Symbid Coop and Symbid Italia are presented separately in the Company's condensed consolidated statement of operations.

Revenue Recognition

Crowdfunding

The Company generates its revenue from registration, administration and success fees within The Funding Network. Registration fee revenue is recognized as new portfolio companies register to The Funding Network. Revenue from administration fees are collected from investors and recognized on a monthly basis calculated as a percentage of the volume of payments during the reporting period. There is no credit risk since the fees are collected directly at the moment that the transaction takes place on the platform. There is no right of return to investors once a crowdfunding proposition has been successfully funded. Revenue from success fees are recognized at the time the loan or equity crowdfunding proposition is successfully funded and there are no further obligations to the portfolio company. Prior to January 2016 there was no credit risk as the success fees were collected directly at the moment the transaction took place on the platform. As of January 2016, we changed the policy for collecting the success fees and there will be a credit risk going forward. At the start of a funding campaign, the entrepreneur signs a contract with Symbid pursuant to which he or she agrees to pay Symbid a success fee once a successful fund raising campaign for that entrepreneur closes. Once the funding campaign has closed, Symbid's success fee is transferred by Intersolve, the third party banking entity that holds all funds in escrow until closing, and the net proceeds of the funding are transferred by Intersolve to the notary or in case of loan crowdfunding directly to the entrepreneur. Upon completion of the funding campaign on Symbid's platform, services delivered under the contract with the entrepreneur have been rendered and Symbid recognizes its success fee revenue at the time the campaign has been successfully closed.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Funding Network
On June 16, 2015, Loan Crowdfunding was launched by our wholly owned subsidiary, Symbid Holding B.V. The launch of this new peer-to-business lending service is intended to complement our existing Equity Crowdfunding service and support the development of our online funding platform for start-ups and small businesses, The Funding Network. This service will make use of our monitoring technology to provide investors ongoing insights into the performance of the business to which they have lent money. All businesses funded via Loan Crowdfunding will be required to register for Monitoring by Symbid for one full year via a monthly-based subscription model. Revenue related to monitoring start packages is recognized ratably over the term of the subscription.

Other
Revenue related to licensing is recognized on a monthly basis determined by the contracted monthly license fee. If the monthly license fee is not paid, the Company is entitled to set the platform offline.

Revenues from URL services are based on a fixed annual fees and recognized ratably over the contract period, typically one year.

Fair Value of Financial Instruments
The accounting standard for fair value establishes a framework for measuring fair value and enhances fair value measurement disclosure. Under the provisions of the pronouncement, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date.

GAAP establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company’s assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable prices that are based on inputs not quoted on active markets, but corroborated by market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

The Company’s current financial assets and liabilities approximate fair value due to their short term nature and include cash accounts. The Company’s borrowings approximate fair value as the rates of interest are similar to what they would receive from other financial institutions.

Concentrations of Credit Risk

Cash Held in Banks
The Company has cash balances at financial institutions located in the Netherlands. Balances at financial institutions in the Netherlands may, from time to time, exceed insured limits. Currently the insured limit amounts to $111,038.

Accounts Receivable
Customer accounts typically are collected within a short period of time, and based on its assessment of current conditions and its experience collecting such receivables, management believes it has no significant risk related to its concentration within its accounts receivable.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign Currency Translation
The Company uses the United States dollar ("U.S. dollars" or "USD") for financial reporting purposes and to maintain its books and records. The Company's subsidiaries maintain their books and records in their functional currency, the Euro ("EUR"), the currency of the Netherlands.

In general, for consolidation purposes, the Company translates its assets and liabilities into U.S. dollars using the applicable exchange rates prevailing at the balance sheet date, the statements of operations and cash flows are translated at average exchange rates during the reporting period. As a result, amounts related to assets and liabilities reported on the statement of cash flows will not necessarily agree with changes in the corresponding balances on the balance sheet. Equity accounts are translated at historical rates. Adjustments resulting from the translation of the financial statements are recorded as accumulated other comprehensive income or loss.

As of June 30, 2016 and December 31, 2015, the balance sheet accounts, with the exception of equity, were translated at 1 EUR to $1.1104 and $1.0906, respectively. The average translation rates applied to the statements of operations and cash flows for the three months ended June 30, 2016 and 2015 were at 1 EUR to $1.1292 and 1 EUR to $ 1.1058, respectively. The average translation rates applied to the statements of operations and cash flows for the six months ended June 30, 2016 and 2015 were at 1 EUR to $1.1161 and 1 EUR to $ 1.1170, respectively.

Property and Equipment
Property and equipment are stated at cost, net of accumulated depreciation. Depreciation is charged to operations using the straight-line method over the estimated useful lives of 5 years. Property and equipment consists mainly of computers.

Expenditures for maintenance and repairs are charged to operations as incurred. Expenditures for betterments and major renewals are capitalized. The cost of assets sold or retired and the related amounts of accumulated depreciation are eliminated from the accounts in the period of disposal, and any resulting gains or losses are included in operations.

Impairment of Intangible Assets with Definite Lives
An intangible asset arose as the result of the acquisition of the FAC B.V., a limited liability entity incorporated in the Netherlands, resulting in the acquisition of a perpetual, worldwide, exclusive license to a software library of infrastructure technology. The Company amortizes the costs of the acquired intangible asset using the straight- line method over the estimated useful life of 7 years.

The carrying value of the intangible asset is reviewed on a regular basis for the existence of facts or circumstances that the intangible asset may be impaired. An intangible asset is subject to amortization and is assessed for impairment whenever events or circumstances indicate that their carrying value may not be recoverable. In testing the recoverability of the asset, the carrying value of the asset is compared to the future projected undiscounted cash flows. The cash flows are based on management's expectations of future revenues and expenses including costs to maintain the assets over their respective service lives. An impairment loss is recognized as the excess of the carrying value over the fair value when an asset is not recoverable. Fair value is based on valuation techniques or third party appraisals. Significant estimates and judgments are applied in determining these cash flows and fair values. In accordance with US GAAP, we perform interim impairment testing should circumstances requiring it arise. Due to certain impairment indicators which were triggered during the three months ended June 30, 2016, the Company performed an impairment analysis of its intangible asset which indicated that the future undiscounted cash flows of the asset did not exceed its net carrying value. As such, the Company fully impaired its intangible asset (see Note 4).

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes
Income taxes have been determined using the asset and liability approach of accounting for income taxes. Under this approach, deferred taxes represent the future tax consequences expected to occur when the reported amounts of assets and liabilities are recovered or paid. Deferred taxes result from differences between the financial statement and tax bases of the Company’s assets and liabilities and are adjusted for changes in tax rates and tax laws when changes are enacted. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. The assessment of whether or not a valuation allowance is required often requires significant judgment.

Net Loss Per Common Share
Basic and diluted net loss per share is presented in conformity with ASC Topic 260, Earnings per Share, for all periods presented. In accordance with this guidance, basic and diluted net loss per share was determined by dividing net loss applicable to common stockholders by the weighted- average common shares outstanding during the period. In a period where there is a net loss position, diluted weighted average shares are the same as basic weighted average shares. Shares used in the diluted net loss per common share calculation exclude potentially dilutive share equivalents as the effect would be antidilutive.

Risks and Uncertainties
The Company’s operations are subject to a number of risks, including but not limited to, changes in the general economy, demand for the Company’s platform, the success of its customers, research and development results, uncertainties surrounding crowdfunding rules and regulations, and the ability to attract new funding.

Accounts Receivable
Accounts receivable are carried at the amount billed to a customer, net of the allowance for doubtful accounts, which is an estimate for credit losses based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by regularly evaluating individual customer receivables and considering a customer’s financial condition, credit history and current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received.

The Company reviews the collectability of accounts receivable based on an assessment of historic experience, current economic conditions, and other collection indicators. At June 30, 2016 and December 31, 2015, the Company has recorded an allowance for doubtful accounts for $10,870 and $39,847, respectively.

Comprehensive Loss
Comprehensive loss refers to revenues, expenses, gains and losses that under U.S. GAAP are included in comprehensive loss but are excluded from net loss as these amounts are recorded directly as an adjustment to stockholders’ equity. The Company’s other comprehensive loss is comprised of foreign currency translation adjustments.

Cost Method Investments
Direct and or indirect investments in business entities in which Symbid Corp. does not have a controlling financial interest and has no ability to exercise significant influence over operating and financial policies (generally 0-20 percent ownership), are accounted for by the cost method.

Equity Method Investments
Direct and or indirect investments in business entities in which Symbid Corp. does not have a controlling financial interest, but has the ability to exercise significant influence over operating and financial policies (generally 20-50 percent ownership), are accounted for by the equity method.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, Leases, requiring lessee's to recognize assets and liabilities for leases with lease terms of more than 12 months in the balance sheet. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new guidance is effective for fiscal years and for interim periods within those fiscal years, beginning after December 15, 2018. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The adoption of this guidance is not expected to have an impact on the Company's condensed consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-09, Compensation—Stock Compensation (Topic 718): Improvements to Employee Share based Payment Accounting ("ASU 2016-09"), which addresses how companies account for certain aspects of share based payments to employees. Entities will be required to recognize the income tax effects of awards in the statement of income when the awards vest or are settled, and to present excess tax benefits as an operating activity on the statement of cash flows rather than as a financing activity. The ASU also addresses such areas as an accounting policy election for forfeitures and the amount an employer can withhold to cover income taxes and still qualify for equity classification. The amendments in this ASU will be effective for annual periods and for interim periods within those fiscal years, beginning after December 15, 2016. Early adoption is permitted. The Company is currently evaluating the impact of the adoption of this standard on its condensed consolidated financial statements.

3 - VARIABLE INTEREST ENTITY- SYMBID COOP

The Company holds a variable interest in Symbid Coöperatie UA ("Symbid Coop"). Symbid Coop is the lessee of the Company's online crowdfunding platform. Symbid B.V. licenses the online platform exclusively to Symbid Coop. The management of Symbid Coop is the same as the management of Symbid B.V. and Symbid Holding.

The Company has an implicit variable interest in Symbid Coop through common control and management has the ability to compel payment whether stated or silent in the lease agreement. The Company is deemed to be the primary beneficiary of Symbid Coop and has a controlling financial interest as it has the power to direct the activities of the VIE that most significantly impact Symbid Coop's economic performance.

The Company reassesses every reporting period the presentation of Symbid Coop to conclude if consolidation is required. As such, the conclusion regarding the primary beneficiary status is subject to change and circumstances are continually reevaluated.

The classification and carrying amounts of assets and liabilities of Symbid Coop in the condensed consolidated balance sheet are as follows:

	June 30, 2016	December 31, 2015
Current assets	$ 70,924	$ 73,600
Current liabilities	$ 159,492	$ 186,214

The assets related to Symbid Coop are not restricted.

4 – INTANGIBLE ASSET

On July 29, 2014, our wholly owned subsidiary Symbid Holding, a limited liability corporation in the Netherlands, acquired all the issued and outstanding shares of FAC B.V. in exchange for 2,750,000 shares of our restricted common stock. The sole asset of the FAC B.V. was a perpetual, worldwide, exclusive license to a software library of infrastructure technology, upon which we have developed a platform to enable cloud based financing solutions for small and medium sized enterprises, expanding on our current equity based crowdfunding solutions in the Netherlands. The asset acquired in the acquisition of the FAC B.V. does not meet the definition of a business and, therefore, has been accounted for as an asset acquisition.

The Company measured the fair value of the restricted shares issued as consideration in the acquisition of the FAC B.V. based on a weighted average fair value calculation using available observable inputs of recent arm's length transactions in the Company's recent private placement offering and, to a lesser extent, the publicly traded share price, resulting in a fair value of approximately $1,195,000. The total purchase price was allocated to the software library acquired in the acquisition. Transaction costs directly related to the acquisition of the software of approximately $17,000 incurred to acquire the software have been capitalized. The software was deemed to have a useful life of 7 years.

During the three and six months ended June 30, 2016, the Company recorded a non-cash impairment loss of $740,000 as it was deemed that the fair value of the asset was not recoverable.

The Company's sole intangible asset consists of software obtained through the acquisition of the FAC B.V. The intangible asset consists of the following:

	June 30, 2016	December 31, 2015
Software	$ 1,019,103	$ 984,267
Less - Accumulated amortization	(274,394)	(199,197)
Impairment	(740,063)	-
Translation adjustment	(4,646)	-
	$ -	$ 785,070

During the three months ended June 30, 2016 and 2015, amortization expense related to software totaled approximately $36,000 for both periods. During the six months ended June 30, 2016 and 2015, amortization expense related to software totaled approximately $72,000 for both periods.

5 - INVESTMENTS IN ASSOCIATED COMPANIES

Kredietpaspoort

As of April 2014, Symbid B.V. and Symbid Coop acquired membership interests of 6.50% and 6.03% of Kredietpaspoort, respectively. The initial investments in Kredietpaspoort by Symbid B.V. and Symbid Coop of approximately $17,000 and $16,000, respectively, were recorded in Investments in Associated Companies. In addition, during 2014 our Chief Executive Officer and Chief Commercial Officer, both of whom are Directors of the Company, each acquired membership interests of 5.15% and 4.96%, respectively, in Kredietpaspoort. In December of 2014, our Chief Executive Officer sold his interest of 5.15% in Kredietpaspoort, also there was a re-allocation of memberships. At June 30, 2016 and December 31, 2015, our Chief Commercial Officer holds an interest of 5.72%, while the interests of each Symbid Coop and Symbid B.V. are 6.96% and 7.57%, respectively. As a result, our combined interest decreased from 22.64% to 20.25%.

5 - INVESTMENTS IN ASSOCIATED COMPANIES (Continued)

The Company continues to account for its investment in Kredietpaspoort on the equity method basis of accounting, as Symbid has the ability to exercise significant influence over the operating and financial policies of Kredietpaspoort through representation on the Kredietpaspoort board of directors and the combined voting interest of Symbid and its Chief Commercial Officer. As of December 31, 2014, the Kredietpaspoort investment balance was reduced to nil, as the Company suffered losses beyond the initial investment balance. As of June 30, 2016, the initial investment has not been recovered.

Gambitious

In previous periods, the Company had an indirect ownership interest in Gambitious B.V. ("Gambitious"), a Company located in the Netherlands, which used the Company's platform to raise capital for video games produced by a wide range of developers. On February 9, 2015, the Company sold its remaining 12% indirect interest in Gambitious for $20,360 and recorded a gain on investment of $11,504 which is included in other income in the condensed consolidated statement of operations for the six months ended June 30, 2015.

Equidam

In August 2013, the Company acquired a 10% interest in Equidam for $1,155 recorded in Investments in Associated Companies. As of June 30, 2016, the Company has a 7% ownership in Equidam, as the initial investment was diluted through a subsequent round of seed funding. The Company is accounting for their investment in Equidam on the cost basis of accounting. There have been no material transactions with Equidam during the reporting period.

6 – ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	June 30, 2016	December 31, 2015
Advisory costs	$ 21,863	$ 89,829
Interest	103,522	45,863
Wage tax return	45,264	19,035
Holiday pay allowance/Net salary	6,120	24,533
Penalty waiver	14,630	14,630
Marketing	24,568	38,069
Accrued stock liability	10,996	20,541
Other current liabilities	7,338	49,396
	$ 234,301	**$ 301,896**

All amounts are payable within one year.

7 - NOTES PAYABLE

	June 30, 2016	December 31, 2015
Line of credit	$ -	$ -
Working capital facility	75,567	82,469
Subordinated loan – related party	74,340	73,016
8% Convertible promissory notes, net of discount	680,819	587,378
Total notes payable	830,726	742,863
Less - Current Maturities	(107,931)	(106,009))
Notes payable, less current maturities	**$ 722,795**	**$ 636,854**

Working Capital Facility
The Company has two credit facilities with the Rabobank, a national bank in the Netherlands.

The facility consists of the following two agreements:

1. Long term loan for approximately $202,000, bears interest of approximately 6.4%, principal and interest payable quarterly. The loan decreases on a quarterly basis by approximately $8,000, starting on September 30, 2012. As of June 30, 2016, the loan balance was approximately $76,000.
2. A line of credit of approximately $67,000 with a floating interest rate of approximately 8.40% at June 30, 2016 and December 31, 2015, respectively. There was no balance on the credit facility at June 30, 2016.

The working capital facility is secured by the following assets:

1. Assets of the Company including receivables and intellectual property developed by the Company.
2. Guarantee by principal members of management up to approximately $57,000.
3. Guarantee by the Netherlands government for the remaining balance in a hypothetical liquidation up to approximately $246,000.

2015 - 8% Convertible Promissory Notes
On June 10, 2015, the Company entered into a subscription agreement to conduct a private offering consisting of a minimum of $250,000 and up to a maximum of $1,500,000 of 8% unsecured convertible promissory notes (the "2015 Notes"), convertible into common shares of the Company's common stock. The 2015 Notes have a three year maturity from the date of issue and interest is payable annually. The 2015 Notes may be redeemed at any time after issuance by the Company for a pre-payment fee of 10% of the principal balance plus outstanding interest due. The 2015 Notes have an optional conversion feature price of $0.25 per share that can be exercised any time. However, upon maturity the mandatory conversion price is the lesser of (a) $0.25 or (b) the amount equal to 20% discount to the 10 day volume weighted average price per share for the period immediately prior to the mandatory conversion date with a floor price of $0.10 per share. The subscribers have been granted preemptive rights allowing participation in future financings at the then current price for a term of three years so that such subscriber may maintain its pro-rata interest in the Company.

Because the conversion rate of the Notes was less than the market value of the Company's stock on the closing dates, the Company has recorded a beneficial conversion feature ("BCF"). The BCF is calculated by using the most favorable conversion price that would be in effect at the conversion date to measure the intrinsic value of an embedded conversion option. The BCF is recorded to additional paid-in capital with an offset to debt discount as prescribed by ASC 470-20. The discount against the Notes is accreted to interest expense using the effective interest rate method.

7 - NOTES PAYABLE (Continued)

On July 14, 2015 the initial closing of the Notes took place under which the Company raised $250,000 from a total of seven investors. The Company recorded a debt discount related to the BCF of $62,500. At June 30, 2016, there are 499,476 common shares underlying the convertible principal and interest balance. The effective interest rate of the liability component is equal to 17.7% for the three and six months ended June 30, 2016. Accrued interest at June 30, 2016 is $4,613 and included in accrued expenses and other current liabilities. The conversion rate (shares of common stock per $1 principal amount of notes) and the conversion price at June 30, 2016, are 7.73 and $0.13, respectively. As of June 30, 2016, the unamortized debt discount will be amortized over a remaining period of approximately 2.04 years. The if converted value as of June 30, 2016 exceeds the principal balance of the Convertible Notes by $21,167.

On July 14, 2015, four investors from the July 14, 2015 closing converted an aggregate of $190,000 in Notes into 760,000 shares of unregistered common stock. Upon conversion the Company recorded $47,500 in interest expense and a corresponding reduction to the debt discount associated with these Notes.

On September 8, 2015 the Company held the final closing of the Notes under which it raised $1,250,000 from a total of six investors. The Company recorded a debt discount related to the BCF of $759,876. At June 30, 2016, there are 10,289,804 common shares underlying the convertible principal and interest balance. The effective interest rate of the liability component was equal to 40.4% for the three and six months ended June 30, 2016. Accrued interest at June 30, 2016 is $81,111 and included in accrued expenses and other current liabilities. The conversion rate (shares of common stock per $1 principal amount of notes) and the conversion price at June 30, 2016, are 7.73 and $0.13, respectively. As of June 30, 2016, the unamortized debt discount will be amortized over a remaining period of approximately 2.19 years. The if converted value as of June 30, 2016 exceeds the principal balance of the Convertible Notes by $440,989.

2016 - 8% Convertible Promissory Notes

On June 1, 2016, the Company entered into a subscription agreement to conduct a private offering consisting of a minimum of $350,000 and up to a maximum of $700,000 of 8% unsecured convertible promissory notes (the “2016 Notes”), convertible into common shares of the Company’s common stock. The 2016 Notes have a three year maturity from the date of issuance and interest is payable annually. The 2016 Notes may be redeemed upon mutual agreement of the Company and the investors. The 2016 Notes are convertible upon the completion of the next equity offering (a “Qualified Offering”) for gross proceeds of not less than $1,500,000, the holders may, at their option, convert all or a portion of the principal and interest then due on the 2016 Notes into shares of common stock at a price per share equal to 50% of the price at which the common stock is sold in the Qualified Offering.

The conversion rate is subject to proportionate adjustment in the event of a subdivision, combination or stock split, stock dividends, reorganization reclassification, consolidation or merger. The Company may not incur senior indebtedness to exceed $250,000, must provide notice of default and notice of entry in certain material transactions such as; voluntary liquidation, merger or consolidation, sale or transfer of assets and amendments to the articles of incorporation. The 2016 Notes are subject to customary events of default such as bankruptcy, reorganization or insolvency and will become due immediately upon such event. While the 2016 Notes remain outstanding, the Company cannot incur any indebtedness that ranks senior in priority to the 2016 Notes. The 2016 Notes have the same ranking as the Notes issued in 2015.

7 - NOTES PAYABLE (Continued)

Because the conversion rate of the Notes was less than the market value of the Company's stock on the closing date, the Company has recorded a beneficial conversion feature ("BCF"). The BCF is calculated by using the most favorable conversion price that would be in effect at the conversion date to measure the intrinsic value of an embedded conversion option. The BCF is recorded to additional paid-in capital with an offset to debt discount as prescribed by ASC 470-20. The discount against the Notes is accreted to interest expense using the effective interest rate method.

On June 1, 2016, the closing of the 2016 Notes took place under which the Company raised $550,000 from a total of three investors. The Company recorded a debt discount related to the BCF of $550,000. At June 30, 2016, there are 6,512,288 common shares underlying the convertible principal and interest balance. The effective interest rate of the liability component was equal to 960% for the three and six months ended June 30, 2016. Accrued interest at June 30, 2016 is $3,544 and included in accrued expenses and other current liabilities. The conversion rate (shares of common stock per $1 principal amount of notes) and the conversion price at June 30, 2016, are 11.76 and $0.0850, respectively. As of June 30, 2016, the unamortized debt discount will be amortized over a remaining period of approximately 2.92 years. The if converted value as of June 30, 2016 exceeds the principal balance of the Convertible Notes by $582,353.

Convertible promissory notes payable and related convertible accrued interest as of June 30, 2016 are as follows:

	Principal	Unamortized Debt Discount	Balance As of June 30, 2016
8% Convertible promissory notes July 14, 2015	$ 60,000	$ (10,654)	$ 49,346
8% Convertible promissory notes September 8, 2015	1,250,000	(618,527)	631,473
8% Convertible promissory notes June 1, 2016	550,000	(550,000)	-
	$ 1,860,000	**$ (1,179,181)**	**$ 680,819**

Subordinated Loan - Related Party
A stockholder of the Company has granted a loan of approximately $74,000 to the Company due on September 15, 2015 with interest only payments of 4% per annum. The loan is subordinate to the interests of the working capital facility and is unsecured.

Interest expense
For the three and six months ended June 30, 2016, the Company recognized interest expense associated with its debt balances as follows:

	Three months ended June 30, 2016	Six months ended June 30, 2016
Cash Interest Expense		
Coupon interest expense	$ 33,396	$ 61,730
Noncash Interest Expense		
Amortization of debt discount	48,509	93,441
	$ 81,905	$ 155,171

7 - NOTES PAYABLE (Continued)

Aggregate Maturity Schedule of Borrowings
The aggregate maturities of long-term debt outstanding as of June 30, 2016 are as follows:

Year ending June 30,	
2017	107,931
2018	33,591
2019	1,868,384
	$ 2,009,906

8 – CAPITAL STOCK

Common and Preferred Stock
The Company's Certificate of Incorporation authorizes the issuance of 300,000,000 shares of capital stock, consisting of 290,000,000 shares of Common Stock and 10,000,000 shares of "blank check" preferred stock, $0.001 par value per share.

Net Loss per Share
Basic and diluted net loss per share is presented in conformity with ASC Topic 260, Earnings per Share, for all periods presented. In accordance with this guidance, basic and diluted net loss per common share was determined by dividing net loss applicable to common stockholders by the weighted-average common shares outstanding during the period. In a period where there is a net loss position, diluted weighted-average shares are the same as basic weighted-average shares. Shares used in the diluted net loss per common share calculation exclude potentially dilutive share equivalents as the effect would be antidilutive. As of June 30, 2016, there are 5,853,530 Investor and 93,000 Broker Warrants which are excluded on the aforementioned basis. As of June 30, 2016, there are 83,220 unvested shares and there are 17,301,568 shares related to the convertible Notes that would be potentially dilutive if converted.

Private Placement Offerings
On June 16, 2015, the Company completed a private placement offering in which 200,000 shares of common stock were sold to a related party at $.50 per share generating gross proceeds of $100,000. In connection with the private placement offering the Company incurred advisory and professional fees of $1,050.

On January 28, 2015, the Company completed a private placement offering in which 1,248,232 shares of common stock were sold at $.50 per share generating gross proceeds of $624,116. In connection with the private placement offering the Company incurred advisory and professional fees of $21,410.

2013 Stock Incentive Plan
Before the Share Exchange on December 6, 2013, our Board of Directors adopted, and our stockholders approved, our 2013 Equity Incentive Plan (the "2013 Plan"), which provides for the issuance of incentive awards of up to 5,000,000 shares of our common stock to officers, key employees, consultants and directors. Refer to Note 10 on share based compensation plans.

Common Stock Issued for Services
During the both the three and six months ended June 30, 2016, the Company issued 249,567 shares common stock as consideration for professional services valued at $77,701. These services had been accrued for as of March 31, 2016 and resulted in a non-cash financing adjustment when issued during the three months ended June 30, 2016. During the three and six months ended June 30, 2015, the Company issued 3,000 and 233,150 shares of fully vested restricted common stock as consideration for professional services valued at $630 and $93,000.

9 – NONCONTROLLING INTERESTS

The composition of the net loss attributable to noncontrolling interests are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Symbid Coop- 100%	$ 12,488	$ (5,076)	$ 26,205	$ (10,222)
Symbid Italia – 49.9%	(18,805)	(13,079)	(40,145)	(20,781)
Total	**$ (6,317)**	**$ (18,155)**	**$ (13,940)**	**$ (31,003)**

The composition of noncontrolling interests as reported in the balance sheets are as follows:

	June 30, 2016	December 31, 2015
Symbid Coop - 100%	$ (88,566)	$ (112,614)
Symbid Italia – 49.9%	-	85,725
Total equity (deficiency) attributable to noncontrolling interests	**$ (88,566)**	**$ (26,889)**

Symbid Italia

In connection with the formation of Symbid Italia on February 20, 2015 (Refer to Note 1), the Company paid $284,525 for a 50.1% ownership interest. Two other shareholders obtained 29.94% and 19.96% ownership interests and collectively own a 49.9% noncontrolling interest in Symbid Italia. Upon formation, to reflect the Company's 50.1% equity interest in Symbid Italia, we reduced our investment through a charge to additional paid capital of $129,918. The reduction to additional paid in capital reallocated the equity balances between the Company's controlling interest and the noncontrolling interest.

From the date of formation through December 31, 2015, Symbid Italia incurred operating losses, of approximately $118,000. Based thereon and following an extensive review of the prospects of Symbid Italia developing profitable operations in the near future and beyond, the board of directors and shareholders of Symbid Italia have determined that further investment in Symbid Italia is not warranted. This conclusion was based upon an assessment of the current and expected medium term Italian equity crowdfunding market, the view that the current European regulatory framework for equity crowdfunding reflects a country by country market rather than a pan European market which greatly limits expected synergies and economies of scale and because the Italian equity crowdfunding regulations restrict the ability to attract non-domestic investors. At the direction of the Symbid Italia board of directors, a special Symbid Italia shareholder meeting was held on April 29, 2016, at which it was determined to liquidate Symbid Italia and return the residual capital to the Symbid Italia shareholders.

On May 26, 2016, the Symbid Italia was liquidated and the Company received proceeds of $44,922 and recognized a loss on derecognition of $2,986 which is included in other expense in the condensed consolidated statements of operations for the three and six month periods ended June 30, 2016. The loss represents the difference between the fair value of the proceeds received, the carrying amount of the noncontrolling interest and the carrying amount of Symbid Italia's net assets at May 26, 2016.

10 - SHARE BASED COMPENSATION PLANS (Continued)

2013 Stock Incentive Plan

Under the 2013 Plan, 5 million shares of the Company's common stock have been reserved for issuance to officers, employees, directors, consultants and advisors to the Company. The stock plan provides for grants of options, stock appreciation rights, performance share awards, restricted stock and restricted stock unit awards ("the Awards"). Up to 1,666,666 shares may be granted during the first 12 months following the Share Exchange and the remaining 3,333,332 shares may be granted during the first 24 months following the Share Exchange. As of June 30, 2016, there are 3,559,351 shares available for issuance under the 2013 Plan. The vesting period for the Awards under the 2013 Plan is determined by the Board at the date of grant and is generally one year. No awards were granted to employees or non-employees during the three months ended June 30, 2016.

Employee Share Based Compensation

There were not restricted stock unit grants to employees during the three and six months ended June 30, 2016. During the three months ended June 30, 2015 we awarded 7,500 restricted stock units ("RSUs") to one employee under the 2013 Plan. During the six months ended June 30, 2015, we awarded 147,236 RSUs to three employees and two members of management under the 2013 Plan.

Each restricted stock unit represents the right to receive one share of our restricted common stock upon vesting.
During the three and six months ended June 30, 2016, 81,281 and 162,563 RSUs vested, respectively. During both the three and six months ended June 30, 2016, there were 202,809 forfeitures of restricted stock. During the three and six months ended June 30, 2015, 896,236 RSUs vested. During both the three and six months ended June 30, 2015, there were 9,750 forfeitures of restricted stock. The fair market value for stock-based compensation expense is equal to the closing price of our common stock on the date of grant , which is measured based on the publicly traded share price. The restrictions on the stock awards are released generally over one year.

The Company recognized share based compensation expense for employee awards of approximately $1,000 for the three months ended June 30, 2016, all of which was recorded in selling, general and administrative expenses. The Company recognized share based compensation expense for employee awards of approximately $43,000 for the six months ended June 30, 2016, all of which is recorded in selling, general and administrative expenses.

The Company recognized share based compensation expense for employee awards of approximately $114,000 for the three months ended June 30, 2015, of which $98,000 and $16,000 was recorded in selling, general and administrative expenses and research and development, respectively. The Company recognized share based compensation expense for employee awards of approximately $231,000 for the six months ended June 30, 2015, of which $199,000 and $32,000 is recorded in selling, general and administrative expenses and research and development, respectively.

Unrecognized compensation expense for unvested employee RSU's at June 30, 2016 was approximately $10,000, which is expected to be recognized over the remaining weighted average period of .33 years.

10 - SHARE BASED COMPENSATION PLANS (Continued)

Non-employee Share Based Compensation
Share- based compensation expense related to restricted stock and restricted stock units (collectively 'Non-Employee Awards') granted to non- employees is measured at the fair value of consideration received or the fair value of the equity instruments issued or liabilities incurred, whichever is more reliably measured. The cost of the share based payments to non- employees that are fully vested and non- forfeitable as at the grant date are remeasured and recognized at that date, unless there is a contractual term for services, in which case such compensation would be amortized over the contractual term. For the six month period ended June 30, 2016, no equity awards were granted to non- employees under the 2013 Plan.

During the six months ended June 30, 2015, we awarded 30,000 RSU's to one advisor under the 2013 Plan. There were no grants during the three month period ended June 30, 2015. During the three and six month periods ended June 30, 2015, 38,500 and 81,000 Awards vested. As of June 30, 2015, no non-employees have forfeited restricted stock or RSUs awarded under the 2013 Plan.

Under the 2013 Plan, for the three and six months ended June 30, 2016, the Company recognized share based compensation expense for non-employees of $1,500 and $4,000, all of which was recorded in selling general and administrative expenses. As of June 30, 2016, the Company has recorded approximately $11,000 in accrued expenses and other liabilities related to these non- employee share arrangements, which are either subject to continued contractual service conditions or have not been settled in common stock of the Company. For the three and six months ended June 30, 2015, the Company recognized share based compensation expense for non-employees of $0 and $19,000. There was no unrecognized compensation expense for unvested non-employee RSUs at June 30, 2016.

11 - RELATED PARTY TRANSACTIONS

Management Fees
Following the Share Exchange on December 6, 2013, the three officers of the Company entered into employment agreements and became salaried employees of Symbid Corp. During the six months ended June 30, 2015, total expenses recorded under these agreements were approximately $16,000.

Other
See Note 7 for related party financing arrangements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Statement Regarding Forward-Looking Information

The following management's discussion and analysis should be read in conjunction with the historical financial statements and the related notes thereto contained in this report. The management's discussion and analysis contains forward-looking statements, such as statements of our plans, objectives, expectations and intentions. Any statements that are not statements of historical fact are forward-looking statements. When used, the words "believe," "plan," "intend," "anticipate," "target," "estimate," "expect" and the like, and/or future tense or conditional constructions ("will," "may," "could," "should," etc.), or similar expressions, identify certain of these forward-looking statements. These forward-looking statements are subject to risks and uncertainties that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. The Company's actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of several factors. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances occurring after the date of this report.

The following discussion highlights the Company's results of operations and the principal factors that have affected our financial condition, as well as our liquidity and capital resources for the periods described, and provides information that management believes is relevant for an assessment and understanding of the statements of financial condition and results of operations presented herein. The following discussion and analysis are based on the Company's unaudited financial statements contained in this Quarterly Report, which we have prepared in accordance with United States generally accepted accounting principles. You should read this discussion and analysis together with such financial statements and the related notes thereto.

Company Background

Founded in The Netherlands in April 2011 as the provider of one of the first crowdfunding platforms, our business evolved in 2015 into a fully integrated, data driven, user friendly online funding network consisting of several products and services known as The Funding Network™. The Funding Network™ is intended to give small and medium sized entities ("SMEs") direct access to all forms of finance, while offering investors full transparency on the potential risks and return of their portfolios and was developed in response to the following funding hurdles affecting entrepreneurs and investors in general and SMEs in particular:

- Limited or no structured distribution channels for SME finance other than banks, increasing the mismatch between entrepreneurs and financiers;
- No centralized platform for (alternative) financiers, making it difficult and inefficient to find the right financier at the right time;
- No standardized data protocols for SME data, leading to costly and time-intensive (offline) screening and monitoring;

- Limited financial skills of entrepreneurs leading to unnecessary inefficiencies and obstacles within the financing process; and
- Decline in bank financing due to new regulations and recent financial crises, leaving a vacuum in the life cycle of SME financing.

Since 2011, we have been a Dutch leader in equity-based crowdfunding having funded 125 small and medium sized enterprises (“SME”) with over €12.5 million (approximately $14.0 million) in total crowdfunding volume since inception. As of June 30, 2016, we had a community of approximately 40,000 active investors.

Presently, all of the entrepreneurs making use of our crowdfunding platforms are located in The Netherlands and all of the investors are located in Europe with approximately 80% of such investors being located in The Netherlands. We do not presently provide equity based crowdfunding in the United States or to United States investors. The regulations governing equity based crowdfunding in the United States have not yet been adopted. There can be no assurance given that following the adoption of these regulations, we will be able to structure our United States crowdfunding operations, if any, in a manner that complies with such regulations.

On December 8, 2014 we entered into an agreement (the “Agreement”) with Fortion Holding B.V., a Netherlands limited liability corporation conducting its business under the trade name Credion (“Credion”). Credion provides financial advisory services in the Dutch small and medium enterprise (“SME”) markets and specializes in debt and equity financings for SMEs. The Agreement provides for a strategic alliance between us and Credion in which Credion’s extensive network of investors and entrepreneurs will be connected with each other through our online funding platform. Credion will process the funding for its SME clients through our platform resulting in monthly recurring revenue and transaction fees for us. The alliance is intended to provide more efficient access to capital for SMEs while greatly improving SME data monitoring standards for investors. SMEs utilizing the platform will have direct access to Credion’s investor clients as well as our investors.

Symbid Coöperatie U.A. is the contractor for all of our crowdfunding business in the Netherlands. We do not own or have any interest in Symbid Coöperatie U.A. Symbid Coöperatie U.A is a variable interest entity (“VIE”) which we, through Symbid B.V., effectively control through corporate governance rather than through any ownership. Because we own no interest in Symbid Coöperatie U.A., we have no right to receive any distributions from Symbid Coöperatie U.A. The revenues to us from Symbid Coöperatie U.A. come from administrative, success and management fees paid to us by Symbid Coöperatie U.A. Because of the corporate governance control structure, we consolidate the financial statements of Symbid Coöperatie U.A. with our own. If we were to lose control of Symbid Coöperatie U.A. through a loss of our majority vote on the members’ counsel of Symbid Coöperatie U.A., we would not be able to continue to consolidate the financial results of Symbid Coöperatie U.A. and this would have a negative impact on our financial condition and results of operations. For the six month period ended June 30, 2016 and 2015, approximately 87% and 81% of our revenues, respectively, were derived from Symbid Coöperatie U.A. For the six month period ended June 30, 2016 and 2015 we had net losses of $2,005,677 and $1,135,020, respectively.

In August 2014 we incorporated in Germany our indirect, majority owned, subsidiary Symbid Germany GmbH. We contributed capital of $7,749 to this subsidiary, which is currently an entity without operations. Symbid Germany GmbH currently a non-operating entity. After the strategic decision to put the internationalization on hold we cannot provide an outlook on when this entity will be capitalized and become commercially operational.

Further to the planned European expansion of our equity crowdfunding operations, on February 20, 2015, Symbid Italia SPA ("Symbid Italia"), an Italian corporation created to develop the business of equity crowdfunding in Italy, was formed by our wholly owned subsidiary, Symbid Holding B.V., together with Banca Sella Holding SPA ("Banca Sella") and Marco Bicocchi Pichi. In connection with the formation of Symbid Italia, we paid $ 284,525 for a 50.1% ownership interest. Banca Sella holds a 29.94% ownership interest and Mr. Pichi holds a 19.96% interest. During the second quarter of 2016, after an extensive review of the prospects of Symbid Italia developing profitable operations in the near future and beyond, the board of directors and shareholders of Symbid Italia determined to liquidate Symbid Italia and return the residual capital to the shareholders of Symbid Italia (See Item 5. Other Information for additional details)

In June 2015, our loan crowdfunding program was launched, and in the beginning of July 2015 our first successful loan crowdfunding campaign was realized. The launch of this peer-to-business lending service complements our existing equity crowdfunding service and supports the development of our online funding platform for start-ups and small businesses, The Funding Network. Based on our existing crowdfunding technology, loan crowdfunding by Symbid will enable established businesses with at least 3 years of activity and positive cash flows to borrow money from a large group of investors, the "crowd". The loan crowdfunding product has been tested with the successfully realized campaign, but in 2016 no additional loan crowdfunding campaigns were launched. Within the current market we recognize a risk reward perception at investors which is out of balance in our view. Within this dynamic we cannot guarantee to be offering both investors and entrepreneurs a fair proposition.

This service operates through a transaction-based model similar to our current equity crowdfunding service. There is a fixed 1% success fee upon the successful funding of a loan crowdfunding campaign, paid by the business, plus 1% per year for the term of the loan immediately payable upon successful closing of the campaign. In addition, investors are being charged a flat 1% administration fee.

To operate the loan crowdfunding Symbid Coöperatie UA obtained an exemption to mediate in redeemable funds from the Dutch Authority Financial Markets.

Highlights

The following is a summary of our financial performance for the three month period ended June 30, 2016:

- Total crowdfunding volume from 11 successfully funded equity propositions has been €1.32mio ($1.5mio);
- New investors attracted to the platform accumulate to 536;
- Net losses accumulated to $1,335,460;

- After implementation of a cost reduction program we unfortunately had to terminate employment agreements with 16 FTE, bringing the number of FTE to 9 as of period ending on June 30, 2016 compared to 25 FTE at end of prior reporting period;

Due to cash flow position of the Company, management decided at the end of the first quarter to implement a cost reduction program during the second quarter of 2016. During the reporting period the following cost reduction actions have been successfully implemented:

- Closed offices in Milano (Symbid Italia) and Amsterdam (Product development);
- Reduction in costs of office space Rotterdam HQ;
- Terminated employment agreements with 9 FTE product development team, our CFO, 2 FTE Symbid Italia and 4 FTE Commercially operating in the Netherlands;
- Put on hold internationalization of the Symbid services and products;
- Put on hold the investments related to the roll-out of the monitoring services;
- Management salaries reduction of 50% of the net salary.

Successful implementation of the cost reduction program should lead to a cost reduction of at least 50% over the second half of 2016, as compared to the costs over the first half of 2016. By focusing the Company mainly on existing products which generate already revenue we aim to maximize the results with the available resources, whereby we will focus on bringing the funds available in line with the projected budgets.

Results of Operations

The following tables set forth our condensed consolidated statements of income data:

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
Revenues				
Crowdfunding	$ 43,549	$ 77,804	$ 129,642	$ 132,198
The Funding Network	2,249	-	14,299	-
Other	12,158	14,566	3,309	34,038
Total revenues	57,956	92,370	147,250	166,236
Operating expenses				
Selling, general and administrative	401,227	429,413	916,137	838,766
Professional fees	130,554	152,794	267,589	339,464
Research and development costs	9,540	26,077	26,658	48,319
Depreciation and amortization	37,760	36,202	74,579	73,140
Bad debt expense (recoveries)	(10,145)	-	(29,737)	-
Impairment expense	740,073	-	740,073	-
Total operating expenses	1,309,009	644,486	1,995,299	1,299,689
Operating loss	(1,251,053)	(552,116)	(1,848,049)	(1,133,453)
Other income (expense)				
Interest expense and amortization of debt discount	(81,905)	(2,566)	(155,171)	(5,280)

Other income	484	-	455	11,504
Other expense	(2,986)	(517)	(2,986)	(7,791)
Total other income (expense)	(84,407)	(3,083)	(157,702)	(1,567)
Net loss	(1,335,460)	(555,199)	(2,005,751)	(1,135,020)
Net loss attributable to noncontrolling interests	(6,317)	(18,155)	(13,940)	(31,003)
Net loss attributable to Symbid Corp. stockholders	$ (1,329,143)	$ (537,044)	$ (1,991,811)	$ (1,104,017)
Basic and diluted net loss per common share	$ (0.04)	$ (0.02)	$ (0.05)	$ (0.03)
Weighted average number of shares outstanding				
Basic and diluted	37,119,510	34,705,257	37,014,491	34,394,106

Crowdfunding Revenues

Crowdfunding Revenues were approximately $44,000 and $130,000 for the three and six month periods ended June 30, 2016 as compared to $78,000 and $132,000 for the three and six month periods ended June 30, 2015. Revenues decreased for the three and six month periods ended June 30, 2016 by approximately $34,000 and $2,000, compared to prior year periods, respectively. The decrease compared to the prior year periods ended June 30, 2016 is primarily attributable to lower crowdfunding volumes realized in April and May due to the ongoing reorganization under the cost reduction program. We experienced in those months a significant decrease in the number of crowdfunding campaigns going live, which we could not off-set by the higher crowdfunding volumes we realized in June 2016.

Selling, General and Administrative Expenses

Selling, general and administrative expenses decreased for the three month period ended June 30, 2016 by approximately $28,000 to $401,000 compared to $429,000 for the prior year period. For the six month period ended June 30, 2016 expenses increased by approximately $77,000 to $916,000 compared to $839,000 for the prior year period. The increase is primarily attributable to the hiring of new personnel by end of 2015, as well as during the beginning of 2016. However, in the three month period ended June 30, 2016 a decrease of $28,000 has been realized compared to prior year period. This decrease are the first visible results of the cost reduction program implemented in the three month period ended June 30, 2016.

We anticipate that selling, general, and administrative expenses will continue to decrease as a percentage of revenue as a result of the successful implementation of the cost reduction program we described in more detail in above sections.

Professional Fees

Professional fees decreased for the three and six month periods ended June 30, 2016 by approximately $22,000 and $72,000 to $131,000 and $268,000 compared to $153,000 and $339,000 for the prior year periods. The decrease is primarily attributable to the Company having made less use of professional services in the first quarter of 2016.

We anticipate professional fees will decrease further in the last six months of 2016, due to less professional services will be required whilst focusing on our core online funding activities.

Research and Development

Research and development costs decreased for the three and six month periods ended June 30, 2016 by approximately $16,000 and $21,000 to $10,000 and $27,000 compared to $26,000 and $48,000 for the prior year periods. The decrease is primarily attributable to the outsourcing costs for research and development being decreased as a result of strategic decisions in the first half of this year. We anticipate research and development costs will remain at a same level in the second half of 2016, as compared to the first half of 2016.

Impairment Expense

During the three and six month period ended June 30, 2016 an impairment of the intangible asset for the monitoring technology resulted in an additional one-time impairment expense of $740,000. The intangible asset has been impaired to a nihil residual value, due to the strategic decisions impacting significantly the cash flow generating ability of the asset going forward.

Other Income and Expenses

During the three month period ended June 30, 2016, total other expense increased by approximately $81,000 from $3,000 in other expense to $84,000. During the six months ended June 30, 2016, total other expense increased by approximately $156,000 from an income of $2,000 in other expense to an expense of $158,000. The increase is primarily attributable to an increase of the interest expense after the convertible notes issued in the second six months of 2015, as well as the first six months of 2016.

Loss from Operations Before Noncontrolling Interests

We incurred net losses from operations of approximately $1,335,000 and $2,006,000 and $555,000 and $1,135,000, respectively, for the three and six months ended June 30, 2016 and June 30, 2015. The increase in comparable losses was primarily due to an increase in Selling, General and Administrative costs, as well as an increase in the interest expenses and the one-time impairment expense during the three month period ended June 30, 2016.

Financial Condition, Liquidity and Capital Resources

We will need additional capital to implement our strategies. There is no assurance that we will be able to raise the amount of capital that we seek for acquisitions or for future growth plans. Even if financing is available, it may not be on terms that are acceptable to us. In addition, we do not have any determined sources for any future funding. If we are unable to raise the necessary capital at the times we require such funding, we may have to materially change our business plan, including delaying implementation of aspects of our business plan or curtailing or abandoning our business plan. We represent a speculative investment and investors may lose all of their investment. In order to be able to achieve our strategic goals, we need to further expand our business and financing activities. We aim to accomplish these goals by further developing our crowdfunding software platform, which will require future capital and liquidity expansion. Since our inception in March 2011, our shareholders have contributed a significant amount of capital, making it possible for us to develop our crowdfunding platform, services, and activities. To continue to develop our product offerings, expand our services and to obtain international coverage, a capital increase has been and will continue to be required.

Our principal sources of liquidity have been cash generated from sales of our equity and debt securities and cash generated from operations.

At June 30, 2016, cash on hand was approximately $35,000, other current assets excluding cash were $150,000 and we had a working capital deficit of $313,000. At the same time, we had current liabilities of approximately $499,000, which consisted principally of accounts payable, accrued expenses and current maturities of debt of $157,000, 234,000 and $108,000, respectively. At December 31, 2015, cash was approximately $554,000 and we had other current assets excluding cash of $107,000. At the same time, we had current liabilities of approximately $497,000 which consisted principally of accounts payable and accrued expenses of $391,000, a significant portion of which are attributable to an accrued advisory costs of $89,000. Our working capital deficit at December 31, 2015 was approximately $164,000. The decrease in our liquidity position at June 30, 2016 compared to December 31, 2015 is primarily attributable to cash used as working capital in operating activities.

Net Cash Used in Operating Activities

Net cash used in operating activities was approximately $1,014,000 for the six months ended June 30, 2016, as compared to net cash used of $747,000 for the six months ended June 30, 2015. The increase in net cash used in operations was primarily due to an increase in salary costs. During the three month period ended June 30, 2016 we have implemented measures to decrease the cash outflows to salaries by reducing the number of full-time employees of the company from 25 to 9.

Net Cash Used in Investing Activities

During the six months ended June 30, 2016, we used approximately $51,000 of cash in investing activities. Upon liquidation, the residual cash balance in Symbid Italia was distributed to the investors which resulted in a net cash outflow of $44,000 in deconsolidation. In the prior year period ended June 30, 2015, we earned $20,000 of cash in investing activities. The cash used in investing activities in the six months ended June 30, 2016 was primarily on new equipment of new personnel in the three month period ended March 31, 2016.

Net Cash Provided by Financing Activities

During the six months ended June 30, 2016 and 2015, cash flows from financing activities totaled $542,000 and $782,000, respectively. Cash flows from financing activities for the six months ended June 30, 2016 primarily relate to the proceeds from the issuance of additional convertible notes to three investors.

General

We will only commit to capital expenditures for any future projects requiring us to raise additional capital as and when adequate capital or new lines of finance are made available to us. There is no assurance that we will be able to obtain any financing or enter into any form of credit arrangement. Although we may be offered such financing, the terms may not be acceptable to us. If we are not able to secure financing or it is offered on unacceptable terms, then our business plan may have to be modified or curtailed or certain aspects terminated. There is no assurance that even with financing we will be able to achieve our goals.

Going Concern

Our financial statements have been prepared on a going concern basis which assumes that we will be able to realize our assets and discharge our liabilities in the normal course of business for the foreseeable future. We have incurred losses since inception resulting in an accumulated deficit of approximately $8,986,000 as of June 30, 2016 and further losses are anticipated in the development of our business raising substantial doubt about our ability to continue as a going concern. Our ability to continue as a going concern is dependent upon our generating profitable operations in the future and/or obtaining the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. Management intends to finance operating costs over the next twelve months with existing cash on hand and/or private placements of debt or equity securities. No assurances can be given that we will be able to raise cash from the sale of our securities or otherwise as or when needed. Our failure to obtain needed financing may cause us to curtail or cease operations. These financials do not include any adjustments relating to the recoverability and reclassification of recorded asset amounts, or amounts and classifications of liabilities that might result from this uncertainty.

Critical Accounting Policies and Estimates

There are no material changes from the critical accounting policies set forth in "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our December 31, 2015 financial statements included in our Annual Report on Form 10-K filed with the SEC on March 25, 2016. Please refer to that document for disclosures regarding the critical accounting policies related to our business.

Off-Balance Sheet Arrangements

None.

Contractual Obligations

Not applicable.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that material information required to be disclosed in our periodic reports filed under the Securities Exchange Act of 1934, as amended, or 1934 Act, is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and to ensure that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer as appropriate, to allow timely decisions regarding required disclosure. At the end of the quarter ended June 30, 2016 we carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and the principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rule 13(a)-15(e) and Rule 15d-15(e) under the 1934 Act. Based on this evaluation, management concluded that as of June 30, 2016 our disclosure controls and procedures were not effective due to material weaknesses resulting from our Board of Directors not having any independent members and the fact that no member of our Board of Directors qualifies as an audit committee financial expert as defined in Item 407(d)(5)(ii) of Regulation S-K. Further, controls were not designed and in place to insure that all required disclosures were originally addressed in our financial statements.

Limitations on Effectiveness of Controls and Procedures

Our management, including our Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Financial Officer), does not expect that our disclosure controls and procedures will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include, but are not limited to, the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Changes in Internal Controls

During the fiscal quarter ended June 30, 2016, there have been no changes in our internal control over financial reporting that have materially affected or are reasonably likely to materially affect our internal controls over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we may be a defendant and plaintiff in various legal proceedings arising in the normal course of our business. We are currently not a party to any material legal proceedings or government actions, including any bankruptcy, receivership, or similar proceedings. In addition, we are not aware of any known litigation or liabilities involving the operators of our properties that could affect our operations. Furthermore, as of the date of this Quarterly Report, our management is not aware of any proceedings to which any of our directors, officers, or affiliates, or any associate of any such director, officer, affiliate, or security holder is a party adverse to our company or has a material interest adverse to us.

ITEM 1A. RISK FACTORS

Not applicable.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On June 1, 2016, we closed on the sale of $550,000 in principal amount of 8% unsecured convertible promissory notes (the "Notes") to three persons. Subject to earlier prepayment or conversion, the Notes mature three years from issuance. Interest is payable on the first, second and third anniversaries of the issuance date. We can prepay the Notes upon mutual agreement with the holders on terms to be negotiated. If, during the term of the Notes, we complete an equity offering (a "Qualified Offering") for gross proceeds of not less than $1,500,000, the holders may, at their option, convert all or a portion of the principal and interest then due on the Notes into shares of our common stock at a price per share equal to 50% of the price at which our common stock is sold in the Qualified Offering. The Notes are subject to customary events of default. Subject to limited exceptions, while the Notes remain outstanding, we cannot incur any indebtedness that ranks senior in priority to the Notes. The Notes rank pari passu with the notes issued by us in an offering completed in September 2015.

Effective July 1, 2016, we issued an aggregate of 34,458 restricted stock units ("RSUs") under our 2013 Equity Incentive Plan to two employees. The RSUs vest on June 30, 2017 and are subject to forfeiture in the event that the employee does not remain in our continuous employ through the vesting date.

Effective June 30, 2016, we terminated an aggregate of 72,481 RSUs under our 2013 Equity Incentive Plan held by four persons due to the termination of their respective employments by us.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

We are in default with respect to the initial interest payment which was due on July 14, 2016, with respect to an aggregate of $60,000 in principal amount of 2015 8% Convertible Promissory Notes dated July 14, 2015 (the "Notes"). None of the holders of the Notes have requested payment of such interest or made other demands and we have commenced negotiations with them to extend the due date for the initial interest payment. We expect the holders of the Notes to agree to an extension but no assurance can be given that this will prove to be the case. Our failure to resolve this matter could have a material adverse effect on our financial condition. Until resolved, the holders can elect to declare the full principal amount of the Notes together with interest immediately due and payable. We do not presently have the funds available to pay the principal amount due on the Notes.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

On April 4, 2016, Dick Kooij resigned as Chief Financial Officer and Treasurer as he had reached his retirement age. On April 5, 2016, Hendrik Kasteel, Michiel Buitelaar and Vincent Lui resigned as directors reducing our board from six to three members. On April 8, 2016, Jérôme Koelewijn resigned as a director reducing our board to two members. Messrs. Kasteel, Lui and Koelewijn resigned due to differences with remaining management concerning the Company's strategic direction and Michiel Buitelaar resigned without further reasons. We are currently in discussions with replacement directors for the board.

On May 6, 2016, we appointed Maarten van der Sanden, on an interim basis, as Chief Financial Officer and Treasurer on an interim basis, to fill the vacancies created by the recent resignation of Dick Kooij. Mr. van der Sanden continues to also serve as our Chief Operating Officer and Secretary.

Our 50.1% owned subsidiary, Symbid Italia S.P.A.("Symbid Italia"), formed on February 20, 2015, to develop the business of equity crowdfunding in Italy incurred operating losses during the year ended December 31, 2015, in the approximate amount of €107,000. Based thereon and following an extensive review of the prospects of Symbid Italia developing profitable operations in the near future and beyond, the board of directors and shareholders of Symbid Italia have determined that further investment in Symbid Italia is not warranted. This conclusion was based upon an assessment of the current and expected medium term Italian equity crowdfunding market, the view that the current European regulatory framework for equity crowdfunding reflects a country by country market rather than a pan European market which greatly limits expected synergies and economies of scale and because the Italian equity crowdfunding regulations restrict the ability to attract non-domestic investors. At the direction of the Symbid Italia board of directors, a special Symbid Italia shareholder meeting was held on April 29, 2016, at which it was determined to liquidate Symbid Italia and return the residual capital to the Symbid Italia shareholders. Notwithstanding the foregoing, we maintain a positive medium term outlook on the equity crowdfunding market.

On June 1, 2016, we closed on the sale of $550,000 in principal amount of 8% unsecured convertible promissory notes (the "Notes") to three persons. Subject to earlier prepayment or conversion, the Notes mature three years from issuance. Interest is payable on the first, second and third anniversaries of the issuance date. We can prepay the Notes upon mutual agreement with the holders on terms to be negotiated. If, during the term of the Notes, we complete an equity offering (a "Qualified Offering") for gross proceeds of not less than $1,500,000, the holders may, at their option, convert all or a portion of the principal and interest then due on the Notes into shares of our common stock at a price per share equal to 50% of the price at which our common stock is sold in the Qualified Offering.

The Notes are subject to customary events of default. Subject to limited exceptions, while the Notes remain outstanding, we cannot incur any indebtedness that ranks senior in priority to the Notes. The Notes rank pari passu with the notes issued by us in an offering completed in September 2015.

On July 1, 2016, each of Korstiaan Zandvliet, our Chief Executive Officer and President, Maarten van der Sanden, our Chief Financial Officer, Treasurer and Secretary, Robin Slakhorst, our Vice President, and Jeroen Bontje, a key employee, executed amendments to their respective employment agreements reducing their respective base annual net salaries by around 50% to €19,200. No other changes were made to such employment agreements.

During the development of our crowdfunding platform in 2010, we were in close contact with the Authority Financial Markets in The Netherlands (the "AFM") to discuss our crowdfunding model, the structure of our crowdfunding platform and its relationship to the Dutch regulatory framework. In our correspondence with the AFM, we primarily focused on the equity based crowdfunding model rather than the pledge or donation based models which do not involve securities law considerations. In an email communication to us, the AFM acknowledged that, although it is our responsibility to identify activities requiring government authorization, as described to the AFM by us, the AFM saw, on the basis of the information provided, no indication that our crowdfunding activities would require permission under the Dutch Act on Financial Supervision. Although we did not specifically address our partnering/affiliate programs in our correspondence with the AFM, it is our understanding and belief that the same AFM considerations would apply to these activities to the extent that they make use of our legal structure and model.

During the expansion of our product offerings to include debt based crowdfunding, we have been in discussions with AFM regarding the classification of our activities. In agreement with the AFM, we applied for an exemption for our debt based crowdfunding activities under the Dutch financial regulatory framework at the AFM, which was provided in the second quarter of 2015.

Although our activities have not materially changed in comparison with the information provided to the AFM in 2010, the AFM has communicated on August 9, 2016 they have revised their earlier assessment with regard to our equity based crowdfunding activities. The AFM publicly stated an overall policy to regulate equity based crowdfunding activities under the Markets in Financial Instruments Directive (the "MiFID"). In force since November 2007, this directive of the European Commission governs the provision of investment services in financial instruments by banks and investment firms and the operation of traditional stock exchanges and alternative trading venues.

With respect to our equity based crowdfunding activities this does imply we will have to apply for a license as investment firm under the MiFID to continue our equity based crowdfunding activities. We will assess the requirements for such an Investment Firm license, but no guarantees can be given we will be able to comply with such requirements. Also we are currently in discussion with the AFM on what the timelines will be for the new policy to be in full effect.

ITEM 6. EXHIBITS

In reviewing the agreements included as exhibits to this Form 10-Q, please remember that they are included to provide you with information regarding their terms and are not intended to provide any other factual or disclosure information about the Company or the other parties to the agreements. The agreements may contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the parties to the applicable agreement and:

- should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;
- have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;
- may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and
- were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time. Additional information about the Company may be found elsewhere in this Form 10-Q and the Company's other public filings, which are available without charge through the SEC's website at http://www.sec.gov.

The following exhibits are included as part of this report:

Exhibit Number	**Description of Exhibit**
4.1*	Form of 2016 8% Convertible Promissory Note
31.1	Certification of Principal Executive Officer and Pursuant to Rule 13a-14
31.2	Certification of Principal Financial Officer Pursuant to Rule 13a-14
32.1 **	CEO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act
32.2 **	CFO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

*Filed herewith

**This certification is being furnished and shall not be deemed "filed" with the SEC for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, the Registrant has caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

	SYMBID CORP.
August 15, 2016	By: */s/ Korstiaan Zandvliet*
	Korstiaan Zandvliet, Chief Executive Officer
	SYMBID CORP.
August 15, 2016	By: */s/ Maarten van der Sanden*
	Maarten van der Sanden, Chief Financial Officer

Exhibit 4.1

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (C) IN COMPLIANCE WITH RULE 144 OR 144A THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (D) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT, OR (E) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

2016 8% CONVERTIBLE PROMISSORY NOTE

SYMBID CORP.

DUE _______, 2019

Original Issue Date: _______, 2016 US$_______

This Convertible Promissory Note (the "Note") is one of a series of duly authorized and issued convertible promissory notes (the "Notes") of Symbid Corp., a Nevada corporation (the "Company" or "Pubco"), designated its 2016 8% Convertible Promissory Notes.

Principal and Interest. (a) FOR VALUE RECEIVED, **Symbid Corp.** a Nevada corporation (the "Company"), hereby promises to pay to the order of or its registered assigns ("Holder"), in lawful money of the United States of America and in immediately available funds the principal sum of **Dollars (US$_________)** on _______, 2019 (the "Maturity Date").

(a) The Company further promises to pay interest in cash on the unpaid principal amount of this Note at a rate per annum equal to eight percent (8%), commencing to accrue on the date hereof and payable on the first, second and third anniversaries of the Original Issue Date or earlier prepayment as provided herein. Interest will be computed on the basis of a 360-day year of twelve 30-day months for the actual number of days elapsed.

(c) Upon mutual agreement of the Company and Holder, the Company may prepay all or any portion of the principal amount of this Note together with accrued and unpaid interest thereon on terms to be negotiated by the Company and Holder.

Optional Conversion. (a) At any time after the Company's completion of its Next Qualified Equity Offering (as herein defined), the Holder shall be entitled to convert all or any portion of the outstanding and unpaid principal amount of this Note, together with accrued and unpaid interest thereon to the date of conversion, into validly issued, fully paid and non-assessable shares of common stock of the Company ("Common Stock") in the manner provided below, at a conversion price equal to 50% at the price of which Common Stock is sold in the Company's Next Qualified Equity Offering (the "Optional Conversion Price"). The Company shall not issue any fraction of a share of Common Stock upon any such conversion. If the issuance would result in the issuance of a fraction of a share of Common Stock, the Company shall round such fraction of a share of Common Stock up to the nearest whole share. The Company shall pay any and all transfer, stamp, issuance and similar taxes that may be payable with respect to the issuance and delivery of Common Stock upon conversion of any conversion amount. The Next Qualified Equity Offering shall mean the first equity offering closed by the Company following the Original Issue Date of this Note resulting in gross proceeds to the Company of not less than $1, 500,000.

(b) The number of shares issuable upon an optional conversion of this Note shall be determined by the quotient obtained by dividing (i) the outstanding principal amount of this Note being converted plus accrued but unpaid interest thereon on the Conversion Date by (ii) the Optional Conversion Price. The calculation by the Company of the number of conversion shares to be received by the Holder upon conversion hereof, shall be conclusive absent manifest error.

(c) To convert any portion of the unpaid principal of this Note into shares of Common Stock on any date (a "Conversion Date"), the Holder shall (i) transmit by facsimile (or otherwise deliver), for receipt on or prior to 12:00 noon., New York time, on such date, a copy of an executed notice of conversion in the form attached hereto as Exhibit I (the "Conversion Notice") to the Company and (ii) surrender this Note to a nationally recognized overnight delivery service for delivery to the Company (or an indemnification undertaking with respect to this Note in the case of its loss, theft or destruction). On or before the fifth (5th) trading day for the Common Stock following the date of receipt of a Conversion Notice (the "Share Delivery Date"), the Company shall cause the Company's transfer agent to issue and deliver to the Holder at the address as specified in the Conversion Notice, a certificate, registered in the name of the Holder, for the number of shares of Common Stock to which the Holder shall be entitled. If the outstanding principal amount of this Note is greater than the principal portion of being converted, then the Company shall as soon as practicable after receipt of this Note, at its own expense, issue and deliver to the Holder a new Note representing the outstanding principal amount not converted. Such new Note (i) shall be of like tenor with this Note, (ii) shall represent, as indicated on the face of such new Note, the principal amount remaining outstanding, (iii) shall have an issuance date, as indicated on the face of such new Note, which is the same as the Original Issue Date of this Note, (iv) shall have the same rights and conditions as this Note, and (v) shall represent accrued and unpaid interest on the unpaid principal amount of this Note from the Original Issue Date.

(d) The person or persons entitled to receive the shares of Common Stock issuable upon a conversion of this Note shall be treated for all purposes as the record holder or holders of such shares of Common Stock from the Conversion Date.

<u>Absolute Obligation/Ranking</u>. Except as expressly provided herein, no provision of this Note shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of, and liquidated damages (if any) on, this Note at the time, place, and rate, and in the coin or currency, herein prescribed. This Note is a direct debt obligation of the Company.

<u>Different Denominations</u>. This Note is exchangeable for an equal aggregate principal amount of Notes of different authorized denominations, as requested by the Holder surrendering the same. No service charge will be made for such registration of transfer or exchange.

<u>Reliance on Note Register</u>. Prior to due presentment to the Company for permitted transfer or conversion of this Note, the Company and any agent of the Company may treat the person in whose name this Note is duly registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Note is overdue, and neither the Company nor any such agent shall be affected by notice to the contrary.

Events of Default . Each of the following events shall constitute a default under this Note (each an " Event of Default "):

failure by the Company to pay any principal amount or interest due hereunder within five (5) days of the date such payment is due;

the Company or any Subsidiary shall: (i) make a general assignment for the benefit of its creditors; (ii) apply for or consent to the appointment of a receiver, trustee, assignee, custodian, sequestrator, liquidator or similar official for itself or any of its assets and properties; (iii) commence a voluntary case for relief as a debtor under the United States Bankruptcy Code; (iv) file with or otherwise submit to any governmental authority any petition, answer or other document seeking: (A) reorganization, (B) an arrangement with creditors or (C) to take advantage of any other present or future applicable law respecting bankruptcy, reorganization, insolvency, readjustment of debts, relief of debtors, dissolution or liquidation; (v) file or otherwise submit any answer or other document admitting or failing to contest the material allegations of a petition or other document filed or otherwise submitted against it in any proceeding under any such applicable law, or (vi) be adjudicated a bankrupt or insolvent by a court of competent jurisdiction;

any case, proceeding or other action shall be commenced against the Company or any Subsidiary for the purpose of effecting, or an order, judgment or decree shall be entered by any court of competent jurisdiction approving (in whole or in part) anything specified in 0 hereof, or any receiver, trustee, assignee, custodian, sequestrator, liquidator or other official shall be appointed with respect to the Company, or shall be appointed to take or shall otherwise acquire possession or control of all or a substantial part of the assets and properties of the Company, and any of the foregoing shall continue unstayed and in effect for any period of sixty (60) days;

any material breach by the Company of any of its representations or warranties contained in this Note; or

any default, whether in whole or in part, shall occur in the due observance or performance of any obligations or other covenants, terms or provisions to be performed by the Company under this Note which is not cured within five (5) business days after receipt of written notice thereof.

The liquidation of the Company's 50.1% subsidiary, Symbid Italia SPA, as described in the Company's Current Report on Form 8-K dated April 29, 2016 shall not be considered an Event of Default under this Section 2.01.

If any Event of Default specified in 0 or 0 occurs, then the full principal amount of this Note, together with any other amounts owing in respect thereof, to the date of the Event of Default, shall become immediately due and payable without any action on the part of the Holder, and if any other Event of Default occurs, the full principal amount of this Note, together with any other amounts owing in respect thereof, to the date of acceleration shall become, at the Holder's election, immediately due and payable in cash. All Notes for which the full amount hereunder shall have been paid in accordance herewith shall promptly be surrendered to or as directed by the Company. The Holder need not provide, and the Company hereby waives, any presentment, demand, protest or other notice of any kind, and the Holder may immediately and without expiration of any grace period enforce any and all of its rights and remedies hereunder and all other remedies available to it under applicable law. Such declaration may be rescinded and annulled by the Holder at any time prior to payment hereunder and the Holder shall have all rights as a Note holder until such time, if any, as the full payment under this Section shall have been received by it. No such rescission or annulment shall affect any subsequent Event of Default or impair any right consequent thereon.

If any Event of Default occurs, in addition to the remedies provided in the preceding Section and any other rights or remedies available to the Holder under applicable law, no later than five (5) business days after the date of such Event of Default, or such later date as the Borrower may in writing agree, the Holder may request that the Borrower make available to the Holder such security as the Holder shall in its absolute discretion determine, and pending provision of such security and thereafter the Borrower shall not create or agree to create any mortgage or charge on any part of its assets.

Covenants . So long as this Note shall remain in effect and until any outstanding principal and interest and all fees and all other expenses or amounts payable under this Note have been paid in full, unless the Holders of a majority of the principal amount of the Notes shall otherwise consent in writing (such consent not to be unreasonably withheld), the Company shall:

Senior Indebtedness . Not incur, create, assume, guaranty or permit to exist any indebtedness that ranks senior in priority to the obligations under the Notes, except for (i) indebtedness existing on the date hereof, (ii) indebtedness secured by a purchase money lien described in an aggregate amount outstanding not to exceed $250,000; and (iii) indebtedness created as a result of a subsequent financing if the net proceeds to the Company of such financing are equal to or greater than the outstanding principal amount of and accrued interest on this Note and the other Notes and all of the Notes are repaid in full upon the closing of such financing. This Note shall rank pari passu with the outstanding notes of the Company issued in 2015.

Notice of Default . Promptly advise the Holder in writing of the occurrence of any Event of Default of which the Company is aware.

Entry into Certain Transactions . Not, directly or in directly, (i) voluntarily liquidate, dissolve or wind up the Company; (ii) merge or consolidate the Company (other than where the shareholders of the Company own a majority by voting power of the outstanding equity of the surviving or acquiring entity); (iii) sell, lease, transfer or otherwise dispose of all or substantially all of the assets of the Company; or (iv) amend, alter or repeal any provision of the Company's Articles of Incorporation or Bylaws.

Representations of the Company . The Company hereby represents and warrants to the Holder that:

The Company has the requisite corporate power and authority to enter into and perform its obligations under this Note, (ii) the execution and delivery of this Note by the Company and the consummation by it of the transactions contemplated hereby have been duly authorized by the Company's Board of Directors, and no further consent or authorization is required by the Company, its Board of Directors or its stockholders, (iii) this Note has been duly executed and delivered by the Company, (iv) this Note constitutes the valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of creditors' rights and remedies.

The execution, delivery and performance of this Noteby the Company, and the consummation by the Company of the transactions contemplated hereby, will not (i) result in a violation of the Articles of Incorporation or by-laws (or equivalent constitutive document) of the Company or (ii) violate or conflict with, or result in a breach of any provision of, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company is a party, or result in a violation of any law, rule, regulation, order, judgment or decree (including U.S. federal and state securities laws and regulations) applicable to the Company or by which any property or asset of the Company is bound or affected, except for those which could not reasonably be expected to have a material adverse effect on the assets, business, condition (financial or otherwise), results of operations or future prospects of the Company.

There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending against or affecting the Company or any subsidiary, wherein an unfavorable decision, ruling or finding would adversely affect the validity or enforceability of, or the authority or ability of the Company to perform its obligations under, this Note.

Representations of the Holder . The Holder hereby represents and warrants to the Company that:

(a) Investment Purpose . The Holder is acquiring this Note, and, upon conversion of this Note, the Holder will acquire the shares of Common Stock into which this Note may be converted (the " Conversion Shares " and, together with this Note, the " Securities ") , for its own account for investment only and not with a view towards, or for resale in connection with, the public sale or distribution thereof, except pursuant to sales registered or exempted under the Securities Act of 1933, as amended (the " Securities Act "); provided, however, that by making the representations herein, such Holder reserves the right to dispose of the Securities at any time in accordance with or pursuant to an effective registration statement covering such Securities, or an available exemption under the Securities Act. The Holder agrees not to sell, hypothecate or otherwise transfer the Securities unless such Securities are registered under the federal and applicable state securities laws or unless, in the opinion of counsel satisfactory to the Company, an exemption from such law is available.

(b) Accredited Investor Status . The Holder meets the requirements of at least one of the suitability standards for an " Accredited Investor " as that term is defined in Rule 501(a)(3) of Regulation D under the Securities Act.

(c) Investor Qualifications. The Holder (i) if a natural person, represents that the Holder has reached the age of 21 and has full power and authority to execute and deliver this Note and all other related agreements or certificates and to carry out the provisions hereof and thereof; (ii) if a corporation, partnership, or limited liability company or partnership, or association, joint stock company, trust, unincorporated organization or other entity, represents that such entity was not formed for the specific purpose of acquiring this Note, such entity is duly organized, validly existing and in good standing under the laws of the state of its organization, the consummation of the transactions contemplated hereby is authorized by, and will not result in a violation of state law or its charter or other organizational documents, such entity has full power and authority to execute and deliverthis Note and all other related agreements or certificates and to carry out the provisions hereof and thereof and to purchase and hold this Note, the execution and delivery of this Note has been duly authorized by all necessary action, this Note has been duly executed and delivered on behalf of such entity and is a legal, valid and binding obligation of such entity; or (iii) if executing this Note in a representative or fiduciary capacity, represents that it has full power and authority to execute and deliver this Note in such capacity and on behalf of the subscribing individual, ward, partnership, trust, estate, corporation, or limited liability company or partnership, or other entity for whom the Holder is executing this Note, and such individual, partnership, ward, trust, estate, corporation, or limited liability company or partnership, or other entity has full right and power to perform pursuant to this Note and make an investment in the Company, and represents that this Note constitutes a legal, valid and binding obligation of such entity. The execution and delivery of this Note will not violate or be in conflict with any order, judgment, injunction, agreement or controlling document to which the Holder is a party or by which it is bound.

(d) Solicitation. The Holder is unaware of, is in no way relying on, and did not become aware of the offering of this Note through or as a result of, any form of general solicitation or general advertising including, without limitation, any article, notice, advertisement or other communication published in any newspaper, magazine or similar media or broadcast over television or radio, in connection with the offering and sale of this Note and is not subscribing for this Note and did not become aware of the offering of this Note through or as a result of any seminar or meeting to which the Holder was invited by, or any solicitation of a subscription by, a person not previously known to the Holder in connection with investments in securities generally.

(e) Brokerage Fees. The Holder has taken no action that would give rise to any claim by any person for brokerage commissions, finders' fees or the like relating to this Note or the transaction contemplated hereby (other than commissions to be paid by the Company to the Brokers).

(f) Knowledge and Experience. The Holder has such knowledge and experience in financial, tax, and business matters, and, in particular, investments in securities, so as to enable it to utilize the information made available to it in connection with this Note to evaluate the merits and risks of an investment in this Note and the Company and to make an informed investment decision with respect thereto.

(g) Liquidity. The Holder has adequate means of providing for such Holder's current financial needs and foreseeable contingencies and has no need for liquidity of its investment in this Note for an indefinite period of time, and after purchasing this Note the Holder will be able to provide for any foreseeable current needs and possible personal contingencies . The Holder must bear and acknowledges the substantial economic risks of the investment in this Note including the risk of illiquidity and the risk of a complete loss of this investment.

(h) High Risk Investment. The Holder is aware that an investment in this Note, and upon conversion of this Note, the Conversion Shares, involves a number of very significant risks and has carefully researched and reviewed and understands the risks of, and other considerations relating to, the purchase of this Note, and upon conversion of this Note, the Conversion Shares.

(i) Reliance on Exemptions. The Holder understands that this Note is being offered and sold to it in reliance on specific exemptions from the registration requirements of Unit ed States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and such Holder's compliance with, the representations, warranties, agreements, acknowledgments and understandings of such Holder set forth herein in order to determine the availability of such exemptions and the eligibility of such Holder to acquire such securities.

(j) Information. The Holder has been furnished with all documents and materials relating to the business, finances and operations of the Company and its subsidiaries and information that Holder requested and deemed material to making an informed investment decision regarding its purchase of this Note. The Holder has been afforded the opportunity to review such documents and materials and the information contained therein. The Holder has been afforded the opportunity to ask questions of the Company and its management. The Holder understands that such discussions, as well as any written information provided by the Company, were intended to describe the aspects of the Company's and its subsidiaries' business and prospects which the Company believes to be material, but were not necessarily a thorough or exhaustive description, and except as expressly set forth in this Note, the Company makes no representation or warranty with respect to the completeness of such information and makes no representation or warranty of any kind with respect to any information provided by any entity other than the Company. Some of such information may include projections as to the future performance of the Company and its subsidiaries, which projections may not be realized, may be based on assumptions which may not be correct and may be subject to numerous factors beyond the Company's and its subsidiaries' control. Additionally, Holder understands and represents that it is purchasing this Note notwithstanding the fact that the Company and its subsidiaries, if any, may disclose in the future certain material information Holder has not received, including the financial results of the Company and its subsidiaries for their current fiscal quarters. Neither such inquiries nor any other due diligence investigations conducted by such Holder shall modify, amend or affect such Holder's right to rely on the Company's representations and warranties contained herein. The Holder has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision with respect to its investment in this Note.

(k) No Other Representations or Information. In evaluating the suitability of an investment in this Note, the Holder has not relied upon any representation or information (oral or written) with respect to the Company or its subsidiaries, or otherwise, other than as stated in this Note. No oral or written representations have been made, or oral or written information furnished, to the Holder in connection with the offering of this Note.

(l) No Governmental Review. The Holder understands that no United States federal or state agency or any other government or governmental agency has passed on or will pass on, or has made or will make, any recommendation or endorsement of this Note (or the Conversion Shares), or the fairness or suitability of the investment in this Note (or the Conversion Shares), nor have such authorities passed upon or endorsed the merits of the offering of this Note (or the Conversion Shares).

(m) Transfer or Resale. The Holder understands that: (i) this Note has not been and are not being registered under the Securities Act or any state securities laws, and may not be offered for sale, sold, assigned or transferred unless (A) subsequently registered thereunder, or (B) such Holder shall have delivered to the Company an opinion of counsel, in a generally acceptable form, to the effect that such securities to be sold, assigned or transferred may be sold, assigned or transferred pursuant to an exemption from such registration requirements; (ii) any sale of such securities made in reliance on Rule 144 under the Securities Act (or a successor rule thereto) ("Rule 144") may be made only in accordance with the terms of Rule 144 and further, if Rule 144 is not applicable, any resale of such securities under circumstances in which the seller (or the person through whom the sale is made) may be deemed to be an underwriter (as that term is defined in the Securities Act) may require compliance with some other exemption under the Securities Act or the rules and regulations of the SEC thereunder; and (iii) neither the Company nor any other person is under any obligation to register such securities under the Securities Act or any state securities laws or to comply with the terms and conditions of any exemption thereunder. There can be no assurance that there will be any market or resale for this Note (or the Conversion Shares), nor can there be any assurance that this Note (or the Conversion Shares) will be freely transferable at any time in the foreseeable future.

(n) Legends. The Holder understands that the certificates representing the Conversion Shares shall bear a restrictive legend in substantially the following form (and a stop transfer order may be placed against transfer of such stock certificates):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (C) IN COMPLIANCE WITH RULE 144 OR 144A THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (D) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT, OR (E) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

(o) Confidentiality. The Holder acknowledges and agrees that all of the information received by it in connection with the transactions contemplated by this Note is of a confidential nature and may be regarded as material non-public information under Regulation FD promulgated by the SEC and that such information has been furnished to the Holder for the sole purpose of enabling the Holder to consider and evaluate an investment in this Note. The Holder agrees that it will treat such information in a confidential manner, will not use such information for any purpose other than evaluating an investment in this Note, will not, directly or indirectly, trade or permit the Holder's agents, representatives or affiliates to trade in any securities of the Company while in possession of such information and will not, directly or indirectly, disclose or permit the Holder's agents, representatives or affiliates to disclose any of such information without the Company's prior written consent. The Holder shall make its agents, affiliates and representatives aware of the confidential nature of the information contained herein and the terms of this section including the Holder's agreement to not disclose such information, to not trade in the Company's securities while in the possession of such information and to be responsible for any disclosure or other improper use of such information by such agents, affiliates or representatives. Likewise, without the Company's prior written consent, the Holder will not, directly or indirectly, make any statements, public announcements or other release or provision of information in any form to any trade publication, to the press or to any other person or entity whose primary business is or includes the publication or dissemination of information related to the transactions contemplated by this Note.

(p) No Legal Advice from the Company. The Holder acknowledges that it has had the opportunity to review this Note and the transactions contemplated by this Note with its own legal counsel and investment and tax advisors. The Holder is relying solely on such advisors and not on any statements or representations of the Company or any of its employees, representatives or agents for legal, tax, economic and related considerations or investment advice with respect to this investment, the transactions contemplated by this Note or the securities laws of any jurisdiction.

(q) No Group Participation. The Holder and its affiliates is not a member of any group, nor is any Holder acting in concert with any other person, including any other Holder, with respect to its acquisition of this Note (and the Conversion Shares).

Piggyback Registration Rights. For a period of five years from the Original Issue Date, piggyback registration rights shall apply to the shares of Common Stock issuable upon conversion of this Note with respect to any registration statement filed by the Company that would permit the inclusion of such shares, subject to customary pro rata cut backs in the case of underwritten offerings.

Conversion Price Adjustments.

(a) General. The conversion prices and the number of shares issuable upon the conversion of this Note shall be subject to adjustment from time to time upon the occurrence of certain events described in this Section 6.01.

(i) Subdivision or Combination of Stock. In case the Company shall at any time subdivide (whether by way of stock dividend, stock split or otherwise) its outstanding shares of Common Stock into a greater number of shares, the conversion price in effect immediately prior to such subdivision shall be proportionately reduced and the number of conversion shares shall be proportionately increased, and conversely, in case the outstanding shares of Common Stock of the Company shall be combined (whether by way of stock combination, reverse stock split or otherwise) into a smaller number of shares, the conversion price in effect immediately prior to such combination shall be proportionately increased and the number of conversion shares shall be proportionately decreased. The conversion price and the conversion shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 6.01(a)(i).

(ii) Dividends in Stock, Property, Reclassification. If at any time, or from time to time, the holders of Common Stock (or any shares of stock or other securities at the time receivable upon the conversion of this Note) shall have received or become entitled to receive, without payment therefor:

(A) any shares of stock or other securities that are at any time directly or indirectly convertible into or exchangeable for Common Stock, or any rights or options to subscribe for, purchase or otherwise acquire any of the foregoing by way of dividend or other distribution, or

(B) additional stock or other securities or property (including cash) by way of spin-off, split-up, reclassification, combination of shares or similar corporate rearrangement (other than shares of Common Stock issued as a stock split or adjustments in respect of which shall be covered by the terms of Section 6.01(a)(i) above),

then and in each such case, the conversion price and the number of conversion shares to be issued upon conversion of this Note shall be adjusted proportionately, and the Holder hereof shall, upon the conversion of this Note, be entitled to receive, in addition to the number of shares of Common Stock receivable thereupon, and without payment of any additional consideration therefor, the amount of stock and other securities and property (including cash in the cases referred to above) that such Holder would hold on the date of such exercise had such Holder been the holder of record of such Common Stock as of the date on which holders of Common Stock received or became entitled to receive such shares or all other additional stock and other securities and property. The conversion price and the conversion shares, as so adjusted, shall be readjusted in the same manner upon the happening of any successive event or events described in this Section 6.01(a)(ii).

(iii) Reorganization, Reclassification, Consolidation, Merger or Sale . If any recapitalization, reclassification or reorganization of the capital stock of the Company, or any consolidation or merger of the Company with another corporation, or the sale of all or substantially all of its assets or other transaction shall be effected in such a way that holders of Common Stock shall be entitled to receive stock, securities or other assets or property (an " Organic Change "), then lawful and adequate provisions shall be made by the Company whereby the Holder hereof shall thereafter have the right to purchase and receive (in lieu of the shares of the Common Stock of the Company immediately theretofore purchasable and receivable upon the conversion of this Note) such shares of stock, securities or other assets or property as may be issued or payable with respect to or in exchange for a number of outstanding shares of such Common Stock equal to the number of shares of such stock immediately theretofore purchasable and receivable assuming the full conversion of this Note. In the event of any Organic Change, appropriate provision shall be made by the Company with respect to the rights and interests of the Holder of this Note to the end that the provisions hereof (including, without limitation, provisions for adjustments of the conversion price and of the number of shares purchasable and receivable upon the exercise of this Note) shall thereafter be applicable, in relation to any shares of stock, securities or assets thereafter deliverable upon the exercise hereof. To the extent necessary to effect the foregoing provisions, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall assume by written instrument reasonably satisfactory in form and substance to the Holder executed and mailed or delivered to the registered Holder hereof at the last address of such Holder appearing on the books of the Company, the obligation to deliver to such Holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, such Holder may be entitled to purchase. If there is an Organic Change, then the Company shall cause to be mailed to the Holder at its last address as it shall appear on the books and records of the Company, at least 10 calendar days before the effective date of the Organic Change, a notice stating the date on which such Organic Change is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares for securities, cash, or other property delivered upon such Organic Change; provided, that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice. The Holder is entitled to convert this Note during the 10-day period commencing on the date of such notice to the effective date of the event triggering such notice. In any event, the successor corporation (if other than the Company) resulting from such consolidation or merger or the corporation purchasing such assets shall be deemed to assume such obligation to deliver to such Holder such shares of stock, securities or assets even in the absence of a written instrument assuming such obligation to the extent such assumption occurs by operation of law.

Section 7.01 Notice . Notices regarding this Note shall be sent to the parties at the following addresses, unless a party notifies the other parties, in writing, of a change of address:

If to the Company:

Symbid Corp.
Marconistraat 16
3029 AK Rotterdam
The Netherlands

If to the Holder:

____
____
____
____
Facsimile: [______________]

Section1.02 Governing Law; Jurisdiction . All questions concerning the construction, validity, enforcement and interpretation of this Note shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Note (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees or agents) shall be commenced in the state and federal courts sitting in the City of New York, Borough of Manhattan (the "New York Courts"). Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the New York Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of this Note), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, or such New York Courts are improper or inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address ineffect for notices to it under this Note and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Note or the transactions contemplated hereby. If either party shall commence an action or proceeding to enforce any provisions of this Note, then the prevailing party in such action or proceeding shall be reimbursed by the other party for its attorney's fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

Section1.2. Severability . The invalidity of any of the provisions of this Note shall not invalidate or otherwise affect any of the other provisions of this Note, which shall remain in full force and effect.

Entire Agreement and Amendments . This Note represents the entire agreement between the parties hereto with respect to the subject matter hereof and there are no representations, warranties or commitments, except as set forth herein. This Note may be amended only by an instrument in writing executed by the parties hereto.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF , with the intent to be legally bound hereby, the Company as executed this Note as of the date first written above.

SYMBID CORP.

By: /s/

Name: Korstiaan Zandvliet

Title: Chief Executive Officer

EXHIBIT I

NOTICE OF CONVERSION

(To be executed by the Holder in order to convert the Note)

TO: Symbid Corp.

The undersigned hereby irrevocably elects to convert the unpaid principal amount and interest amount indicated below of the 2016 8% Convertible Promissory Note due _______, 2019 (the "Note") into shares of Common Stock of **Symbid Corp.** , according to the conditions stated therein, as of the Conversion Date written below.

Conversion Date:	
Applicable Conversion Price (per share):	$
Principal amount to be converted:	$
Principal amount of Note unconverted:	$
Interest amount to be converted	$
Number of shares of Common Stock to be issued:	
Issue the shares of Common Stock in the following name and to the following address:	
Issue to the following account of the Holder:	
Authorized Signature:	
Name:	
Title:	
Phone Number:	

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE AND FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Korstiaan Zandvliet, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Symbid Corp.;

2. Based on my knowledge, the quarterly report does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of and for the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures; and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls.

Date: August 15, 2016

/s/ Korstiaan Zandvliet

Korstiaan Zandvliet, Chief Executive Officer

Exhibit 31.2

**CERTIFICATION OF PRINCIPAL EXECUTIVE AND FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Maarten van der Sanden, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Symbid Corp.;

2. Based on my knowledge, the quarterly report does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3 Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of and for the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures; and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls.

Date: August 15, 2016

/s/ Maarten van der Sanden

Maarten van der Sanden, Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Symbid Corp. (the “Company”) on Form 10-Q for the quarter ended June 30, 2016 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Korstiaan Zandvliet, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: August 15, 2016	*/s/ Korstiaan Zandvliet*
	Korstiaan Zandvliet, Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Symbid Corp. (the "Company") on Form 10-Q for the quarter ended June 30, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Maarten van der Sanden, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: August 15, 2016

/s/ Maarten van der Sanden

Maarten van der Sanden, Chief Financial Officer