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

Form 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2017

[ ] 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: 000-55053

BLOW & DRIVE INTERLOCK CORPORATION

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**46-3590850** (I.R.S. Employer Identification No.)
5503 Cahuenga Blvd, #203 **Los Angeles, CA** (Address of principal executive offices)	**91601** (Zip Code)

(818) 299-0653
Registrant's telephone number, including area code

(Former address, if changed since last report)

(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 [X] 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 [X].

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth 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 [X]
	Emerging growth company [ ]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

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

Applicable only to issuers involved in bankruptcy proceedings during the preceding five years:

Indicate by check mark whether the registrant filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes [ ] No [ ]

Applicable only to corporate issuers:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. As of May 19, 2017, there were 21,271,953 shares of common stock, $0.0001 par value, issued and outstanding.

BLOW & DRIVE INTERLOCK CORPORATION

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PART I – FINANCIAL INFORMATION

This Quarterly Report includes forward-looking statements within the meaning of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These statements are based on management's beliefs and assumptions, and on information currently available to management. Forward-looking statements include the information concerning our possible or assumed future results of operations set forth under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations." Forward-looking statements also include statements in which words such as "expect," "anticipate," "intend," "plan," "believe," "estimate," "consider," or similar expressions are used.

Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties, and assumptions. Our future results and shareholder values may differ materially from those expressed in these forward-looking statements. Readers are cautioned not to put undue reliance on any forward-looking statements.

ITEM 1 Financial Statements

The consolidated balance sheets as of March 31, 2017 (unaudited) and December 31, 2016, the consolidated statements of operations for the three months ended March 31, 2017 and 2016, the consolidated statement of stockholders equity (deficit) for the three months ended March 31, 2017, and the consolidated statements of cash flows for the three months ending March 31, 2017 and 2016, follow. The unaudited interim condensed financial statements reflect all adjustments which are, in the opinion of management, necessary to a fair statement of the results for the interim periods presented. All such adjustments are of a normal and recurring nature.

BLOW& DRIVE INTERLOCK CORPORATION
Consolidated Balance Sheets

	March 31, 2017 (unaudited)	December 31, 2016
Assets		
Current Assets		
Cash	$ 139,033	$ 116,309
Accounts receivable, net	88,406	51,241
Prepaid expenses	4,159	2,361
Inventories	10,650	10,650
Total Current Assets	242,248	180,561
Other Assets		
Deposits	199,404	256,254
Furniture and equipment, net	596,354	356,346
Total Assets	$ 1,038,006	$ 793,161
Liabilities and Stockholders' Equity (Deficit)		
Current Liabilities		
Accounts payable	$ 24,185	$ 28,250
Accrued expenses	349,473	68,795
Accrued interest	36,880	10,110
Income taxes payable	7,300	5,700
Deferred revenue	105,658	106,331
Derivative liability	57,528	73,556
Notes payable, net of debt discount of $54,772 and $15,018 at March 31, 2017 and December 31, 2016, respectively	97,380	125,351
Notes payable - related party	35,662	49,396
Convertible notes payable, net of debt discount of $16,559 and $23,724 at March 31, 2017 and December 31, 2016, respectively	40,941	33,775
Royalty notes payable, net of debt discount of $67,821 and $87,036 at March 31, 2017 and December 31, 2016, respectively	1,862	29,742
Total Current Liabilities	756,869	531,006
Long term liabilities		
Notes payable, net of debt discount of $56,416 and $32,292 at March 31, 2017 and December 31, 2016, respectively	163,544	17,708
Notes payable - related party	16,558	48,353
Royalty notes payable, net of debt discount of $442,803 and $574,294 at March 31, 2017 and December 31, 2016, respectively	74,197	8,778
Accrued royalties payable	123,883	121,967
Total Liabilities	1,135,051	727,812
Stockholders' Equity (Deficit)		
Preferred stock, par value $0.001, 20,000,000 shares authorized, 1,000,000 and 0 shares issued or issuable and outstanding at March 31, 2017 and December 31, 2016, respectively	1,000	-
Common stock, par value $0.0001, 100,000,000 shares authorized 22,014,754 and 19,575,605 shares issued or issuable and outstanding as of March 31, 2017 and December 31, 2016, respectively	2,201	1,958
Additional paid-in capital	2,290,485	1,594,721
Accumulated deficit	(2,390,731)	(1,531,330)
Total Stockholders' Equity (Deficit)	(97,045)	65,349
Total Liabilities and Stockholders' Equity	$ 1,038,006	$ 793,161

The accompanying notes are an integral part of the financial statements

BLOW& DRIVE INTERLOCK CORPORATION
Consolidated Statements of Operations
(unaudited)

	Three Months Ended March 31,	
	2017	2016
Monitoring revenues	$ 75,320	$ 39,479
Distributorship revenues	88,734	-
Total revenues	164,054	39,479
Monitoring cost of revenue	7,982	6,555
Distributorship cost of revenues	4,239	-
Total cost of revenues	12,221	6,555
Gross Profit	151,833	32,924
Operating expenses:		
Payroll	70,314	33,729
Professional fees	41,131	24,636
General and administrative expenses	716,092	83,557
Depreciation	55,416	10,255
Total operating expenses	882,953	152,177
Loss from operations	(731,120)	(119,253)
Other income (expense):		
Interest expense	(144,309)	(27,418)
Change in fair value of derivative liability	16,028	(34,734)
Total other income (expense)	(128,281)	(62,152)
Net Income (loss)	$ (859,401)	$ (181,405)
Basic and dilutive loss per common share	$ (0.04)	$ (0.01)
Weighted average number of common shares outstanding - basic and diluted	20,781,986	15,027,259

The accompanying notes are an integral part of the financial statements

BLOW& DRIVE INTERLOCK CORPORATION
Consolidated Statements of Shareholders' Equity (Deficit)

	Preferred Stock - Series A		Common Stock		Additional	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Paid-In Capital	Deficit	Equity (Deficit)
Balance December 31, 2016	-	$ -	19,575,605	$ 1,958	$ 1,594,721	$ (1,531,330)	$ 65,349
Shares issued for services	1,000,000	1,000	27,180	3	362,911	-	363,914
Shares issued related to debt	-	-	195,400	19	85,700	-	85,719
Shares issued for cash	-	-	1,898,076	189	247,185	-	247,374
Shares issued related to anti-dilution	-	-	318,493	32	(32)	-	-
Net loss	-	-	-	-	-	(859,401)	(859,401)
Balance March 31, 2017 (unaudited)	1,000,000	$ 1,000	22,014,754	$ 2,201	$ 2,290,485	$ (2,390,731)	$ (97,045)

The accompanying notes are an integral part of the financial statements

BLOW& DRIVE INTERLOCK CORPORATION
Consolidated Statement of Cash Flows
(unaudited)

	Three Months Ended March 31,	
	2017	**2016**
Cash flows from operating activities:		
Net loss	$ (859,401)	$ (181,405)
Adjustments to reconcile from net loss to net cash used in operating activities:		
Depreciation	55,416	10,255
Shares issued for services	363,914	34,000
Amortization of debt discount	92,676	20,083
Change in fair value of derivative liability	(16,028)	34,734
Changes in operating assets and liabilities		
Accounts receivable, net	(37,165)	(6,545)
Prepaid expenses	(1,798)	(16,747)
Deposits	56,850	-
Accounts payable	(4,065)	20,922
Accrued expenses	280,678	(4,867)
Accrued interest	26,770	3,607
Income taxes payable	1,600	-
Deferred revenue	(673)	35,251
Accrued royalties payable	1,916	-
Net cash used in operating activities	(39,310)	(50,712)
Cash flows from investing activities:		
Purchases of furniture and equipment	(295,424)	(80,000)
Net cash used in investing activities	(295,424)	(80,000)
Cash flows from financing activities:		
Proceeds from notes payable	195,400	160,899
Repayments of notes payable	(85,316)	(37,831)
Proceeds from issuance of common stock	247,374	-
Net cash provided by financing activities	357,458	123,068
Net increase (decrease) in cash	22,724	(7,644)
Cash, beginning of period	116,309	9,103
Cash, end of period	$ 139,033	$ 1,459
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ 24,863	$ 3,827
Income taxes	$ -	$ -
Supplemental disclosure of non-cash investing and financing activities:		
Common stock issued for services	$ 363,914	$ 34,000
Establishment of debt discount for accrued royalties payable	$ -	$ 120,000
Preferred stock issued for debt reduction and services	$ 350,000	$ -

The accompanying notes are an integral part of the financial statements

Note 1 - Organization and Nature of Business

Blow & Drive Interlock ("the Company") was incorporated on July 2, 2013 under the laws of the State of Delaware to engage in any lawful corporate undertaking, including, but not limited to, selected mergers and acquisitions. The Company markets and rents alcohol ignition interlock devices to DUI/DWI offenders as part of their mandatory court or motor vehicle department programs. The Company has approval for its device in the following states: California, Colorado, Kansas, New York, Tennessee, Arizona, Oregon, Kentucky, Oklahoma, Pennsylvania, and Texas.

In 2015, The Company formed BDI Manufacturing, Inc., an Arizona corporation, which is a 100% wholly owned subsidiary of Blow & Drive Interlock Corporation.

The Company markets, installs and monitors a breath alcohol ignition interlock device (BAIID) called the BDI-747/1, which is a mechanism that is installed on the steering column of an automobile and into which a driver exhales. The device in turn provides a blood-alcohol concentration analysis. If the driver's blood-alcohol content is higher than a certain pre-programmed limit, the device prevents the ignition from engaging and the automobile from starting. These devices are often required for use by DUI or DWI ("driving under the influence" or "driving while intoxicated") offenders as part of a mandatory court or motor vehicle department program.

The Company licenses the rights to third party distributers to promote the BDI-747/1 and provide services related to the device. The distributorships are for specific geographical areas (either entire states or certain counties within states). The Company currently has entered into six distributorship agreements. Under the distribution agreements the Company typically receives a onetime fee, and then is entitled to receive a per unit registration fee and a per unit monthly fee for each BDI-747/1 unit the distributor has in inventory or on the road beginning thirty (30) days after the distributor receives the unit.

Note 2 – Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared by the Company in accordance with generally accepted accounting principles in the United States of America, and pursuant to the rules and regulations of the Securities and Exchange Commission and reflect all adjustments, consisting of normal recurring adjustments, which management believes are necessary to fairly present the financial position, results of operations and cash flows of the Company.

Going Concern

The Company's unaudited condensed consolidated financial statements are prepared using generally accepted accounting principles in the United States of America applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not yet established an ongoing source of revenue sufficient to cover its operating costs and allow it to continue as a going concern. As of March 31, 2017, the Company had an accumulated deficit of $2,390,731. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease or reduce its operations.

In order to continue as a going concern, the Company will need, among other things, additional capital resources. The Company will continue to raise funds through the sale of its equity securities or issuance of notes payable to obtain additional operating capital. The Company is dependent upon its ability, and will continue to attempt to secure additional equity and/or debt financing until the Company can earn revenue and realize positive cash flow from its operations. There are no assurances that the Company will be successful in earning revenue and realizing positive cash flow from its operations. Without sufficient financing it would be unlikely that the Company will continue as a going concern.

Based on the Company's current rate of cash outflows, cash on hand and proceeds from the prior sale of equity securities and issuance of notes payable, management believes that its current cash will not be sufficient to meet the anticipated cash needs for working capital for the next 12 months. The Company's plans with respect to its liquidity issues include, but are not limited to, the following:

1) Continue to issue restricted stock for compensation due to consultants and for its legacy accounts payable in lieu of cash payments; and

2) Seek additional capital to continue its operations as it rolls out its current products. The Company is currently evaluating additional debt or equity financing opportunities and may execute them when appropriate. However, there can be no assurances that the Company can consummate such a transaction, or consummate a transaction at favorable pricing.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and achieve profitable operations. These condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might result from this uncertainty.

Reclassifications

Certain reclassifications have been made to amounts in prior periods to conform to the current period presentation. All reclassifications have been applied consistently to the periods presented.

Use of Estimates

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

Revenue Recognition

The Company recognizes revenue when earned and related costs of sales and expenses when incurred. The Company recognizes revenue in accordance with FASB ASC Topic 605-10-S99, *Revenue Recognition, Overall, SEC Materials* ("Section 605-10-S74"). Section 605-10-S99 requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred or services rendered; (3) the fee is fixed and determinable; and (4) collectability is reasonably assured. Cost of revenue consists of the cost of the purchased goods and labor related to the corresponding sales transaction. When a right of return exists, the Company defers revenues until the right of return expires. The Company recognizes revenue from services at the time the services are completed. Monthly per unit fee revenue is earned and recognized over the term of the contract as support services are provided. Revenues from territory exclusivity are earned when there is persuasive evidence of an arrangement, delivery has occurred, the sales price has been determined and collectability has been reasonably assured.

Accounts Receivable and Allowance for Doubtful Accounts

The Company's accounts receivable primarily consist of trade receivables. The Company records an allowance for doubtful accounts that is based on historical trends, customer knowledge, any known disputes, and the aging of the accounts receivable balances combined with management's estimate of future potential recoverability. Receivables are written off against the allowance after all attempts to collect a receivable have failed. The Company believes its allowance for doubtful accounts as of March 31, 2017 and December 31, 2016 is adequate, but actual write-offs could exceed the recorded allowance.

Inventories

Inventories are valued at the first-in first-out method and at March 31, 2017 and December 31, 2016 consists of spare parts for the BDI 747 monitoring units.

Convertible Debt and Warrants Issued with Convertible Debt

Convertible debt is accounted for under the guidelines established by ASC 470, *Debt with Conversion and Other Options* and ASC 740, *Beneficial Conversion Features*. The Company records a beneficial conversion feature ("BCF") when convertible debt is issued with conversion features at fixed or adjustable rates that are below market value when issued. If, however, the conversion feature is dependent upon a condition being met or the occurrence of a specific event, the BCF will be recorded when the related contingency is met or occurs. The BCF for the convertible instrument is recorded as a reduction, or discount, to the carrying amount of the convertible instrument equal to the fair value of the conversion feature. The discount is then amortized to interest over the life of the underlying debt using the effective interest method.

The Company calculates the fair value of warrants issued with the convertible instruments using the Black-Scholes valuation method, using the same assumptions used for valuing employee options for purposes of ASC 718, *Compensation – Stock Compensation*, except that the contractual life of the warrant is used. Under these guidelines, the Company allocates the value of the proceeds received from a convertible debt transaction between the conversion feature and any other detachable instruments (such as warrants) on a relative fair value basis. The allocated fair value is recorded as a debt discount or premium and is amortized over the expected term of the convertible debt to interest expense.

For modifications of convertible debt, the Company records a modification that changes the fair value of an embedded conversion feature, including a BCF, as a debt discount which is then amortized to interest expense over the remaining life of the debt. If modification is considered substantial (i.e. greater than 10% of the carrying value of the debt), an extinguishment of debt is deemed to have occurred, resulting in the recognition of an extinguishment gain or loss.

Fair Value of Financial Instruments

The Company utilizes ASC 820-10, Fair Value Measurement and Disclosure, for valuing financial assets and liabilities measured on a recurring basis. Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The guidance also 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 market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors market participants would use in valuing the asset or liability. The guidance establishes three levels of inputs that may be used to measure fair value:

Level 1. Observable inputs such as quoted prices in active markets;

Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The table below describes the Company's valuation of financial instruments using guidance from ASC 820-10:

	Fair Value Measurments Using:		
	Level 1	Level 2	Level 3
Balance December 31, 2016	$ -	$ 73,556	$ -
Valuation of preferred shares issuance	-	-	350,000
Change in fair value of derivative libaility	-	(16,028)	-
Balance March 31, 2017 (unaudited)	$ -	$ 57,528	$ 350,000

Net Income (Loss) Per Share

Basic earnings per share is calculated by dividing income available to common stockholders by the weighted-average number of common shares outstanding during each period. Diluted earnings per share is computed using the weighted average number of common and dilutive common share equivalents outstanding during the period.

Stock Based Compensation

The Company recognizes stock-based compensation in accordance with FASB ASC Topic 718 *Stock Compensation*, which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors including employee stock options and employee stock purchases related to an employee stock purchase plan based on the estimated fair values.

For non-employee stock-based compensation, the Company applies FASB ASC Topic 505 *Equity-Based Payments to Non-Employees*, which requires stock-based compensation related to non-employees to be accounted for based on the fair value of the related stock or options or the fair value of the services on the grant date, whichever is more readily determinable in accordance with FASB ASC Topic 718.

Concentrations

All of the Company's ignition interlock devices are purchased from one supplier in China. The loss of this supplier could have a material impact on the Company's ability to timely obtain additional units.

The Company has multiple distributors as of March 31, 2017, and is actively engaging more in new markets. However, for the three months ended March 31, 2017, one distributor, licensed in four states, makes up approximately 90% percent of all revenues from distributors, and 76% of accounts receivable at March 31, 2017. The loss of this distributer would have a material impact on the Company's revenues

Income Taxes

The Company accounts for its income taxes in accordance with Income Taxes Topic of the FASB ASC 740, which requires recognition of deferred tax assets and liabilities for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in operations in the period that includes the enactment date.

The Company also follows ASC 740-10-25, which provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in an enterprise's financial statements in accordance with ASC Topic 740, "*Accounting for Income Taxes*". ASC 740-10-25 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

Derivative Liabilities

The Company assessed the classification of its derivative financial instruments as of March 31, 2017, which consist of convertible instruments and rights to shares of the Company's common stock, and determined that such derivatives meet the criteria for liability classification under ASC 815.

ASC 815 generally provides three criteria that, if met, require companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments. These three criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument subject to the requirements of ASC 815. ASC 815 also provides an exception to this rule when the host instrument is deemed to be conventional, as defined.

Convertible Instruments

The Company evaluates and accounts for conversion options embedded in its convertible instruments in accordance with professional standards for "Accounting for Derivative Instruments and Hedging Activities".

ASC 815-40 provides that, among other things, generally, if an event is not within the entity's control or could require net cash settlement, then the contract shall be classified as an asset or a liability.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued a new accounting standard on leasing. The new standard will require companies to record most leased assets and liabilities on the balance sheet, and also proposes a dual model for recognizing expense. This guidance will be effective in the first quarter of 2019 with early adoption permitted. The Company is evaluating the impact that adopting this guidance will have on consolidated financial statements.

Note 3 – Segment Reporting

The Company has two reportable segments: (1) Monitoring and (2) Distributorships.

Monitoring fees on Company installed units

The Company rents units directly to customers and installs the units in the customer's vehicles. The rental periods range from a few months to 2 years and include a combination of down payments made by the customer and monthly payments paid under the agreements with the Company. Revenue is recognized from these companies on the straight line basis over the term of the agreement. Amounts collected in excess of those earned are classified as deferred revenue in the balance sheet, and amounts earned in excess of amounts collected are reflected in accounts receivable in the balance sheet at March 31, 2017 and December 31, 2016.

Distributorships

The Company enters into arrangements that include multiple deliverables, which typically consist of the sale of exclusive distributorship territory rights, startup supplies package, promotional material, three weeks of onsite training and ongoing monthly support services. The Company accounts for each material element within an arrangement with multiple deliverables as separate units of accounting. Revenue is allocated to each unit of accounting under the guidance of ASC Topic 605-25, Multiple-Element Revenue Arrangements, which provides criteria for separating consideration in multiple-deliverable arrangements by establishing a selling price hierarchy for determining the selling price of a deliverable. The selling price used for each deliverable is based on vendor-specific objective evidence ("VSOE") if available, third-party evidence if VSOE is not available, or estimated selling price if neither VSOE nor third-party evidence is available. The Company is required to determine the best estimate of selling price in a manner that is consistent with that used to determine the price to sell the deliverable on a standalone basis. The Company generally does not separately sell distributorships or training on a standalone basis. Therefore, the Company does not have VSOE for the selling price of these units nor is third party evidence available and thus management uses its best estimate of selling prices in their allocation of revenue to each deliverable in the multiple element arrangement.

BLOW & DRIVE INTERLOCK CORPORATION
Notes to the Consolidated Financial Statements
(Unaudited)

The following table summarizes net sales and identifiable operating income by segment:

	Three Months Ended March 31,	
	2017	**2016**
Segment gross profit (a):		
Monitoring	$ 67,338	$ 32,924
Distributorships	84,495	-
Gross Profit	151,833	32,924
Identifiable segment operating income (b):		
Monitoring	61,506	23,723
Distributorships	35,965	-
	97,471	23,723
Reconcilliation of identifiable segment income to corporate income (c):		
Payroll	70,314	33,729
Professional fees	41,131	24,636
General and administrative expenses	716,092	83,557
Depreciation	1,054	1,054
Interest expense	144,309	27,418
Change in fair value of derivative liability	(16,028)	34,734
Income (loss) before provision for income taxes	(859,401)	(181,405)
Provision for income taxes	-	-
Net Income (loss)	$ (859,401)	$ (181,405)
Total net property, plant, and equipment assets		
Monitoring	63,764	112,154
Distributorships	530,631	-
Corporate	1,959	3,238
	596,354	115,392

(a) Segment gross profit includes segment net sales less segment cost of sales

(b) Identifiable segment operating income consists of segment gross profit, less identifiable depreciation expense

(c) General corporate expense consists of all other non-identifiable expenses

Note 4 – Furniture and Equipment

Furniture and equipment consist of the following:

	March 31, 2017	December 31, 2016
Monitoring Units	$ 715,323	$ 419,898
Furniture, Fixtures, and Equipment	4,798	4,798
Total Assets	720,121	424,696
Less: accumulated depreciation	(123,766)	(68,350)
Furniture and Equipment, net	596,354	356,346

Depreciation expense for the three months ended March 31, 2017 and 2016 were $55,416 and $10,255, respectively.

Note 5 – Deposits

Deposits consist of the following:

	March 31, 2017	**December 31, 2016**
Deposit for BDI-747 units	$ 197,000	$ 250,000
Other	2,404	6,254
Total	$ 199,404	$ 256,254

Note 6 – Accrued Expenses

Accrued Expense consist of the following:

	March 31, 2017	**December 31, 2016**
Accrued expenses - other	$ 285,497	$ 3,503
Accrued wages	18,643	32,700
Accrued payroll taxes	45,333	32,592
Total	$ 349,473	$ 68,795

Note 7 - Deferred revenue

The Company classifies income as deferred until the terms of the contract or time frame have been met within the Company's revenue recognition policy. As of March 31, 2017 and December 31, 2016 deferred revenue consist of the following:

	March 31, 2017	**December 31, 2016**
Monitoring deferred revenues	$ 100,658	$ 103,831
Distributership deferred revenues	5,000	2,500
Total	$ 105,658	$ 106,331

BLOW & DRIVE INTERLOCK CORPORATION
Notes to the Consolidated Financial Statements
(Unaudited)

Note 8 – Notes Payable

Notes payable consist of the following:

	March 31, 2017		December 31, 2016	
	Principal	Accrued Interest	Principal	Accrued Interest
Convertible notes				
Convertible note #1	7,500	74	7,500	31
Debt Discount	(1,774)	-	(3,104)	-
Convertible note #2	50,000	2,033	50,000	1,617
Debt Discount	(14,785)	-	(20,620)	-
Subtotal convertible notes net	40,941	2,107	33,776	1,648
Promissory notes				
Promissory note #1	-	-	990	-
Promissory note #2	612	-	13,278	-
Debt Discount	-	-	(3,510)	-
Promissory note #3	50,000	750	50,000	-
Debt Discount	(26,042)	-	(32,292)	-
Promissory note #4	10,000	1,000	10,000	400
Debt Discount	(5,000)	-	(7,308)	-
Promissory note #5	36,100	5,838	36,100	3,581
Promissory note #6	5,040	-	5,040	106
Debt Discount	(2,940)	-	(4,200)	-
Promissory note #7	24,960	1,560	24,960	-
Promissory note #8	50,000	3,125	50,000	-
Promissory note #9	50,400	1,050	-	-
Debt Discount	(20,790)	-	-	-
Promissory note #10	70,000	1,458	-	-
Debt Discount	(26,833)	-	-	-
Promissory note #11	75,000	1,563	-	-
Debt Discount	(29,583)	-	-	-
Subtotal promissory notes	260,924	16,344	143,058	4,087
Royalty notes				
Royalty note #1	36,355	-	46,876	-
Debt Discount	(35,868)	-	(45,903)	-
Royalty note #2	33,328	-	48,938	-
Debt Discount	(31,953)	-	(41,133)	-
Royalty note #3	192,000	913	192,000	-
Debt Discount	(160,000)	-	(176,000)	-
Royalty note #4	325,000	17,516	325,000	4,375
Debt Discount	(282,803)	-	(311,258)	-
Subtotal royalty notes	76,059	18,429	38,520	4,375
Related party promissory note				
Related party promissory note	52,220	-	97,749	-
Total	430,144	36,880	313,103	10,110
Current portion	175,845	36,880	238,264	10,110
Long-term portion	$ 254,299	$ -	$ 74,839	$ -

Convertible note #1:

On August 7, 2015, the Company entered into an agreement with a third party non-affiliate and issued a 7.5% interest bearing convertible debenture for $15,000 due on August 7, 2017, with conversion features commencing after 180 days following the date of the note. Payments of interest only were due monthly beginning September 2015. The loan is convertible at 70% of the average of the closing prices for the common stock during the five trading days prior to the conversion date. In connection with this Convertible note payable, the Company recorded a $5,770 discount on debt, related to the beneficial conversion feature of the note to be amortized over the life of the note or until the note is converted or repaid. This note was bifurcated with the embedded conversion option recorded as a derivative liability at fair value (See Note 8). On May 6, 2016 the note holder elected to convert $7,500 in principal into 30,000 shares of common stock.

In connection with the issuance of the August Convertible Note Payable, the Company issued a warrant on August 7, 2015 to purchase 30,000 shares of the Company's common stock at a purchase price of $0.50 per share. The Black Scholes model was used in valuing the warrants in determining the relative fair value of the warrants issued in connection with the convertible note payable using the following inputs: Expected Term – 3 years, Expected Dividend Rate – 0%, Volatility – 100%, Risk Free Interest Rate -1.08%. The Company recorded an additional $4,873 discount on debt, related to the relative fair value of the warrants issued associated with the note to be amortized over the life of the note.

Convertible note #2

On November 24, 2015, the Company entered into an agreement with an existing non-affiliated shareholder, and issued a 10% interest bearing convertible debenture for $50,000 due on November 19, 2017. Payments of interest only are due monthly beginning December 2015. The loan is convertible at 70% of the average of the closing prices for the common stock during the five trading days prior to the conversion date, but may not be converted if such conversion would cause the holder to own more than 9.9% of outstanding common stock after giving effect to the conversion (which limitation may be removed by the holder upon 61 days advanced notice to the company). In connection with this Convertible Note Payable, the Company recorded a $32,897 discount on debt, related to the beneficial conversion feature of the note to be amortized over the life of the note or until the note is converted or repaid. This note was bifurcated with the embedded conversion option recorded as a derivative liability at fair value. As of December 30, 2016 this note has not been converted.

In connection with the issuance of the November convertible note payable, the Company issued a warrant to purchase 80,000 shares of common stock at an exercise price of $0.80 per share. The warrant has an exercise period of two years from the date of issuance. The Black Scholes model was used in valuing the warrants in determining the relative fair value of the warrants issued in connection with the convertible note payable using the following inputs: Expected Term – 2 years, Expected Dividend Rate – 0%, Volatility – 100%, Risk Free Interest Rate -.61%. The Company recorded an additional $13,783 discount on debt, related to the relative fair value of the warrants issued associated with the note to be amortized over the life of the note.

Promissory note #1:

On December 18, 2015, the Company entered into a borrowing facility with a third party. The initial note value was for a principal balance of $10,200. The Company is allowed to draw limited additional funds at any time. During 2016 the Company drew an additional $13,100 in connection with this borrowing facility. The interest due is dependent on a cost schedule that is tied to the date of repayment of the principle. Due dates for each draw are 6 months from the draw date and range through January, 2017.

Promissory note #2:

On January 29, 2016, the Company entered into a note payable agreement with a third party. The note was for a principal balance of $44,850 in exchange for $29,505 in cash. The initial borrowing was paid back in August 2016. Subsequent to this initial repayment, the Company borrowed an additional $28,600 in September of 2016. The current borrowing is paid back via daily ACH debits for $204 per business day with a target extinguishment in March 2017.

Promissory note #3:

On March 30, 2016, the Company provided an agreement to a third party to obtain a $50,000 promissory note in exchange for 50,000 restricted common shares and $50,000 in cash. The promissory note has a maturity date of June 30, 2018, and bears interest at 18% per annum. The purchaser did not sign the agreement nor deliver the proper consideration prior to March 31, 2016. The exchange of the $50,000 in cash consideration by the purchaser and the issuance of the 50,000 restricted common shares by the Company was made in conjunction with delivery of the signed purchase agreement and promissory note on April 5, 2016. The Company recorded a debt discount of $50,000 related to the relative fair value of the issued shares associated with the note to be amortized over the life of the note.

Promissory note #4:

On September 23, 2016, the Company provided an agreement to a third party to obtain a $10,000 promissory note in exchange for 100,000 restricted common shares and $10,000 in cash. The promissory note has a maturity date of October 31, 2017 and bears interest at 24% per annum. The Company recorded a debt discount of $10,000 related to the relative fair value of the issued shares associated with the note to be amortized over the life of the note.

Promissory note #5:

On September 30, 2016, the Company provided an agreement to a third party to obtain a $36,100 promissory note in exchange for $36,100 in cash. The promissory note has a maturity date of October 1, 2017 and bears interest at 25% per annum. The note requires total payments of $1,150 per month and a balloon payment of $36,100 for principle upon maturity.

Promissory note #6:

On November 1, 2016, the Company provided an agreement to a third party to obtain a $5,040 promissory note in exchange for $5,040 in cash. The promissory note has a maturity date of November 1, 2017 and bears interest at 25% per annum. In connection with the issuance of the note payable, the Company issued a warrant to purchase 50,000 shares of common stock at an exercise price of $0.10 per share. The warrant has an exercise period of four years from the date of issuance. The Black Scholes model was used in valuing the warrants in determining the relative fair value of the warrant using the following inputs: Expected Term – 4 years, Expected Dividend Rate – 0%, Volatility – 329%, Risk Free Interest Rate -1.56%. The Company recorded a discount of $5,040, related to the relative fair value of the warrants issued associated with the note to be amortized over the life of the note.

Promissory note #7:

On November 1, 2016, the Company provided an agreement to a third party to obtain a $24,960 promissory note in exchange for $24,960 in cash. The promissory note has a maturity date of November 1, 2017 and bears interest at 25% per annum. The note requires total payments of $520 per month and a balloon payment of $24,960 for principle upon maturity.

Promissory note #8:

On November 1, 2016, the Company provided an agreement to a third party to obtain a $50,000 promissory note in exchange for $50,000 in cash. The promissory note has a maturity date of November 1, 2019 and bears interest at 25% per annum. The note requires total payments of $1,042 per month and a balloon payment of $50,000 for principle upon maturity.

Promissory note #9:

On January 15, 2017, the Company provided an agreement to a third party to obtain a $50,400 promissory note in exchange for $50,400 in cash. The promissory note has a maturity date of January 15, 2018 and bears interest at 25% per annum. The note requires total payments of $1,042 per month and a balloon payment of $50,000 for principle upon maturity. The Company recorded a debt discount of $27,720 related to the value of the issued shares associated with the process of obtaining the note to be amortized over the life of the note.

Promissory note #10:

On February 27, 2017, the Company provided an agreement to a third party to obtain a $70,000 promissory note in exchange for $70,000 in cash. The promissory note has a maturity date of February 27, 2020 and bears interest at 25% per annum. The note requires total payments of $1,458 per month and a balloon payment of $70,000 for principle upon maturity. The Company recorded a debt discount of $28,000 related to the value of the issued shares associated with the process of obtaining the note to be amortized over the life of the note.

Promissory note #11:

On March 16, 2017, the Company provided an agreement to a third party to obtain a $75,000 promissory note in exchange for $75,000 in cash. The promissory note has a maturity date of March 16, 2020 and bears interest at 25% per annum. The note requires total payments of $1,563 per month and a balloon payment of $75,000 for principle upon maturity. The Company recorded a debt discount of $30,000 related to the value of the issued shares associated with the process of obtaining the note to be amortized over the life of the note.

Royalty note #1:

On January 20, 2016, the company entered into a non-interest bearing note payable and royalty agreement with a third party. Under the note, the Company borrowed $65,000 and begin to repay the principal amount at a rate of approximately $937 per month with escalations to approximately $3,531 per month as of February 2017 until the note is paid in full. In addition, starting in February 2018, the Company will pay the lender a royalty fee of five ($5) dollars per month for every ignition interlock devise that the Company has on the road in customers' vehicles up to eight hundred (800) in perpetuity, and for every unit over 800, the Company will owe the lender $1 per month per device in perpetuity. In connection with this note, the Company recorded a debt discount of $65,000 relating to the future royalty payments.

On September 30, 2016, the Company entered into Amendment No. 1 to Royalty note #1 in order to remove a security interest in the Company's assets to secure repayment of the original note and amend the royalty provisions of the original note to be $1 for each Device on the road beginning in the 25th month after the date of the original note. In connection with this amendment, the Company issued 425,000 shares of restricted common stock. Pursuant to ASC 470 this amendment is a deemed extinguishment of the debt and the resulting revised debt is set up as a new note. In connection therewith, the Company recorded a loss on extinguishment of $116,541 during the year ended December 31, 2016.

Royalty note #2:

On March 29, 2016, the company consummated a non-interest bearing note payable and royalty agreement with a relative of the CEO with terms almost identical to the note referenced above. Under the note, the Company borrowed $55,000 and begin to repay the principal amount at a rate of approximately $937 per month with escalations to approximately $3,531 per month as of April 2017 until the note is paid in full. In addition, starting in February 2018, the Company will pay the lender a royalty fee of five ($5) dollars per month for every ignition interlock devise that the Company has on the road in customers' vehicles up to eight hundred (800) in perpetuity, and for every unit over 800, the Company will owe the lender $1 per month per device in perpetuity. In connection with this note, the Company recorded a debt discount of $55,000 relating to the future royalty payments

On September 30, 2016, the Company entered into Amendment No. 1 to Royalty note #2 to amend the royalty provisions of the original note to be $1 for each Device on the road beginning in the 25th month after the date of the Royalty note #2. In connection with this amendment, the Company issued 50,000 shares of restricted common stock and recorded an additional debt discount of $8,959. This amendment was accounted for as a debt modification pursuant to ASC 470.

Royalty note #3:

On September 30, 2016, the Company entered into a Loan and Security Agreement (the "LSA") with Doheny Group, LLC, a Delaware limited liability company ("Doheny"), under which Doheny agreed to loan up to $542,400 in two phases, to be used to acquire additional parts and supplies to manufacture the Company's proprietary breath alcohol ignition interlock devices. Under the terms of the LSA, the first phase will be a loan of up to $192,000 to acquire parts and supplies to manufacture 600 Devices; and the second phase will be a loan of up to $350,400 to acquire parts and supplies to manufacture 1,000 Devices.

The Phase 1 Loan was funded in the amount of $192,000 by Doheny on September 30, 2016, upon which the Company forwarded the funds to its supplier on or about October 5, 2016, in order to acquire parts and supplies to manufacture 600 Devices. Both the Phase 1 Loan and the Phase 2 Loan mature three years from the date of funding, and are at an interest rate of 25% per annum. The Company can prepay the Phase 1 Loan and the Phase 2 Loan (if applicable) at any time without penalty. In exchange for Doheny funding the Phase 1 Loan, the Company issued Doheny a promissory note for $192,000 and also issued Doheny shares of common stock equal to 4.99% of the then-outstanding common stock, pursuant to the terms of a stock purchase agreement. As a result, on or about October 7, 2016, the Company issued Doheny 845,913 shares of common stock. In addition, upon funding of any portion of the Phase 2 loan (Royalty Note #4 below) then the Company is obligated to issue Doheny that number of additional shares of common stock that equals 5% of the then-outstanding common stock. Until the Company repays the Phase 1 Loan and the Phase 2 Loan, as applicable, Doheny has anti-dilution rights for the percentage of stock Doheny owns in the event the Company issues additional shares of common stock during that period. The Company also entered into a Royalty Agreement with Doheny, under which Doheny was granted perpetual royalty rights on all Devices when the Company has 500 or more Devices in service whether leased to end users or distributors. The royalty amounts vary between $1 and $2 per Device depending on a variety of factors. The Company recorded a debt discount of $192,000 related to the relative fair value of the issued shares associated with the Phase 1 note to be amortized over the life of the note.

Royalty note #4:

On November 4, 2016, the Company agreed to fund an initial portion of the Phase 2 loan as described in "Royalty note #3" above. In connection with this funding the common stock ownership percentage of Doheny Group was increased to 9.95%. As also described in "Royalty note #3" above Doheny has anti-dilution privileges to maintain 9.95% of common stock ownership at no additional cost until both Royalty note #3 and Royalty note #4 are paid in full. As of March 31, 2017 the Company has drawn $325,000 out of the maximum allowance of $350,400 in connection with Royalty note #4.

Related party promissory note

On February 16, 2014, the Company entered into a note payable agreement with Laurence Wainer, the director, President and sole officer of the Company. The note was for a principal balance of $160,000 and bears interest at 7.75% per annum. Principal and interest payments are due in 60 equal monthly installments beginning in March 2014 of $3,205. The Company and Laurence Wainer entered into an additional agreement effective April 2014 suspending loan repayments until January 2015. As of January 2015, the payments have resumed.

Note 9 – Derivative Financial Instruments

The Company applies the provisions of ASC Topic 815-40, Contracts in Entity's Own Equity ("ASC Topic 815-40"), under which convertible instruments, which contain terms that protect holders from declines in the stock price, may not be exempt from derivative accounting treatment. As a result, embedded conversion options (whose exercise price is not fixed and determinable) in convertible debt (which is not conventionally convertible due to the exercise price not being fixed and determinable) are initially recorded as a liability and are revalued at fair value at each reporting date using the Black Sholes Model.

The Company has a $7,500 and a $50,000 convertible note with variable conversion pricing outstanding at March 31, 2017. The following inputs were used in within the Black Sholes Model to determine the initial relative fair value: Expected Term – .85 and 1.11 years, Expected Dividend Rate – 0%, Volatility – 312%, Risk Free Interest Rate - 0.55%.

The Company revalues these derivatives each quarter using the Black Sholes Model. The change in valuation is accounted for as a gain or loss in derivative liability. The following table describes the Derivative liability as of March 31, 2017 and December 31, 2016.

Balance December 31, 2016	$	73,556
Change in fair market value of derivative		(16,028)
Balance March 31, 2017 (unaudited)	$	57,528

Note 10 – Accrued Royalties Payable

In connection with the Royalty Notes number 1-4 as discussed in Note 8 above the Company has estimated the royalties to be paid out in perpetuity. These estimates were performed at the inception for the notes to reflect the associated debt discount. Payments on such royalty notes became due in October 2016 upon the Company hitting certain sales milestones as set forth in the royalty agreements.

Note 11 – Stockholders' Equity

Preferred Stock

The Company's articles of incorporation authorize the Company to issue up to 20,000,000 preferred shares of $0.001 par value.

Series A Preferred Stock

The Company has been authorized to issue 1,000,000 shares of Series A Preferred Stock. The Series A shares have the following preferences: no dividend rights; no liquidation preference over the Company's common stock; no conversion rights; no redemption rights; no call rights by the Company; each share of Series A Preferred stock will have one hundred (100) votes on all matters validly brought to the Company's common stockholders.

During the three months ended March 31, 2017, the Company entered into a material definitive agreement to issue 1,000,000 shares of series A preferred stock to an officer and director of the Company with a preliminary estimated value of $350,000. As of March 31, 2017 the total number of preferred shares issued or issuable was 1,000,000.

Common Stock

The Company has authorized 100,000,000 shares of $.0001. Holders of common stock are entitled to one vote for each share held. There are no restrictions that limit the Company's ability to pay dividends on its common stock, subject to the requirements of the Delaware Revised Statutes. The Company has not declared any dividends since incorporation.

During the three months ended March 31, 2017, the Company issued 27,180 shares of $0.001 par value common stock for services with a value of $13,913. The Company also issued 195,400 shares, valued at $85,720, to a related party in connection with obtaining debt financing. Additionally, the Company issued and sold 1,898,076 shares of its common stock to several investors for an aggregate purchase price of $247,374. The total number of shares issued or issuable as of March 31, 2017 was 22,014,754.

Note 12 – Warrants

The following table reflects warrant activity as during the three months ended March 31, 2017 and 2016:

	Warrants for Common Shares	Weighted Average Exercise Price
Outstanding as of December 31, 2015	110,000	$ 0.72
Granted	-	-
Exercised	-	-
Forfeited, cancelled, expired	-	-
Outstanding as of March 31, 2016	110,000	$ 0.72
Outstanding as of December 31, 2016	160,000	$ 0.53
Granted	-	-
Exercised	-	-
Forfeited, cancelled, expired	-	-
Outstanding as of March 31, 2017	160,000	$ 0.53

Note 13 – Income (Loss) Per Share

Net income (loss) per share is provided in accordance with FASB ASC 260-10, *"Earnings per Share".* Basic net income (loss) per common share ("EPS") is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted earnings (loss) per share is computed by dividing net income (loss) by the weighted average shares outstanding, assuming all dilutive potential common shares were issued, unless doing so is anti-dilutive.

The following shares are not included in the computation of diluted income (loss) per share, because their inclusion would be anti-dilutive:

	Three Months Ended March 31,	
	2017	2016
Preferred shares	-	-
Convertible notes	166,295	131,069
Warrants	160,000	110,000
Options	-	-
Total anti-dilutive weighted average shares	326,295	241,069

If all dilutive securities had been exercised at March 31, 2017 the total number of common shares outstanding would be as follows:

	March 31, 2017
Common Shares	22,014,754
Preferred Shares	-
Convertible notes	166,295
Warrants	160,000
Options	-
Total potential shares	22,341,049

Note 14 – Commitments and Contingencies

On December 1, 2016, the Company entered into a four-year lease with Cahuenga Management LLC for a storefront location at 15503 Cahuenga Blvd., North Hollywood, California 91601. Base rent under the lease is $2,200 per month, with an escalating provision up to $2,404 throughout the lease term. The rental agreement includes operating expenses such as common area maintenance, property taxes and insurance.

Legal Proceedings

In the ordinary course of business, the Company from time to time is involved in various pending or threatened legal actions. The litigation process is inherently uncertain and it is possible that the resolution of such matters might have a material adverse effect upon the Company's financial condition and/or results of operations. However, in the opinion of management, other than as set forth herein, matters currently pending or threatened against the Company are not expected to have a material adverse effect on the Company's financial position or results of operations.

Note 15 – Subsequent Events

The Company follows the guidance in FASB ASC Topic 855, *Subsequent Events* ("ASC 855"), which provides guidance to establish general standards of accounting for and disclosures of events that occur after the balance sheet date but before the consolidated financial statements are issued or are available to be issued. ASC 855 sets forth (i) the period after the balance sheet date during which management of a reporting entity evaluates events or transactions that may occur for potential recognition or disclosure in the consolidated financial statements, (ii) the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date in its consolidated financial statements, and (iii) the disclosures that an entity should make about events or transactions that occurred after the balance sheet date.

Subsequent to March 31, 2017, and through the date of this filing, the Company has issued a total of 187,842 common shares for an aggregate cash purchase price of $60,345. In connection with these sales of common shares the Company has also issued warrants for 171,426 common shares.

ITEM 2 Management's Discussion and Analysis of Financial Condition and Results of Operations

Disclaimer Regarding Forward Looking Statements

Our Management's Discussion and Analysis or Plan of Operations contains not only statements that are historical facts, but also statements that are forward-looking. Forward-looking statements are, by their very nature, uncertain and risky. These risks and uncertainties include international, national and local general economic and market conditions; demographic changes; our ability to sustain, manage, or forecast growth; our ability to successfully make and integrate acquisitions; raw material costs and availability; new product development and introduction; existing government regulations and changes in, or the failure to comply with, government regulations; adverse publicity; competition; the loss of significant customers or suppliers; fluctuations and difficulty in forecasting operating results; changes in business strategy or development plans; business disruptions; the ability to attract and retain qualified personnel; the ability to protect technology; and other risks that might be detailed from time to time in our filings with the Securities and Exchange Commission.

Although the forward-looking statements in this Quarterly Report reflect the good faith judgment of our management, such statements can only be based on facts and factors currently known by them. Consequently, and because forward-looking statements are inherently subject to risks and uncertainties, the actual results and outcomes may differ materially from the results and outcomes discussed in the forward-looking statements. You are urged to carefully review and consider the various disclosures made by us in this report and in our other reports as we attempt to advise interested parties of the risks and factors that may affect our business, financial condition, and results of operations and prospects.

Overview

We are a previous development stage company that was incorporated in the State of Delaware in July 2013. In the year ending December 31, 2016, we generated total revenues of $359,765, compared to $30,569 in the year ending December 31, 2015. From July 2, 2013 (inception) to December 31, 2016, we experienced a net loss and accumulated deficit of $1,531,330 and total liabilities of $727,812 including $97,749 in notes payable to our president, Laurence Wainer. For the three months ended March 31, 2017, we had total revenues of $164,054 and a net loss of $859,401.

We are in the business of renting a breath alcohol ignition interlock device called the BDI-747/1, which is a mechanism that is installed on the steering column of an automobile and into which a driver exhales. The device in turn provides a blood-alcohol concentration analysis. If the driver's blood-alcohol content is higher than a certain pre-programmed limit, the device prevents the ignition from engaging and the automobile from starting. We also have the option of in-car camera technology, which some states require for state approval. The in-car camera feature is just one of several anti-circumvention features found on the BDI-747. These devices are often required for use by DUI or DWI ("driving under the influence" or "driving while intoxicated") offenders as part of a mandatory court or motor vehicle department program.

On June 17, 2015, our BDI-747 Breath Alcohol Ignition Interlock Device, together with our patent pending BDI Model #1 power line filter, were certified by the National Highway Traffic Safety Administration (NHTSA) as meeting or exceeding the 2013 NHSTA guidelines. As a result, on July 27, 2015 we began production of our BDI-747 Breath Alcohol Ignition Interlock Device with the attached BDI Model #1 power line filter.

Since receiving our NHSTA Certification we have submitted applications to a number of states to be considered as a state-certified breath alcohol ignition interlock manufacturer and provider for all Ignition Interlock Mandated DUI/DWI offenders throughout each state. The process to get the device approved varies greatly state-to-state. As of March 31, 2017, the BDI-747/1 was approved for use in eleven states, namely California, Colorado, Oregon, Texas, Arizona, Kentucky, Oklahoma, Tennessee, Pennsylvania, New York, and Kansas. Our plan for the remainder of 2017 is to build our infrastructure in the states where we have approval to ensure we can service all areas of those states, as well as to gain approval in an additional 3-5 states.

In states where the BDI-747/1 is approved as a BAIID, we rent the BDI-747/1 devices to offenders, typically for twelve months, but the time could differ on a case-by-case basis depending on the sentence received by the offender. In some states we market, lease, install and support the devices directly and in other states we sell distributorships to authorized distributors allowing them to lease, install, service, remove and support the BDI-747/1 devices. Currently, we lease the devices directly in eight states and areas – California, Oregon, Colorado, Oklahoma, Tennessee, New York, Kansas and parts of Texas - and license the device to distributors in four different areas – two counties in Texas and in the states of Arizona, Kentucky and Pennsylvania.

In states where we rent the devices directly to consumers, we typically charge between $159-$198 in upfront fees for the user (which covers two months of the lease payment), and then between $59-$99/month for the other ten months of the lease for the typical one year lease. The payments cover the installation of the device in the consumer’s vehicle, the rental of the device, recalibration of the device as required by each state (typically every 30 to 60 days) and the monitoring services for the device, which are then reported to the state in accordance with each state’s requirements. In states and areas where we do not have a direct presence, which we only have in Los Angeles, California, we contract with independent service centers, such as car alarm installation companies or other auto services companies, to perform the installations of our BDI-747/1 device, which centers must be approved by the states in which the perform the installations. Because our devices are installed in consumers’ vehicles are part of a judicially-mandated program, and since the use of the device controls the individual’s driving privileges, collection rates of the monthly leasing fees is close to 100%. The failure to make the payment could be a violation of the consumer’s sentence or probation and could cause them to lose the device and their driving privileges.

In areas where we have a distributor, in our typical distributorship arrangement, we charge the distributor a flat fee distributorship territory fee up front (which fee varies based on the size and location of the distributorship), a $150 per unit registration fee, and then a $35 monthly fee for each device the distributor has in its inventory. These fees may vary on a case-by-case basis. The relationship with our distributors may either be on an exclusive or non-exclusive basis depending upon the location of the distributorship and the fees charged.

As of March 31, 2017, we had approximately 1,701 units on the road, with approximately 281 devices being rented directly from us and approximately 1,420 devices rented through our distributors. As of May 15, 2017, we had approximately 2,191 units on the road, with approximately 615 devices being rented directly from us and approximately 1,576 devices rented through our distributors. We plan to increase our marketing of the device, and more aggressively pursue sales and distributors once we have funds to manufacture additional units.

Our website is www.blowanddrive.com.

Results of Operations for Three Months Ended March 31, 2017 Compared to Three Months Ended March 31, 2016

Summary of Results of Operations

	Three Months Ended March 31,	
	2017	**2016**
Revenue:	$	$ -
Monitoring revenue	75,320	39,479
Distributorship revenue	88,734	-
Total revenues	164,054	39,479
Cost of revenue:		
Monitoring cost of revenue	7,982	6,555
Distributorship cost of revenue	4,239	-
Total cost of revenue	12,221	6,555
Gross profit	151,833	32,924
Operating expenses:		
Payroll	70,314	33,729
Professional fees	41,131	24,636
General and administrative expenses	716,092	83,557
Depreciation	55,416	10,255
Total operating expenses	882,953	152,177
Loss from operations	(731,120)	(119,253)
Other income (expense):		
Interest expense	(144,309)	(27,418)
Change in fair value of derivative liability	16,028	(34,734)
Total other income (expense)	(128,281)	(62,152)
Net income (loss)	$ (859,401)	$ (181,405)

Operating Loss; Net Income (Loss)

Our net loss increased by $677,996, from ($181,405) to ($859,401), from the three months ended March 31, 2016 compared to March 31, 2017. Our operating loss increased by $611,867, from ($119,253) to ($731,120) for the same periods. The increase in our net loss for the three months ended March 31, 2017, compared to the prior year period, is primarily a result of a significant increase in our general and administrative expenses, as well as increases in our payroll, professional fees and depreciation, partially offset by an increase in our gross profit of $118,909 for the period. These changes are detailed below.

Revenue

During the three months ended March 31, 2017 we had $164,054 in revenues, with $75,320 coming from revenue from the monthly recurring payments we received from our customers that rent our BDI-747/1 breathalyzer device for the ongoing monitoring services related to the devices, and $88,734 coming from revenues paid to us from our distributors, compared to $39,479 and $0 from these revenue sources for the same period one year ago. We expect the revenue we receive from monitoring our devices on the road will continue to increase as we have more units on the road.

Cost of Revenue

Our cost of revenue for the three months ended March 31, 2017 was $12,221, compared to $6,555 for the three months ended March 31, 2016. Our cost of revenue for the three months ended March 31, 2017 was attributed as $7,982 to monitoring cost of revenue and $4,239 to distributorship cost of revenue. For the three months ended March 31, 2016, our cost of revenue was completely related to our monthly monitoring services we provide to our customers.

Payroll

Our payroll increased by $36,585, from $33,729 to $70,314, from the three months ended March 31, 2016 compared to March 31, 2017. This increase was largely related to hiring additional personnel as we put more units on the road. We expect our payroll in future quarterly periods will be approximately $50,000 to $55,000 per quarter until we are able to expand our operations. If we expand our operations, especially by renting units to individuals directly from us (as opposed to through distributors), we expect our payroll will continue to increase as we put additional units on the road.

Professional Fees

Our professional fees increased during the three months ended March 31, 2017 compared to the three months ended March 31, 2016. Our professional fees were $41,131 for the three months ended March 31, 2017 and $24,636 for the three months ended March 31, 2016. These fees are largely related to fees paid for legal, accounting and audit services. We expect these fees to continue grow steadily as our business expands. In the event we undertake an unusual transaction, such as an acquisition, securities offering, or file a registration statement, we would expect these fees to substantially increase during that period.

General and Administrative Expenses

General and administrative expenses increased significantly for the periods presented, from $83,557 for the three months ended March 31, 2016 to $716,092 for the three months ended March 31, 2017. This significant increase was related to stock-based compensation and other accrued expenses. In quarters that we do not have similar one-time transactions we expect our general and administrative expenses to be around $125,000 to $150,000 per quarter for the foreseeable future.

Depreciation

We had depreciation of $55,416 for the three months ended March 31, 2017, compared to $10,255 for the same period one year ago. Our depreciation and amortization expenses in 2016 were primarily related to the depreciation of the BDI-747/1 device.

Interest Expense

Interest expense increased by $116,891 from $27,418 for the three months ended March 31, 2016 to $144,309 for the three months ended March 31, 2017. For both periods these amounts are largely due to the interest we owe on outstanding debt including amortization of debt discount costs. The interest expense significantly increased for the period ended March 31, 2017, compared to the same period one year ago, due to our increase in outstanding debt compared to one year ago.

Change in Fair Value of Derivative Liability

During the three months ended March 31, 2017, we had a change in fair value of derivative liability of $16,028 compared to ($34,734) for the same period in 2016. The change in fair value of derivative liability in the three months ended March 31, 2017, relates to the conversion feature of a promissory note we had outstanding during this period. Since the conversion price on the promissory note is calculated based on a discount to the closing price of our common stock, as our closing price fluctuates it changes the fair value of the derivative liability.

Liquidity and Capital Resources for Three Months Ended March 31, 2017 Compared to Three Months Ended March 31, 2016

Introduction

During the three months ended March 31, 2017 and 2016, because of our operating losses, we did not generate positive operating cash flows. Our cash on hand as of March 31, 2017 was $139,033 and our cash used in operations is approximately $13,000 per month. As a result, we have short term cash needs. These needs are being satisfied through proceeds from the sales of our securities and loans from both related parties and third parties. We currently do not believe we will be able to satisfy our cash needs from our revenues for some time.

Our cash, current assets, total assets, current liabilities, and total liabilities as of March 31, 2017 and as of December 31, 2016, respectively, are as follows:

	March 31, 2017	December 31, 2016	Change
Cash	$ 139,033	$ 116,309	$ 22,724
Total Current Assets	242,248	180,561	61,687
Total Assets	1,038,006	793,161	244,845
Total Current Liabilities	756,869	531,006	225,863
Total Liabilities	$ 1,135,051	$ 727,812	$ 407,239

Our current assets increased as of March 31, 2017 as compared to December 31, 2016, due to us having more cash on hand and higher accounts receivable, net as of March 31, 2017. The increase in our total assets between the two periods was also related to the increase in our cash on hand, accounts receivable, net, as well as an increase in furniture and equipment as of March 31, 2017.

Our current liabilities increased by $225,863, as of March 31, 2017 as compared to December 31, 2016. This decrease was primarily due to increases in our accrued expenses and accrued interest, offset by slight decreases in our accounts payable, derivative liability, and royalty notes payable, net of debt discount.

In order to repay our obligations in full or in part when due, we will be required to raise significant capital from other sources. There is no assurance, however, that we will be successful in these efforts.

Sources and Uses of Cash

Operations

We had net cash used in operating activities of $39,310 for the three months ended March 31, 2017, as compared to $50,712 for the three months ended March 31, 2016. For the period in 2017, the net cash used in operating activities consisted primarily of our net income (loss) of ($859,401), adjusted primarily by change in fair value of derivative liability of ($16,028), shares issued for services of $363,914, amortization of debt discount of $92,676, and depreciation of $55,416, as well as changes in, accrued expenses of $280,678, accounts receivable, net of ($37,165), prepaid expenses of ($1,798), deposits of $56,850, deferred revenue of ($673), accounts payable of ($4,065), income taxes payable of $1,600, accrued royalties payable of $1,916, and accrued interest of $26,770. For the period in 2016, the net cash used in operating activities consisted primarily of our net income (loss) of ($181,405), adjusted primarily by change in fair value of derivative liability of $34,734, shares issued for services of $34,000, amortization of debt discount of $20,083, and depreciation and amortization of $10,255, as well as changes in, accrued expenses of ($4,867), deferred revenue of $35,251, accounts payable of $20,922, accounts receivable, net of ($6,545), prepaid expenses of ($16,747), and accrued interest of $3,607.

Investments

We had cash used in investing activities in the three months ended March 31, 2017 of $295,424, compared to $80,000 for March 31, 2016. For both periods the cash used in investing activities related to purchases of furniture and equipment.

Financing

Our net cash provided by financing activities for the three months ended March 31, 2017 was $357,458, compared to $123,068 for the three months ended March 31, 2016. For the three months ended March 31, 2017, our net cash from financing activities consisted of proceeds from notes payable of $195,400 and proceeds from issuance of common stock of $247,374, partially offset by repayments of notes payable of ($85,316). For the three months ended March 31, 2016, our net cash from financing activities consisted of proceeds from notes payable of $160,899, partially offset by repayments of notes payable of ($37,831).

Off Balance Sheet Arrangements

We have no off balance sheet arrangements.

Commitments and Contingent Liabilities

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred. As of March 31, 2017, we have no contingent liability that is required to be recorded nor disclosed.

ITEM 3 Quantitative and Qualitative Disclosures About Market Risk

As a smaller reporting company, we are not required to provide the information required by this Item.

ITEM 4 Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Pursuant to rules adopted by the Securities and Exchange Commission we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to rules promulgated under the Securities Exchange Act of 1934. This evaluation was done as of the end of March 31, 2017 under the supervision and with the participation of our principal executive officer and our principal financial officer.

Based upon our evaluation, our principal executive and financial officer concluded that, as of March 31, 2017, our existing disclosure controls and procedures were not effective. Disclosure controls and procedures means controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934 is accumulated and communicated to management, including the principal executive and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. With only two officers in charge of such reporting controls, there is no backup to the oversight of such individual and thus such disclosure controls and procedures may not be considered effective.

We have engaged outside accounting and finance advisors to assist us in better implementing effective disclosure controls and procedures.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Exchange Act Rules 13a-15 or 15d-15 that occurred during our first quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Internal Control over Financial Reporting

We are responsible for establishing and maintaining adequate internal control over financial reporting in accordance with Rule 13a-15 of the Securities Exchange Act of 1934. Our president conducted an evaluation of the effectiveness of our internal control over financial reporting as of March 31, 2017, based on the criteria establish in Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that our internal control over financial reporting was ineffective as of March 31, 2017, based on those criteria. A control system can provide only reasonably, not absolute, assurance that the objectives of the control system are met and no evaluation of controls can provide absolute assurance that all control issues have been detected.

Management assessed the effectiveness of our internal control over financial reporting as of March 31, 2017 and identified the following material weaknesses, which are outlined further in our Annual Report on Form 10-K for the year ended December 31, 2016:

Inadequate segregation of duties: We have an inadequate number of personnel to properly implement control procedures.

We have not documented our internal controls: We have limited policies and procedures that cover the recording and reporting of financial transactions and accounting provisions. As a result we may be delayed in our ability to calculate certain accounting provisions.

We do not have effective controls over the control environment. A formally adopted written code of business conduct and ethics that governs our employees, officers, and directors was not in place. Additionally, management has not developed and effectively communicated to our employees its accounting policies and procedures. This has resulted in inconsistent practices. We also do not have independent members on our Board of Directors.

We have not been able to timely and accurately record convertible debt transactions, deferred revenue, and derivative liabilities in the financial statements. As a result, we have needed additional time, beyond the filing deadlines, to file our periodic reports.

PART II – OTHER INFORMATION

ITEM 1 Legal Proceedings

In the ordinary course of business, we are from time to time involved in various pending or threatened legal actions. The litigation process is inherently uncertain and it is possible that the resolution of such matters might have a material adverse effect upon our financial condition and/or results of operations. However, in the opinion of our management, other than as set forth herein, matters currently pending or threatened against us are not expected to have a material adverse effect on our financial position or results of operations.

ITEM 1A Risk Factors

As a smaller reporting company, we are not required to provide the information required by this Item.

ITEM 2 Unregistered Sales of Equity Securities and Use of Proceeds

During the three months ended March 31, 2017, we issued the following unregistered securities:

During the quarter ended March 31, 2017, we issued an aggregate of 1,898,076 shares of our common stock to nine non-affiliated investors in exchange for $247,185. These shares were issued pursuant to stock purchase agreements and were issued with a standard restrictive legend. The issuances were exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, due to the fact the investors are sophisticated investors, known to our management and familiar with our operations.

On March 7, 2017, we entered into an Debt Conversion and Series A Preferred Stock Purchase Agreement (the "SPA") with Laurence Wainer, one of our officers and directors, under which we agreed to create a new series of non-convertible preferred stock entitled "Series A Preferred Stock," with One Million (1,000,000) shares authorized and the following rights: (i) no dividend rights; (ii) no liquidation preference over the Company's common stock; (iii) no conversion rights; (iv) no redemption rights; (v) no call rights by the Company; (vi) each share of Series A Convertible Preferred stock will have one hundred (100) votes on all matters validly brought to the Company's common stockholders; and Mr. Wainer agreed to acquire 1,000,000 shares of our Series A Preferred Stock, once created, in exchange for Mr. Wainer forgiving $25,537 in accrued salary we owed to him as of December 31, 2016. When issued, the issuance will be exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, due to the fact Wainer is one of our officers and directors, is a sophisticated investor and familiar with our operations. On May 19th, 2017, we entered into an amendment No. 1 to the SPA under which we agreed to accept $45,000 in extinguished debt owed to Mr. Wainer as the purchase price for the Series A Preferred shares rather than the $25,527 in accrued salary.

On January 23, 2017, we issued 27,180 shares of our common stock to a non-affiliate for marketing services rendered. These shares were valued at $13,913. These shares were issued with a standard restrictive legend. The issuance was exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, due to the fact the purchaser is a sophisticated investor, known to our management and familiar with our operations.

As of March 31, 2017, we were obligated to issue 195,400 shares of our common stock in connection with obtaining debt financing, but have not yet issued the shares. These shares are valued at $85,720. These shares will be issued with a standard restrictive legend. The issuance will be exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, due to the fact the purchaser is a sophisticated investor, known to our management and familiar with our operations.

As of March 31, 2017, we were obligated to issue an aggregate of 604,401 shares of our common stock to Doheny Group, LLC and to Gnosiis International, LLC, pursuant to the anti-dilution rights they have under separate agreements with us, but not yet issued the shares. These shares will be issued with a standard restrictive legend. The issuances will be exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, due to the fact the purchasers are sophisticated investors, known to our management and familiar with our operations.

ITEM 3 Defaults Upon Senior Securities

There have been no events which are required to be reported under this Item.

ITEM 4 Mine Safety Disclosures

There have been no events which are required to be reported under this Item.

ITEM 5 Other Information

On May 10, 2017, Abraham Summers informed our Chief Executive Officer that he would no longer be performing his job responsibilities as our Chief Financial Officer. On May 18, 2017, our Board of Directors appointed Laurence Wainer, our current Chief Executive Officer, to the position of Interim Chief Financial Officer (our Principal Accounting Officer). Mr. Wainer will serve in this capacity until a replacement Chief Financial Officer can be hired.

ITEM 6 Exhibits

Item No.	Description
3.1 (1)	Certificate of Incorporation of Jam Run Acquisition Corporation dated June 28, 2013
3.2	Articles of Amendment to Articles of Incorporation to Jam Run Acquisition Corporation dated February 6, 2014 (changing corporate name to Blow & Drive Interlock Corporation)
3.3 (1)	Bylaws of Jam Run Acquisition Corporation (now Blow & Drive Interlock Corporation) dated June 2013
10.1 (2)	Agreement between Tiber Creek Corporation and Laurence Wainer dated January 25, 2014
10.2 (2)	Promissory Note between the Company and Laurence Wainer dated February 16, 2014
10.3 (3)	Lease Agreement by and between Marsel Plaza LLC and Laurence Wainer and Blow and Drive Interlock Corporation dated January 21, 2015
10.4 (4)	Exclusive Distributorship Agreement with Theenk Inc. dated August 21, 2015
10.5 (4)	Exclusive Distributorship Agreement with Jay Lopez dated July 24, 2015
10.6 (4)	Independent Contractor Agreement with Laurence Wainer dated September 11, 2015
10.7 (5)	Exclusive Distributorship Agreement with Stephen Ferraro dated November 9, 2015
10.4 (6)	Supply Agreement by and between BDI Manufacturing, Inc., an Arizona corporation, and C4 Development Ltd. dated June 29, 2015
10.5 (7)	Securities Purchase Agreement with David Stuart Petlak entered into on November 19, 2015
10.6 (7)	Convertible Promissory Note issued to David Stuart Petlak dated November 19, 2015
10.7 (7)	Common Stock Warrant issued to David Stuart Petlak dated November 19, 2015
10.8 (8)	Exclusive Distributorship Agreement with dba Blow & Drive Houston dated January 11, 2016
10.9 (9)	Secured Promissory Note and Agreement with Ira Silver dated January 20, 2016
10.10 (9)	Secured Promissory Note and Agreement with Chaim K. Wainer dated October 29, 2015
10.11 (10)	Securities Purchase Agreement with Dr. Oren Azulay dated March 30, 2016
10.12 (10)	Common Stock Purchase Agreement with Gustavo Arceo dated April 2016
10.13 (10)	Common Stock Purchase Agreement with LGL LLC dated May 6, 2016
10.14 (11)	Loan and Security Agreement with Doheny Group, LLC dated March 31, 2017
10.15 (11)	Phase 1 Loan Agreement with Doheny Group, LLC dated March 31, 2017
10.16 (11)	Royalty Agreement with Doheny Group, LLC dated March 31, 2017
10.17 (11)	Common Stock Purchase Agreement with Doheny Group, LLC dated March 31, 2017

10.18 (11)	Agreement with Abraham Summers and Gnossis International, LLC
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer (filed herewith).
31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Accounting Officer (filed herewith).
32.1	Section 1350 Certification of Chief Executive Officer (filed herewith).
32.2	Section 1350 Certification of Chief Accounting Officer (filed herewith).
101.INS **	XBRL Instance Document
101.SCH **	XBRL Taxonomy Extension Schema Document
101.CAL **	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF **	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB **	XBRL Taxonomy Extension Label Linkbase Document
101.PRE **	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith

** XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

(1) Incorporated by reference from our Registration Statement on Form 10, filed with the Commission on September 30, 2013.

(2) Incorporated by reference from our Registration Statement on Form S-1, filed with the Commission on July 24, 2014.

(3) Incorporated by reference from our Annual Report on Form 10-K, filed with the Commission on March 30, 2015.

(4) Incorporated by reference from our Current Report on Form 8-K filed with the Commission on September 11, 2015.

(5) Incorporated by reference from our Current Report on Form 8-K filed with the Commission on November 12, 2015.

(6) Incorporated by reference from our Quarterly Report on Form 10-Q, filed with the Commission on August 13, 2015.

(7) Incorporated by reference from our Current Report on Form 8-K filed with the Commission on September 11, 2015.

(8) Incorporated by reference from our Current Report on Form 8-K filed with the Commission on February 22, 2016.

(9) Incorporated by reference from our Current Report on Form 8-K filed with the Commission on March 17, 2016.

(10) Incorporated by reference from our Quarterly Report on Form 10-Q filed with the Commission on August 22, 2016.

(11) Incorporated by reference from our Quarterly Report on Form 10-Q filed with the Commission on May 22, 2017.

SIGNATURES

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

Blow & Drive Interlock Corporation

Dated: May 22, 2017

/s/ Laurence Wainer

By: Laurence Wainer
Chief Executive Officer

EXHIBIT 31.1

Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer

I, Laurence Wainer, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Blow & Drive Interlock Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a 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 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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exhibit 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 (the registrant's fourth fiscal quarter in the case of an annual report) 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(s) 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 functions):

   (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 control over financial reporting.

Dated: May 22, 2017

/s/ Laurence Wainer

By: Laurence Wainer
Chief Executive Officer

EXHIBIT 31.2

Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer

I, Laurence Wainer, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Blow & Drive Interlock Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a 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 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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exhibit 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 (the registrant's fourth fiscal quarter in the case of an annual report) 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(s) 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 functions):

   (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 control over financial reporting.

Dated: May 22, 2017

/s/ Laurence Wainer
By: Laurence Wainer
Interim Chief Financial Officer and Chief Accounting Officer

EXHIBIT 32.1

**CERTIFICATION PURSUANT TO 18 USC, SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Blow & Drive Interlock Corporation (the "Company") on Form 10-Q for the quarter ended March 31, 2017, as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), I, Laurence Wainer, President of the Company, certify, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Dated: May 22, 2017

/s/ Laurence Wainer

By: Laurence Wainer
Chief Executive Officer

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

EXHIBIT 32.2

**CERTIFICATION PURSUANT TO 18 USC, SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Blow & Drive Interlock Corporation (the "Company") on Form 10-Q for the quarter ended March 31, 2017, as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), I, Laurence Wainer, Interim Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Dated: May 22, 2017

/s/ Laurence Wainer

By: Laurence Wainer
Interim Chief Financial Officer and Chief Accounting Officer

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