

GREEN POLKADOT BOX INCORPORATED
OTC PINK BASIC DISCLOSURE
November 20, 2014

1. Name of the issuer and its predecessors (if any):

The issuer is Green PolkaDot Box Incorporated, a Nevada corporation (the “Company”), formerly Vault America, Inc. (“Vault”) and before that MoneyFlow Systems International Inc., (“MoneyFlow”). The Company was incorporated in Nevada on April 25, 2001.

The name of the Company was changed from MoneyFlow Systems International Inc. to Vault America, Inc. on February 21, 2008.

The Green PolkaDot Box LLC was a Utah Limited Liability Company organized on January 18, 2008. Effective January 2, 2012, The Green PolkaDot Box LLC converted into a corporation under the name, The Green PolkaDot Box, Inc. (“GPDB”).

On February 29, 2012, GPDB entered into an Agreement and Plan of Merger with the Company to effect a reverse acquisition of GPDB by the Company through its wholly-owned subsidiary, Green PD Acquisitions, Inc., whereby GPDB became a wholly-owned subsidiary of the Company.

The name of the Company was changed from Vault America, Inc. to Green PolkaDot Box Incorporated, its present name, on March 26, 2012.

2. Address of the issuer’s principal executive offices:

Company Headquarters

Address: 1450 South Blackhawk Boulevard, Mt. Pleasant, Utah 84647

Phone: 801-478-2500

Email: info@greenpolkadotbox.com

Website: greenpolkadotbox.com

IR Contact

Name: Rod Smith

Address: 1450 South Blackhawk Boulevard, Mt. Pleasant, Utah 84647

Phone: 801-478-2500

Email: rsmith@greenpolkadotbox.com

Website: www.greenpolkadotbox.com

3. Security Information

Trading Symbol:	GPDB
Exact title and class of securities outstanding:	Common Stock
CUSIP:	393229109
Par or stated value:	\$.001
Total shares authorized:	Common Stock - 100,000,000 shares, par value \$.001 as of September 30, 2014 Preferred Stock - 5,000,000 shares, par value \$.001, as of September 30, 2014
Total shares outstanding:	Common Stock – 12,338,554 as of September 30, 2014 Preferred Stock – 182,229 as of September 30, 2014

Transfer Agent

Name:	Colonial Stock Transfer Company
Address:	66 Exchange Place, Suite 100, Salt Lake City, Utah 84111
Phone:	801-355-5740

Is the Transfer Agent registered under the Securities Exchange Act of 1934?	Yes
List any restrictions on the transfer of security:	None
Describe any trading suspension orders issued by the SEC in the past 12 months:	None
List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred with the past 12 months:	None

4. Issuance History:

4.1 Shares of Common Stock (February 2014)

In February 2014, the Company issued 1,481 shares of Common Stock of the Company at \$2.70 per share to individuals for \$4,000 in cash (the “February 2014 Shares”). The stockholders have declined to be named in this disclosure statement.

- A. In connection with the issuance of the February 2014 Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons, all of whom were accredited investors, and transfer was restricted by the Company in accordance with the requirements of the Securities Act of 1933.
- B. In connection with the issuance of the February 2014 Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the February 2014 Shares, the Company offered to issue the February 2014 Shares to investors at a valuation of \$2.70 per share.
- D. In connection with the issuance of the February 2014 Shares, the Company issued the February 2014 Shares to investors at a valuation of \$2.70 per share.
- E. In connection with the issuance of the February 2014 Shares, the Company issued the February 2014 Shares for \$2.70 per share and received \$4,000 in cash consideration.
- F. In connection with the issuance of the February 2014 Shares, the securities issued were restricted securities of the Company.
- G. In connection with the issuance of the February 2014 Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.2 Shares of Common Stock (February 2014 Employees)

In February 2014, the Company issued 9,535 shares of Common Stock of the Company at \$2.70 per share to certain employees of the Company valued at \$25,745 (the “February 2014 Employee Shares”). The stockholders have declined to be named in this disclosure statement.

- A. In connection with the issuance of the February 2014 Employee Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons, all of whom were accredited investors, and transfer was restricted by the Company in accordance with the requirements of the Securities Act of 1933.
- B. In connection with the issuance of the February 2014 Employee Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the February 2014 Employee Shares, the Company offered to issue the February 2014 Employee Shares to certain employees at a valuation of \$2.70 per share.
- D. In connection with the issuance of the February 2014 Employee Shares, the Company issued the February 2014 Employee Shares to certain employees at a valuation of \$2.70 per share.
- E. In connection with the issuance of the February 2014 Employee Shares, the Company issued the February 2014 Employee Shares for \$2.70 per share prior service valued at \$25,745.
- F. In connection with the issuance of the February 2014 Employee Shares, the securities issued were restricted securities of the Company.
- G. In connection with the issuance of the February 2014 Employee Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.3 Shares of Common Stock for Services (February and March 2014)

Between February and March 2014, the Company issued a total of 227,222 shares of Common Stock of the Company to professional service companies valued at \$613,500 or \$2.70 per share (the “February and March Service Shares”). The service companies have declined to be named in this disclosure statement.

- A. In connection with the issuance of the February and March Service Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons and transfer was restricted by the Company in accordance with the requirements of the Securities Act of 1933.

- B. In connection with the issuance of the February and March Service Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the February and March Service Shares, the Company offered to issue 227,222 Shares for \$2.70 per share.
- D. In connection with the issuance of the February and March Service Shares, the Company issued the 227,222 February and March Service Shares for \$2.70 per share Company and received \$613,500 in services.
- E. In connection with the issuance of the February and March Service Shares, the Company issued the 227,222 February and March Service Shares for \$2.70 per share Company and received \$613,500 in services.
- F. In connection with the issuance of the February and March Service Shares, the securities issued were restricted securities of the Company.
- G. In connection with the issuance of the February and March Service Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.4 Exercise of Options (March 10, 2014)

On March 10, 2014, the Company issued 18,550 shares of Common Stock for \$557 in cash (the "Option Shares"), pursuant to the exercise of options previously issued. The recipient of the Option Shares has declined to be named in this disclosure statement.

- A. In connection with the issuance of the Option Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons, all of whom were employees or consultants or former employees and former consultants of the Company.
- B. In connection with the issuance of the Option Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the Option Shares, the Company offered to issue 18,550 shares of Common Stock at the \$.03 exercise price of the options.
- D. In connection with the issuance of the Option Shares, the Company issued 18,550 shares of Common Stock.

- E. In connection with the issuance of the Option Shares, the Option Shares were issued at \$.03 per Option Share, and the Company received \$.03 per Option Share for total consideration of \$557.
- F. In connection with the issuance of the Option Shares, the securities issued were restricted securities of the Company.
- G. In connection with the issuance of the February and March Service Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.5 Debt Conversion (March 10, 2014)

On March 10, 2014, the Company issued a total of 28,857 shares of Common Stock of the Company, valued at \$77,915, in connection with conversion of outstanding debt (the “March 10, 2014 Debt Conversion Shares”). The stockholders have declined to be named in this disclosure statement.

- A. In connection with the issuance of the March 10, 2014 Debt Conversion Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons and transfer was restricted by the Company in accordance with the requirements of the Securities Act of 1933.
- B. In connection with the issuance of the March 10, 2014 Debt Conversion Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the March 10, 2014 Debt Conversion Shares, the Company offered to issue the March 10, 2014 Debt Conversion Shares to the debt holder at a conversion rate of \$2.70 per share.
- D. In connection with the issuance of the March 10, 2014 Debt Conversion Shares, the Company issued the March 10, 2014 Debt Conversion shares to the debt holder at a conversion rate of \$2.70 per share.
- E. In connection with the issuance of the March 10, 2014 Debt Conversion shares, the Company received no cash consideration.

- F. In connection with the issuance of the March 10, 2014 Debt Conversion Shares, the securities issued were restricted securities of the Company.
- G. In connection with the issuance of the March 10, 2014 Debt Conversion Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.6 Shares of Series A Preferred Stock (January to March 2014)

During the three months ended March 31, 2014, the Company issued 63,200 shares of Series A Preferred Stock of the Company at \$6.00 per share to individuals for \$379,200 in cash (the “January to March Preferred Shares”). The Preferred Series A shares carry an 8% preferred dividend. In addition to their preferred dividends, the holders of preferred shares are entitled to participate in their pro rata share of 1.0% of the gross revenues of the Company commencing 90 days from the date of issuance of the Preferred shares and continuing as long as the Preferred shares are outstanding. The stockholders have declined to be named in this disclosure statement.

- A. In connection with the issuance of the January to March Preferred Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons, all of whom were accredited investors, and transfer was restricted by the Company in accordance with the requirements of the Securities Act of 1933.
- B. In connection with the issuance of the January to March Preferred Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the January to March Preferred Shares, the Company offered to issue the January to March Preferred Shares to investors at a valuation of \$6.00 per share.
- D. In connection with the issuance of the January to March Preferred Shares, the Company issued the January to March Preferred Shares to investors at a valuation of \$6.00 per share.
- E. In connection with the issuance of the January to March Preferred Shares, the Company issued the January to March Preferred Shares for \$6.00 per share and received \$379,200 in cash consideration.
- F. In connection with the issuance of the January to March Preferred Shares, the securities issued were restricted securities of the Company.

- G. In connection with the issuance of the January to March Preferred Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.7 Shares of Common Stock (April 2014)

In April 2014, the Company issued 370 shares of Common Stock of the Company at \$2.70 per share to individuals for \$1,000 in cash (the “April 2014 Shares”). The stockholders have declined to be named in this disclosure statement.

- A. In connection with the issuance of the April 2014 Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons, all of whom were accredited investors, and transfer was restricted by the Company in accordance with the requirements of the Securities Act of 1933.
- B. In connection with the issuance of the April 2014 Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the April 2014 Shares, the Company offered to issue the April 2014 Shares to investors at a valuation of \$2.70 per share.
- D. In connection with the issuance of the April 2014 Shares, the Company issued the April 2014 Shares to investors at a valuation of \$2.70 per share.
- E. In connection with the issuance of the April 2014 Shares, the Company issued the April 2014 Shares for \$2.70 per share and received \$1,000 in cash consideration.
- F. In connection with the issuance of the April 2014 Shares, the securities issued were restricted securities of the Company.
- G. In connection with the issuance of the April 2014 Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.8 Shares of Common Stock (April 2014 Employees)

In April 2014, the Company issued 16,959 shares of Common Stock of the Company at \$2.70 per share to certain employees of the Company valued at \$45,789 (the “April 2014 Employee Shares”). The stockholders have declined to be named in this disclosure statement.

- A. In connection with the issuance of the April 2014 Employee Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons, all of whom were accredited investors, and transfer was restricted by the Company in accordance with the requirements of the Securities Act of 1933.
- B. In connection with the issuance of the April 2014 Employee Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the April 2014 Employee Shares, the Company offered to issue the April 2014 Employee Shares to certain employees at a valuation of \$2.70 per share.
- D. In connection with the issuance of the April 2014 Employee Shares, the Company issued the April 2014 Employee Shares to certain employees at a valuation of \$2.70 per share.
- E. In connection with the issuance of the April 2014 Employee Shares, the Company issued the April 2014 Employee Shares for \$2.70 per share prior service valued at \$45,789.
- F. In connection with the issuance of the April 2014 Employee Shares, the securities issued were restricted securities of the Company.
- G. In connection with the issuance of the April 2014 Employee Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.9 Shares of Common Stock for Services (April 2014)

In April 2014, the Company issued a total of 65,868 shares of Common Stock of the Company to professional service companies valued at \$177,844 or \$2.70 per share (the “April Service Shares”). The service companies have declined to be named in this disclosure statement.

- A. In connection with the issuance of the April Service Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was

employed in offering the securities. The offerings and sales were made to a limited number of persons and transfer was restricted by the Company in accordance with the requirements of the Securities Act of 1933.

- B. In connection with the issuance of the April Service Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the April Service Shares, the Company offered to issue 65,868 April Service Shares for \$2.70 per share.
- D. In connection with the issuance of the April Service Shares, the Company issued the 65,868 April Service Shares for \$2.70 per share Company and received \$177,844 in services.
- E. In connection with the issuance of the April Service Shares, the Company issued the 65,868 April Service Shares for \$2.70 per share Company and received \$177,844 in services.
- F. In connection with the issuance of the April Service Shares, the securities issued were restricted securities of the Company.
- G. In connection with the issuance of the April Service Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.10 Exercise of Warrants (May 2014)

In May 2014, the Company issued 37,100 shares of Common Stock for \$50,085 in cash (the “Warrant Shares”), pursuant to the exercise of warrants previously issued. The recipients of the Warrant Shares have declined to be named in this disclosure statement.

- A. In connection with the issuance of the Warrant Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons, all of whom were employees or consultants or former employees and former consultants of the Company.
- B. In connection with the issuance of the Warrant Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the Warrant Shares, the Company offered to issue 37,100 shares of Common Stock at the \$1.35 exercise price of the warrants.

- D. In connection with the issuance of the Warrant Shares, the Company issued 37,100 shares of Common Stock.
- E. In connection with the issuance of the Warrant Shares, the Warrant Shares were issued at \$1.35 per Warrant Share, and the Company received \$1.35 per Warrant Share for total consideration of \$50,085.
- F. In connection with the issuance of the Warrant Shares, the securities issued were restricted securities of the Company.
- G. In connection with the issuance of the April Service Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.11 Debt Conversion (April 2014)

In April 2014, the Company issued a total of 4,900 shares of Common Stock of the Company, valued at \$13,230, in connection with conversion of outstanding debt (the “April 2014 Debt Conversion Shares”). The stockholders have declined to be named in this disclosure statement.

- A. In connection with the issuance of the April 2014 Debt Conversion Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons and transfer was restricted by the Company in accordance with the requirements of the Securities Act of 1933.
- B. In connection with the issuance of the April 2014 Debt Conversion Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the April 2014 Debt Conversion Shares, the Company offered to issue the April 2014 Debt Conversion Shares to the debt holder at a conversion rate of \$2.70 per share.
- D. In connection with the issuance of the April 2014 Debt Conversion Shares, the Company issued the April 2014 Debt Conversion shares to the debt holder at a conversion rate of \$2.70 per share.
- E. In connection with the issuance of the April 2014 Debt Conversion shares, the Company received no cash consideration.

- F. In connection with the issuance of the April 2014 Debt Conversion Shares, the securities issued were restricted securities of the Company.
- G. In connection with the issuance of the April 2014 Debt Conversion Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.12 Shares of Series A Preferred Stock (April to June 2014)

During the three months ended June 30, 2014, the Company issued 25,695 shares of Series A Preferred Stock of the Company at \$6.00 per share to individuals for \$154,144 in cash (the “April to June Preferred Shares”). The preferred Series A shares carry an 8% interest preferred dividend. In addition to their preferred dividends, the holders of preferred shares are entitled to participate in their pro rata share of 1.0% of the gross revenues of the Company commencing 90 days from the date of issuance of the preferred shares and continuing as long as the preferred shares are outstanding. The stockholders have declined to be named in this disclosure statement.

- A. In connection with the issuance of the April to June Preferred Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons, all of whom were accredited investors, and transfer was restricted by the Company in accordance with the requirements of the Securities Act of 1933.
- B. In connection with the issuance of the April to June Preferred Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the April to June Preferred Shares, the Company offered to issue the April to June Preferred Shares to investors at a valuation of \$6.00 per share.
- D. In connection with the issuance of the April to June Preferred Shares, the Company issued the April to June Preferred Shares to investors at a valuation of \$6.00 per share.
- E. In connection with the issuance of the April to June Preferred Shares, the Company issued the April to June Preferred Shares for \$6.00 per share and received \$154,170 in cash consideration.
- F. In connection with the issuance of the April to June Preferred Shares, the securities issued were restricted securities of the Company.

- G. In connection with the issuance of the April to June Preferred Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.13 Shares of Common Stock (July 2014)

In July 2014, the Company issued 11,852 shares of Common Stock of the Company at \$2.70 per share to individuals for \$32,000 in cash (the “July 2014 Shares”). The stockholders have declined to be named in this disclosure statement.

- A. In connection with the issuance of the July 2014 Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons, all of whom were accredited investors, and transfer was restricted by the Company in accordance with the requirements of the Securities Act of 1933.
- B. In connection with the issuance of the July 2014 Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the July 2014 Shares, the Company offered to issue the July 2014 Shares to investors at a valuation of \$2.70 per share.
- D. In connection with the issuance of the July 2014 Shares, the Company issued the July 2014 Shares to investors at a valuation of \$2.70 per share.
- E. In connection with the issuance of the July 2014 Shares, the Company issued the July 2014 Shares for \$2.70 per share and received \$32,000 in cash consideration.
- F. In connection with the issuance of the July 2014 Shares, the securities issued were restricted securities of the Company.
- G. In connection with the issuance of the July 2014 Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.14 Debt Conversion (July 2014)

In July 2014, the Company issued a total of 3,976 shares of Common Stock of the Company, valued at \$10,735, in connection with conversion of outstanding debt (the “July 2014 Debt Conversion Shares”). The stockholders have declined to be named in this disclosure statement.

- A. In connection with the issuance of the July 2014 Debt Conversion Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons and transfer was restricted by the Company in accordance with the requirements of the Securities Act of 1933.
- B. In connection with the issuance of the July 2014 Debt Conversion Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the July 2014 Debt Conversion Shares, the Company offered to issue the July 2014 Debt Conversion Shares to the debt holder at a conversion rate of \$2.70 per share.
- D. In connection with the issuance of the July 2014 Debt Conversion Shares, the Company issued the July 2014 Debt Conversion shares to the debt holder at a conversion rate of \$2.70 per share.
- E. In connection with the issuance of the July 2014 Debt Conversion shares, the Company received no cash consideration.
- F. In connection with the issuance of the July 2014 Debt Conversion Shares, the securities issued were restricted securities of the Company.
- G. In connection with the issuance of the July 2014 Debt Conversion Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.15 Exercise of Warrants (July to August 2014)

In July to August 2014, the Company issued 55,650 shares of Common Stock for \$75,128 in cash (the “July to August Warrant Shares”), pursuant to the exercise of warrants previously issued. The recipients of the July to August Warrant Shares have declined to be named in this disclosure statement.

- A. In connection with the issuance of the July to August Warrant Shares, the Company relied upon the exemption from securities registration afforded

by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons, all of whom were employees or consultants or former employees and former consultants of the Company.

- B. In connection with the issuance of the July to August Warrant Shares, no securities were registered or qualified in any jurisdiction.
- C. In connection with the issuance of the July to August Warrant Shares, the Company offered to issue 55,650 shares of Common Stock at the \$1.35 exercise price of the warrants.
- D. In connection with the issuance of the July to August Warrant Shares, the Company issued 55,650 shares of Common Stock.
- E. In connection with the issuance of the July to August Warrant Shares, the July to August Warrant Shares were issued at \$1.35 per Warrant Share, and the Company received \$1.35 per Warrant Share for total consideration of \$75,128.
- F. In connection with the issuance of the July to August Warrant Shares, the securities issued were restricted securities of the Company.
- G. In connection with the issuance of the April Service Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

4.16 Shares of Common Stock for Services (August 2014)

In August 2014, the Company issued 50,000 shares of Common Stock of the Company to professional service companies valued at \$122,500 or \$2.45 per share (the “August 2014 Service Shares”). The service companies have declined to be named in this disclosure statement.

- A. In connection with the issuance of the August 2014 Service Shares, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The offerings and sales were made to a limited number of persons and transfer was restricted by the Company in accordance with the requirements of the Securities Act of 1933.
- B. In connection with the issuance of the August 2014 Service Shares, no securities were registered or qualified in any jurisdiction.

- C. In connection with the issuance of the August 2014 Service Shares, the Company offered to issue 50,000 Shares for \$2.45 per share.
- D. In connection with the issuance of the August 2014 Service Shares, the Company issued the 50,000 August 2014 Service Shares for \$2.45 per share Company and received \$122,500 in services.
- E. In connection with the issuance of the August 2014 Service Shares, the Company issued the 50,000 August 2014 Service Shares for \$2.45 per share Company and received \$122,500 in services.
- F. In connection with the issuance of the August 2014 Service Shares, the securities issued were restricted securities of the Company.
- G. In connection with the issuance of the August 2014 Service Shares, the securities issued contained a legend (1) stating that the securities had not been registered under the Securities Act, and (2) setting forth and referring to the restriction on transferability and sale of the securities under the Securities Act.

5. Financial Statements

Attached hereto as Exhibit “A” are the Company’s financial statements for the three and nine months ended September 30, 2014, including (A) Unaudited Consolidated Balance Sheets as of September 30, 2014 and December 31, 2013, (B) Unaudited Consolidated Statements of Operations for the three and nine months ended September 30, 2014 and 2013, (C) Unaudited Consolidated Statements of Cash Flows for the three and nine months ended September 30, 2014 and 2013, and (D) Notes to Financial Statements.

6. Describe the issuer’s Business, Products, and Services

- A. Description of the issuer’s business operations:

Business Summary

The Company is the first online membership club for the purchase of non-GMO (Genetically Modified Organisms) natural and organic foods in the United States. It operates a website at www.greenpolkaddotbox.com which was launched in December 2011 and through which is offered a wide array of healthy, natural, organic and specialty foods, and other products at low membership prices.

Our mission is to provide a complete selection of nutrient-dense clean food and products to our members at the lowest possible price and to educate our members about the links between a nutrition-poor diet and chronic disease.

We buy the majority of our merchandise directly from manufacturers, producers, and farmers and route it to our warehouses with the aim of maximizing handling efficiencies and eliminating many of the costs associated with traditional multiple-step distribution channels. Such traditional steps include purchasing from distributors as opposed to manufacturers and the use of central receiving, storing, and distributing warehouses.

“Buying Collective”

Our business model is based on creating a powerful buying collective. A “buying collective” is a group of consumers with similar purchasing needs and requirements that uses the leverage of its group size to influence the quality and pricing of the products it seeks to purchase. We, representing our “buying collective” members, carefully select vendors of a wide variety of fresh and packaged foods and products, and establish extensive relationships with those vendors with the goal of providing access to quality and trusted brands at bargain prices.

Health-Conscious Products

We are dedicated to offering products to our members that are clean and safe. We not only use our collective bargaining power to be selective in the products we offer but use such influence to insist to our vendors that we are purchasing “clean food.” “Clean food” means certified organic foods of all varieties that are third party verified to be free of genetically modified organisms (“GMO”).

We aim to protect our consumers by insisting that food production is designed to exclude derivatives from GMO food crops and from dairy products injected with genetically modified growth hormone. In addition, we seek to exclude meat from animals fed from GMO feed. Our “buying collective” intends to only partner with vendors who provide certified organic animal proteins or 100% wild caught or grass fed animals.

We endeavor, when possible, to work exclusively with manufacturers and growers that produce certified organic foods. Our objective pertaining to clean organic food is not only intended to protect consumers but to provide a large customer base and reward those providers that offer “clean food.” By incentivizing providers to produce “clean food,” we support and protect the labor and economic investment of providers who produce “organic” and “clean food.”

Membership

Our commitment to providing “clean food” to our members is a quality that is intended to capture the purchasing loyalty of health-minded consumers across the country. As of September 30, 2014, GPDB has approximately 5,000 members. Our membership continues to grow through our marketing efforts and member referral programs. In order to create awareness of our operations, we have partnered with numerous national organizations whose members in aggregate represent large numbers of health-conscious people that would benefit from joining our buying collective. In addition, we offer an incentive program that rewards current member for referring new members to the buying collective. Our rewards program, called “PolkaDot

Rewards,” enables members to earn points on purchases of members they refer, which points can be used to reduce or even eliminate the cost of products they purchase.

Currently, we offer two levels of membership. The “Club Membership” is the lowest cost membership which allows members access to shop our products and use the tools provided on our website, including “LEARN Center,” which provides educational materials on principals and practices that help promote wellness. The “Rewards Membership” also provides a low annual-fee membership with the added benefit of purchase discounts and rewards incentives for referring new members.

Supplier Relationships

We have direct purchase agreements with hundreds of manufacturers of organic and natural foods and products. Direct purchasing agreements allow us to cut out certain costs that are embedded in the traditional supply chain. Typically, a retailer purchases its inventory through a wholesaler. The wholesaler purchases the products from a distributor, which distributor purchases the products directly from the manufacturer. The traditional model requires the consumer to bear the burden of multiple mark-ups. Our model seeks to change these inefficiencies by cutting out the middle-men in the traditional distribution channel.

Because of high sales volume and rapid inventory turnover, we generally sell inventory before we are required to pay many of our suppliers, even though we take advantage of early payment discounts when available. To the extent that sales increase and inventory turnover becomes more rapid, a greater percentage of inventory is expected to be financed through payment terms provided by suppliers rather than by working capital.

Advanced Logistics

We currently own approximately \$401,650 in paid inventory, which is held in our approximate 40,000 square foot warehouse located in Mt. Pleasant, Utah. This inventory is managed by an advanced warehouse management and delivery system that capitalizes on efficiencies of the Internet and a state-of-the-art online ordering system.

Our website orders come through an e-commerce platform called Magento Enterprise (v. 1.11). The order is transferred in real time to our warehouse management system called WISE, provided by Royal 4 Systems, Inc. We run a batch picking methodology in the warehouse. As the orders come into WISE, they are batched to picking carts. The batches of orders are sorted by pick location. All orders are picked and placed on the cart. The cart is sectioned off with each order having its own section. Once the orders have been picked, the cart is taken over to a verification station. The operator of the station scans the order number into WISE and starts the verification process. Each item in the warehouse has a scan-able UPC code. The operator scans each item associated with each order. If the item does not belong in the order, an error comes up and the operator is alerted. Once all items have been successfully scanned and verified, the order is transferred over to a pack-out station. All of the items for that order are wrapped, boxed, void-filled and processed through our shipping software, which shipping and software is provided by

FedEx. Once the order is shipped, the tracking information from FedEx is fed back to WISE and the shipment is completed.

WISE then transfers the tracking information back to Magento and Magento sends out a shipping email to the customer with the tracking number and other information.

Website and Consumer Tools

Our website, www.greenpolkadotbox.com, offers an expansive selection of fresh and packaged food and other products geared towards health-conscious customers. Because we have leveraged relationships with vendors, we are able to provide our members with a wide variety of products in a single purchasing platform.

Furthermore, our website provides members with time-saving tools which use advanced software that enables consumers to sort through large inventory and customize their selections based upon their dietary needs, brand preferences and product type. Our website also boasts volumes of educational content that allows members to understand the impact of food on their bodies and the benefits they can get from the healthy food available on our website.

Member Services Center

Our Legendary Member Services staff, currently consisting of 3 full time employees, is trained and dedicated to providing high levels of service with the aim of developing a stronger sense of loyalty in the membership base. Our staff is also dedicated to researching the best prices available to consumers.

When the member services staff is not providing service to our members they are tracking the highs and lows of market prices for the products we carry so that we can ensure that we provide lower prices. Furthermore, we employ a full-time staff member dedicated to thoroughly vetting products offered or to be offered to our members by scrutinizing the dietary contents and ingredients of the products, as well as seeking verification of ingredient content.

“Living Produce”

In addition to our extensive packaged food product offerings, on April 22, 2013, we entered into a contract with Future Growing to develop one of America’s first largescale “living produce” farms using vertical towers and aeroponic growing technologies. Our intention is to expanded the benefits of the buying collective by offering the “Living Produce” program to our members, giving them the ability to purchase fresh produce that is superior to organically grown produce at wholesale prices. To this end, we are developing a Living Produce growing center in Spring City, Utah. Similar to the packaged food business segment, we intend to use the leverage of our buying collective to provide high-quality Living Produce at a discounted price to our Members. In anticipation of the “Living Produce” launch, we have developed an innovative system for shipping packaged goods and fresh-harvested Living Produce in a specially packed refrigerated box.

Competition

The organic and natural food and products industry is highly competitive. Consumers have many choices in the club or membership retailer industry. Our largest competition comes from membership warehouses or other buying collectives such as Costco, Walmart's Sam's Club and BJ's. We also compete with smaller regional and local retailers of organic, natural, gourmet and other specialty foods that focus on health-conscious consumers such as The Good Earth, Whole Foods and Trader Joe's. Other competitive forces include conventional retail grocery stores.

We believe that our mission to provide low-cost products within a specific food category, natural and organic, gives us a competitive advantage over membership warehouses that do not have the variety, selection and exclusivity that targets health conscious consumers. We carefully research the current market prices of well-known retail merchants, including online stores, for all the products in our membership offering and then price those products at an average of 10%-15% below the lowest competitive prices found.

We believe that competitive pricing will generate greater member loyalty, which in turn will increase the membership base and product turnover.

We believe that we have a substantial competitive advantage over competitors who wish to enter the buying collective and/or health-conscious product market. We believe that it could take approximately 18 to 24 months for a competitor to launch a similar website.

The primary reason for such a barrier to entry is that a potential competitor would have to invest a great deal of time to develop: (i) sales channel alliances; (ii) buying agreements with nationally recognized food manufacturers and farmers; (iii) distribution and fulfillment facilities; and (iv) efficient logistics systems. However, if a competitor could survive the time investment, we believe we could benefit because the emergence of other websites in our space would serve to validate the business category.

Sales and Marketing

To date substantially all sales and marketing have been through marketing agreements with national organizations such as the Organic Consumers Association, the Hippocrates Health Institute, the Natural Solutions Foundation, Citizens for Health, the National Health and Wellness Club, Natural News and Mission Possible many of which were formed specifically to raise awareness and to create a coalition of people that are interested in healthy lifestyles and dietary consciousness. In addition, we offer an incentive program that rewards current member for referring new members to the buying collective. Our rewards program, called "PolkaDot Rewards," enables members to earn points on purchases of members they refer, which points can be used to reduce or even eliminate the cost of products they purchase.

We intend to broaden the scope of our marketing campaigns by utilizing search engine optimization, direct response advertising, and social media.

Government Regulations

Our warehouse operations and the products that we sell in the United States are subject to regulation by state and local health departments, the USDA and the United States Food and Drug Administration, which generally impose standards for product quality and sanitation and are responsible for the administration of bioterrorism legislation. Our warehouse has not yet been subject to an inspection but we anticipate that such an inspection will occur once annually by state or federal authorities.

We believe that we are in material compliance with all federal, provincial, state and local laws applicable to our operations.

Intellectual Property

We have submitted two trademark applications intended to protect our name and logo. We license software used in our warehouse facility under non-exclusive license agreements which are generally non-transferable and have a perpetual term. When necessary we endeavor to enter into agreements with our employees and contractors and with parties with whom we do business in order to limit access to and disclosure of any proprietary information and production processes.

Employees

As of September 30, 2014, we had 18 employees, 18 of whom are full time.

B. Date and State of Incorporation:

The Company was incorporated in Nevada on April 25, 2001.

C. The issuer's primary SIC Code:

The Company's primary SIC Code is 5400 – Retail Food Stores.

D. The issuer's fiscal year end date:

The Company's fiscal year end is December 31.

E. Principal products or services, and their markets:

The Company is an online retailer of natural and organic foods. It operates a website at www.greenpolkaddotbox.com that offers a wide array of healthy, natural, organic and specialty foods, and other products. The Company markets to people who purchase products that are not genetically modified and/or organic.

7. Describe the issuer's Facilities

Principal Executive Offices

Our principal executive offices are located at 1450 South Blackhawk Boulevard, Mt. Pleasant, Utah 84647 in a leased building of approximately 46,000 square feet, of which approximately 6,000 square feet is general office space. The building is leased on a 36-month lease for a base rent of \$6,500 per month.

Warehouse

We utilize approximately 40,000 square foot of warehouse space in our building located at 1450 South Blackhawk Boulevard, Mt. Pleasant, Utah 84647, which is included in the lease mentioned above.

8. Officers, Directors, and Control Persons

A. Names of Officers, Directors, and Control Persons

- (i) Officers:
President, Chief Executive Officer, and
Chief Financial Officer - Rod A. Smith
Secretary – Andrew Smith
- (ii) Directors:
Rod A. Smith
Andrew Smith
William Roberts
- (iii) Control Persons:
Rod A. Smith
William Roberts
Robert W. Corl
Andrew Smith
Gary and Helen Smith
Daniel and Jill Fugal
Russ Karlen

B. Legal/Disciplinary History

None of the persons named in Item 8(A) above has been the subject of: (1) a conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses; (2) the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or

otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities; (3) a finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended or vacated; or (4) the entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

C. Beneficial Shareholders

Below lists the persons beneficially owning more than 10% of any class of the issuer's equity securities as of September 30, 2014:

<u>Beneficial Owner</u>	<u>Amount of Beneficial Ownership (1)</u>	<u>Percentage Beneficially Owned (1)</u>
Rod Smith (2) 1450 South Blackhawk Boulevard Mt. Pleasant, Utah 84647	6,447,164	40.3%
William Roberts (3) 1450 South Blackhawk Boulevard Mt. Pleasant, Utah 84647	6,537,407	34.3%
Robert Corl (4) 1450 South Blackhawk Boulevard Mt. Pleasant, Utah 84647	1,673,332	12.1%

- (1) Beneficial ownership includes the shares of stock that can be acquired within 60 days from September 30, 2014 upon the exercise of options and warrants and the conversion of convertible debt. Each beneficial owner's percentage ownership is determined by assuming that the outstanding shares of common stock includes (i) the outstanding shares of common stock on September 30, 2014 (12,338,554 shares), (ii) the shares of common stock issuable upon the conversion of convertible preferred stock (331,124 shares of common stock assuming the conversion of 165,562 shares of Preferred A Stock), and (iii) the shares of common stock issuable upon exercise of options and warrants and the conversion of convertible debt that are held by each such person (but not those held by any other person) that are exercisable within 60 days from the date of the calculation.
- (2) Includes an aggregate of 3,278,249 shares issuable upon the exercise of vested options and warrants.
- (3) Includes an aggregate of 6,352,222 shares issuable upon the exercise of vested options and warrants and conversion of convertible debt.
- (4) Includes an aggregate of 1,148,147 shares issuable upon the exercise of vested options and warrants and conversion of convertible debt.

9. Third Party Providers

Legal Counsel:	Wilson & Oskam 9110 Irvine Center Drive Irvine, CA 92618
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Accountant or Auditor: HJ & Associates, LLC
50 West Broadway, Suite 600
Salt Lake City, Utah 84101

Investor Relations Consultant: None

Other Advisor: None

10.1 Issuer Certification

I, Rod A. Smith, certify that:

1. I have reviewed this quarterly disclosure statement of Green PolkaDot Box Incorporated (the “Company”);
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations, and cash flows of the Company as of, and for, the periods presented in this disclosure statement.

Date: November 20, 2014

/s/ Rod A. Smith

Rod A. Smith,

President, Chief Executive Officer, and Chief Financial Officer

GREEN POLKADOT BOX INCORPORATED
OTC PINK BASIC DISCLOSURE
EXHIBIT “A”
FINANCIAL STATEMENTS

GREEN POLKADOT BOX INCORPORATED
INDEX TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Unaudited Consolidated Financial Statements:

Unaudited Consolidated Balance Sheets as of September 30, 2014 and December 31, 2013	F-1
Unaudited Consolidated Statements of Operations for the Three and Nine Months Ended September 30, 2014 and 2013	F-2
Unaudited Consolidated Statements of Cash Flows for the Three and Nine Months Ended September 30, 2014 and 2013	F-3
Notes to Unaudited Consolidated Financial Statements	F-4

GREEN POLKADOT BOX INCORPORATED
UNAUDITED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	<u>June 30, 2014</u>	<u>December 31, 2013</u>
ASSETS		
Current assets:		
Cash	\$ -	\$ 1,035
Accounts receivable	93,714	50,423
Inventory, net	401,650	192,342
Prepaid assets	7,000	7,000
Total current assets	<u>502,364</u>	<u>250,800</u>
Fixed assets, net	633,047	598,048
Security deposits	10,994	10,994
Deferred costs, net	230,592	275,784
Total assets	<u>\$ 1,376,997</u>	<u>\$ 1,135,626</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued expenses	\$ 1,886,664	\$ 1,235,104
Checks drawn in excess of cash	41,128	-
Convertible notes payable, net of discount of \$32,463 and \$40,326 at September 30, 2014 and December 31, 2013, respectively	1,863,773	951,762
Convertible notes payable - related party, net of discount of \$459,295 and \$414,894 at September 30, 2014 and December 31, 2013, respectively	1,397,398	1,135,106
Loan payable-other	131,444	71,444
Reward point liability	230,592	275,784
Deferred revenue - annual and club membership	93,087	93,087
Derivative liability	7,479,816	9,575,998
Current portion of long-term debt	6,161	6,161
Current portion of obligation under capital lease	32,354	32,354
Total current liabilities	<u>13,162,417</u>	<u>13,376,800</u>
Loan payable, net of current portion	25,156	31,637
Obligation under capital lease, net of current portion	125,876	125,876
Total long-term liabilities	<u>151,032</u>	<u>157,513</u>
Total liabilities	<u>13,313,449</u>	<u>13,534,313</u>
Stockholders' deficit:		
Common stock; (\$.001 par value) 100,000,000 shares authorized, 12,338,554 and 11,806,234 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively	12,339	11,806
Additional paid in capital	14,641,241	12,897,658
Preferred stock; (\$.001 par value) 5,000,000 shares authorized, 182,229 and 76,667 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively	182	77
Accumulated deficit	(26,590,214)	(25,308,228)
Total stockholders' deficit	<u>(11,936,452)</u>	<u>(12,398,687)</u>
Total liabilities and stockholders' deficit	<u>\$ 1,376,997</u>	<u>\$ 1,135,626</u>

The accompanying notes are an integral part of these financial statements

GREEN POLKADOT BOX INCORPORATED
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
SALES				
Merchandise sales, net of discounts	\$ 304,108	\$ 737,227	\$ 1,119,143	\$ 1,996,997
Membership revenue, annual and club	-	97,112	-	293,811
Membership revenue, founding trust memberships	-	895,447	-	1,470,034
Other	11,286	11,582	88,714	72,046
TOTAL SALES	315,394	1,741,368	1,207,857	3,832,888
COST OF SALES	443,085	843,919	1,282,699	3,014,619
GROSS PROFIT	(127,691)	897,449	(74,842)	818,269
OPERATING EXPENSES				
Wages and professional fees	321,631	1,275,344	1,823,926	2,078,057
Advertising, promotion and marketing costs	18,411	41,788	85,759	131,683
Warehouse expenses and supplies	28,425	64,608	62,499	250,170
Rent expenses	35,005	38,132	68,731	64,621
Depreciation and amortization	28,031	29,066	83,920	89,761
General and administrative	210,004	245,300	474,319	526,608
Total Operating Expenses	641,507	1,694,238	2,599,154	3,140,900
INCOME (LOSS) FROM OPERATIONS	(769,198)	(796,789)	(2,673,996)	(2,322,631)
OTHER INCOME (EXPENSE)				
Interest income (expense)	(128,150)	(159,224)	(465,067)	(351,879)
Amortization of debt discount	(47,488)	(96,629)	(217,894)	(184,190)
Amortization of beneficial conversion features	(2,733)	(587,999)	(19,026)	(711,312)
Gain (loss) on derivative valuation	3,152,978	114,675	2,093,997	(2,545,530)
Total Other Income (Expense)	2,974,607	(729,177)	1,392,010	(3,792,911)
INCOME (LOSS) BEFORE INCOME TAXES	2,205,409	(1,525,966)	(1,281,986)	(6,115,542)
PROVISION (BENEFIT) FOR INCOME TAXES	-	-	-	-
NET INCOME (LOSS)	\$ 2,205,409	\$ (1,525,966)	\$ (1,281,986)	\$ (6,115,542)
Basic and Diluted Income (Loss) Per Share of Common Stock	\$ 0.18	\$ (0.14)	\$ (0.11)	\$ (0.56)
Weighted Average Number of Shares Outstanding	12,303,571	10,993,995	12,124,761	10,902,759

The accompanying notes are an integral part of these financial statements

GREEN POLKADOT BOX INCORPORATED
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Nine Months Ended September 30,	
	2014	2013
Cash Flows from Operating Activities:		
Net loss	\$ (1,281,986)	\$ (6,115,542)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	83,920	89,761
Amortization of debt discount	220,544	184,190
Amortization of beneficial conversion feature	21,427	713,445
Change on derivative valuation	(2,096,182)	2,545,530
Common stock issued for services	807,319	146,150
Common stock based compensation	71,534	786,457
Noncash value of reward points redeemed	(133,850)	(1,083,813)
Noncash value of reward points awarded	88,658	1,299,599
Noncash value of deferred costs expensed	133,850	1,083,813
Noncash value of deferred costs for points awarded	(88,658)	(1,299,599)
Changes in assets and liabilities:		
Accounts receivable	(43,291)	75,191
Inventory	(209,308)	39,746
Other receivables	-	1,329
Prepaid assets	-	2,612
Accounts payable and accrued expenses	651,560	(257,369)
Deferred revenue from membership fees	-	(1,564,581)
Checks drawn in excess of cash	41,128	-
Accrued interest	-	313,840
Net cash used in operating activities	(1,733,335)	(3,039,241)
Cash flows from investing activities:		
Acquisition of fixed assets	(118,919)	(66,682)
Net cash used in investing activities	(118,919)	(66,682)
Cash flows from financing activities:		
Payments under capital lease	-	(17,278)
Payments on loan payable	(6,481)	-
Proceeds from loan payable	60,000	40,640
Proceeds from convertible promissory notes	1,085,563	2,302,438
Common stock issued upon conversion	(49,960)	-
Common stock issued for option exercise	557	-
Common stock issued for warrant exercise	100,169	-
Common stock issued for cash	28,002	590,000
Preferred stock subscription received	633,369	190,000
Net cash provided by financing activities	1,851,219	3,105,800
Net increase (decrease) in cash and cash equivalents	(1,035)	(123)
Beginning cash and cash equivalents	1,035	149,027
Ending cash and cash equivalents	<u>\$ -</u>	<u>\$ 148,904</u>
Supplemental Disclosures of Cash flow information:		
Cash paid for interest	<u>\$ 8,393</u>	<u>\$ 17,390</u>
Cash paid for income taxes	<u>\$ -</u>	<u>\$ -</u>
Supplemental Disclosures of Non-cash Investing and Financing Activities		
Common shares issued in conversion of convertible notes	<u>\$ 91,145</u>	<u>\$ 318,000</u>
Fixed assets acquired through capital lease	<u>\$ -</u>	<u>\$ -</u>
Increase in debt discount on convertible debt	<u>\$ -</u>	<u>\$ 107,694</u>
Increase in beneficial conversion feature on convertible debt	<u>\$ -</u>	<u>\$ 673,284</u>

The accompanying notes are an integral part of these financial statements

GREEN POLKADOT BOX INCORPORATED
NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
For the Three and Nine Months Ended September 30, 2014

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION

On January 18, 2008, The Green Polka Dot Box, LLC (“GPDB LLC”) was organized as a limited liability company (LLC) under the laws of the State of Utah.

On December 30, 2011, GPDB LLC filed Articles of Conversion with the Secretary of State of Utah to form a new corporation, The Green Polka Dot Box, Inc. (“GPDB”) and convert GPDB LLC to a C Corporation. The conversion was effective at the end of business December 31, 2011 for 2012. As a result, on January 2, 2012, GPDB LLC transferred all of its assets and liabilities to GPDB. Also, on January 2, 2012, GPDB issued 26,735,925 shares of common stock (100,000,000 authorized, no par value) to the members of the LLC in exchange for their units. The conversion was completed as 1 unit for 1 share. All options and warrants were also converted on a 1:1 basis.

On February 29, 2012, GPDB entered into an Agreement and Plan of Merger to give effect to a reverse acquisition of GPDB by Vault America, Inc. (“Vault”), through its wholly owned subsidiary Green PD Acquisitions, Inc., whereby GPDB became a wholly-owned subsidiary of Vault (the resultant entity, the “Company”).

On February 29, 2012, GPDB entered into an Agreement and Plan of Merger (the “Agreement”) to give effect to a reverse acquisition of GPDB by Vault, through its wholly owned subsidiary Green PD Acquisitions, Inc., whereby GPDB became a wholly-owned subsidiary of Vault.

Prior to the closing of this transaction and pursuant to a certain Common Stock Purchase Agreement dated February 2, 2012, Vault sold 1,044,133 of its 1,144,324 issued and outstanding common shares, 460 of its 790 issued and outstanding Preferred Series A shares and 1,000 of its issued and outstanding 1,000 Preferred Series B shares to GPDB in exchange for \$280,000. Simultaneous to the purchase of these shares, Vault spun out its subsidiary. Then, pursuant to the Agreement, Vault issued 9,919,028 common shares to the GPDB shareholders, in exchange for the 26,735,925 shares that GPDB had outstanding and simultaneously the 1,044,133 Vault common shares, the 460 Vault Preferred Series A shares and the 1,000 Vault Preferred Series B shares mentioned above, were cancelled. Also pursuant to the Agreement, Vault issued 33,000 common shares in exchange for its remaining 330 Preferred Series A shares.

This transaction was accounted for as a reverse acquisition. GPDB is the surviving company and the acquirer for accounting purposes. Following the completion of reverse merger, The Company changed its name from Vault America, Inc. to Green PolkaDot Box Incorporated. The Company also changed its reporting year end from October 31 to December 31.

The Company has developed and now operates an innovative online membership business providing natural and organic foods, products and information to the marketplace. The mission of the Company is to educate consumers about good, healthy food choices and then offer those good choices at the best value possible. The Company’s website is designed for members to “learn” and “shop”.

The “learn” section of the website is designed to provide members an online publication of current information related to dietary lifestyle preferences and good nutrition and health practices that includes expert commentary, recipes, scientific discoveries, documented research; and, the ability to ask questions and receive feedback. The Company plans to develop and complete the “learn” section of the website during 2013.

The “shop” section of the website provides members with hundreds of popular name brand products including healthy foods, supplements, cooking products, and, household and personal care products. The members can find their favorite brands and items they are already using in their daily diet. Products are be priced at the best value possible based on wholesale bulk volume purchasing and membership rewards programs; and, then delivered directly to their homes.

The Company raised investment capital from the founder and private investors to fund the “start-up” of the Company, research the organic and natural foods and products industry and market opportunities, and the design and development of a state-of-the-art website and online shopping. The Company began selling its products in December of 2011.

Going Concern

These consolidated financial statements have been prepared on a going concern basis, which implies that the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company began generating revenues in 2011 and generated losses totaling of \$1,281,986 for the nine months ended September 30, 2014 and has accumulated losses of \$26,590,214 through September 30, 2014.

The Company had raised investment capital from the founder and private investors from the sale of the former LLC units of as well as certain convertible notes to assist them in acquiring certain fixed assets as well as provide some necessary working capital for development and start-up costs.

During the nine months ended September 30, 2014, the Company raised approximately \$545,434 through the issuance of convertible notes, sold 13,703 shares of common stock for \$37,000, received \$687,514 for the sale of 114,590 shares of preferred series A stock, and received \$125,770 related to the exercise of options and warrants. The Company believes it will need to raise approximately and additional \$5,000,000 to continue operations to a point where it may achieve positive cash flow through the expansion of facilities and sales.

The consolidated financial statements do not include any adjustments relating to the carrying amounts of recorded assets or the carrying amounts and classification of recorded liabilities that may be required should the Company be unable to continue as a going concern.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unaudited Interim Financial Information

We have prepared the accompanying financial statements pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”) for interim financial reporting. These consolidated financial statements are unaudited and, in our opinion, include all adjustments, consisting of normal recurring adjustments and accruals necessary for a fair presentation of our consolidated balance sheets, operating results, and cash flows for the periods presented. Operating results for the periods presented are not necessarily indicative of the results that may be expected for 2014 due to seasonal and other factors. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) have been omitted in accordance with the rules and regulations of the SEC. These consolidated financial statements should be read in conjunction with the audited financial statements and accompany notes included as “Financial Statements and Supplementary Data,” of our 2012 Super 8K filing.

Basis of Presentation

The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

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

Cash and cash equivalents

The Company considers all highly liquid debt instruments and other short-term investments with maturity of three months or less, when purchased, to be cash equivalents. The Company maintains cash balances at three financial institutions that are insured by the Federal Deposit Insurance Corporation.

Fixed Assets

The Company has fixed assets comprising of leasehold improvements, warehouse equipment, furniture and computer software and equipment, which are reflected on the books net of accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets ranging from 3 years to 10 years. Costs of maintenance and repairs that do not improve or extend the life of the respective assets are charged to expense as incurred.

Inventory

Inventory is valued at the lower of cost (on a first-in, first-out (FIFO) basis) or market. Inventory of \$304,549 as of September 30, 2014 consists of finished goods that are packaged and awaiting shipment including shipping supplies. The Company has set up a reserve for obsolescence of inventory based on its estimate of goods that may not sell prior to their "best if used by" date. The inventory reserve is \$8,000 and \$8,000 at September 30, 2014 and 2013, respectively.

Recoverability of Long-Lived Assets

The Company reviews the recoverability of their long-lived assets on a periodic basis whenever events and changes in circumstances have occurred which may indicate a possible impairment. The assessment for potential impairment is based primarily on the Company's ability to recover the carrying value of its long-lived assets from expected future cash flows from its operations on an undiscounted basis. If such assets are determined to be impaired, the impairment recognized is the amount by which the carrying value of the assets exceeds the fair value of the assets. Fixed assets to be disposed of by sale are carried at the lower of the then current carrying value or fair value less estimated costs to sell.

Fair Value of Financial Instruments

The carrying amounts reported in the consolidated balance sheets for cash and cash equivalents, accounts receivable, accounts payable and notes payable approximate fair value because of the immediate or short-term maturity of these financial instruments and the stated interest rate is equivalent to rates currently available. For the warrants that are classified as derivatives, fair values were calculated using the Black-Scholes pricing model.

Income Taxes

Effective January 2, 2012, the Company converted from operating its business as a limited liability company (LLC) to operating its business as a C Corporation. Prior to the conversion, the Company was treated as a partnership for federal and state income tax purposes, and all losses generated through December 31, 2011 were passed through to the individual members of the LLC and taxed at their respective tax rates.

The Company accounts for income taxes utilizing the liability method of accounting. Under the liability method, deferred taxes are determined based on differences between financial statement and tax bases of assets and liabilities at enacted tax rates in effect in years in which differences are expected to reverse. Valuation allowances are established, when necessary, to reduce deferred tax assets to amounts that are expected to be realized.

The Company also follows the guidance related to accounting for income tax uncertainties. In accounting for uncertainty in income taxes, the Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant tax authority. No liability for unrecognized tax benefits was recorded as of September 30, 2014 and 2013.

Revenue and Cost Recognition

The Company generates revenue from the sale of 1) its products and 2) its memberships. The Company generally recognizes merchandise sales revenue from the sale of its products as follows:

- 1) Persuasive evidence of an arrangement exists;
- 2) Delivery has occurred;
- 3) The price to the buyer is fixed or determinable, and
- 4) Collectability is reasonably assured.

Cost of sales includes all product purchases, packaging supplies, shipping, freight and duties costs.

Membership revenue represents membership fees paid by substantially all of the Company's annual "Rewards" and "Club" members. The Company accounts for membership fee revenue on a deferred basis, whereby revenue is recognized ratably over the one-year membership period.

The Company received additional funds through the sale of its Founding Trust and Charter Memberships. Each Founding Trust Membership was sold for \$2,000 and Charter Memberships were sold for \$1,000. These fees are recorded as "deferred revenue".

In addition, each "Founding Trust" member receives 500 additional points just for signing up and is entitled to earn additional "reward" points upon completion of certain criteria in the Founding Trust Membership Agreement. These additional points either provided or earned during the period are accrued as a "reward point liability" and as a deferred cost in the period earned, and reclassified to cost of sales upon redemption of the points. The Company amortizes the deferred revenue to current revenue based on a formula utilizing 80% of the first 2,500 that a member spends. The formula is based on the fact that each member receives 2,500 points upon entering into the agreement. 2,000 of these points is for the cash paid to be a founding trust member and the 500 points is a promotional advertising campaign the Company conducted to encourage members to sign up. The 20% is a reduction of the "reward point liability" and deferred cost and reflected in the cost of sales.

Similar to the Founding Trust members, each "Charter" member receives 400 additional points just for signing up and is entitled to earn additional "reward" points upon completion of certain criteria in the Charter Membership Agreement. These additional points either provided or earned during the period are accrued as a "reward point liability" and as a deferred cost in the period earned, and reclassified to cost of sales upon redemption of the points.

The Company amortizes the deferred revenue to current revenue based on a formula utilizing 80% of the first 1,400 points that a member spends. The formula is based on the fact that each member receives 1,400 upon entering into the agreement. 1,000 of these points is for the cash paid to be a charter member and the 400 points is a promotional advertising campaign the Company conducted to encourage members to sign up. The 20% is a reduction of the "reward point liability" and deferred cost and reflected in the cost of sales.

The Company's Founding Trust, Charter, and Reward members may qualify for certain "discounts" on the products they purchase. Additionally, the Founding Trust, Charter, and Rewards members may earn "reward points" which they may apply toward future purchases. The discounts and reward points either provided or earned during the period are accrued as a "reward point liability" and as a deferred cost in the period earned, and reclassified to cost of sales upon redemption of the related discounts and points.

Since the Company's sales are generated from online purchases of their merchandise, the customers use credits cards to pay for their purchases. The credit card companies generally take anywhere from 2 to 3 days to settle the cash into the Company's bank accounts. The sales are final upon order being placed. The sales that are not settled at the balance sheet date are reflected in cash as accounts receivable, as all sales are final.

Stock-Based Compensation

The Company records stock-based compensation at fair value as of the date of grant and recognizes the corresponding expense over the requisite service period (usually the vesting period), utilizing the Black-Scholes option-pricing model.

The volatility component of the calculation is based on the historic volatility of the Company's stock or the expected future volatility. The expected life assumption is primarily based on historical exercise patterns and employee post-vesting termination behavior. The risk-free interest rate for the expected term of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

Loss Per Share of Common Stock

Basic net loss per common share is computed using the weighted average number of common shares outstanding. Diluted earnings per share (EPS) include additional dilution from common stock equivalents, such as stock issuable pursuant to the exercise of stock options and warrants. Common stock equivalents are not included in the computation of diluted earnings per share when the Company reports a loss because to do so would be anti-dilutive for periods presented.

The following is a reconciliation of the computation for basic and diluted EPS as of September 30, 2014:

	<u>September 30, 2014</u>
Net Loss	\$ (1,281,986)
Weighted-average common shares outstanding (Basic)	12,124,761
Convertible Preferred Stock	182,229
Convertible Promissory Notes	1,310,575
Stock Options	2,714,737
Warrants	10,010,198
Weighted-average common shares outstanding (Diluted)	<u>\$ 26,342,500</u>

Reclassifications

Certain prior period amounts in the consolidated financial statements have been reclassified to conform to the current period's presentation.

Recently Adopted Accounting Pronouncements

The Company has implemented all new accounting pronouncements that are in effect and that may impact its consolidated financial statements and does not believe that there are any other new pronouncements that have been issued that might have a material impact on its financial position or results of operations.

NOTE 3 – INVENTORY

The Company only holds finished goods inventory. As of September 30, 2014, the Company has \$401,650 in inventory comprising of the deliverable merchandise to customers. Inventories are accounted for using the first-in first-out ("FIFO") and are valued at the lower of cost or market value. This valuation requires us to make judgments, based on currently-available information, about the likely method of disposition, such as through sales to individual customer, returns to product vendors, or liquidations, and expected recoverable values of each such disposition. These assumptions about future disposition of inventory are inherently uncertain. The Company has analyzed the inventory as of September 30, 2014 and recorded a reserve for inventory obsolescence of \$8,000 based on the estimated amount of inventory that may not sell prior to its "best if used by" date.

NOTE 4 – FIXED ASSETS

Fixed assets as of September 30, 2014 and December 31, 2013 were as follows:

Assets	Estimated Useful Lives		September 30, 2014	December 31, 2013
	(years)			
Furniture and Equipment	7		20,879	\$ 20,879
Automobile	5		47,618	47,618
Software	3		150,076	102,146
Computer Equipment	5		132,043	132,043
Warehouse Equipment	5		293,858	293,858
Leasehold Improvements	10		306,603	237,613
			951,077	834,157
Less: accumulated depreciation			(320,030)	(236,109)
Fixed Assets, net			\$ 631,047	\$ 598,048

Depreciation expense was \$83,920 and \$89,761 for the nine months ended September 30, 2014 and 2013, respectively. The Company carries three capital leases on its books for warehouse equipment totaling \$192,025.

NOTE 5 – STOCKHOLDERS DEFICIT

Common Stock

The Company has 12,338,554 common shares issued and outstanding at September 30, 2014.

During the nine months ended September 30, 2014, the Company issued an aggregate total of 532,320 shares of common stock valued at \$1,250,028. The Company issued 13,703 shares of common stock were issued for \$37,000 in cash; 26,494 shares of common stock were issued to certain employees valued at \$71,534; 37,733 shares of common stock were issued associated with the conversion of convertible notes and interest totaling \$101,880; 343,090 shares of common stock were issued related to professional services valued at \$913,844; 18,550 shares of common stock were issued upon exercise of stock options valued at \$557; and 92,750 shares of common stock were issued upon exercise of stock warrants valued at \$125,213.

Preferred Stock

As of September 30, 2014, the Company had 182,229 shares of Series A preferred stock.

During the nine months ended September 30, 2014, the Company issued a total of 16,667 shares of Series A preferred stock for cash of \$100,000.

The preferred Series A shares carry an 8% interest preferred dividend. In addition to their preferred dividends, the holders of preferred shares are entitled to participate in their pro rata share of 1.0% of the gross revenues of the Company commencing 90 days from the date of issuance of the preferred shares and continuing as long as the preferred shares are outstanding. The Company recognizes the accrued interest associated with preferred dividends as a liability on the consolidated balance sheets. As of September 30, 2014 and 2013, the accrued interest liability was \$60,420 and \$0, respectively.

At any time prior to December 31, 2018 or within 30 days after notice of the Company's exercise of its right to redeem all or part of the preferred shares outstanding, the Preferred Shares shall be convertible into shares of common stock of the Company at the rate of two shares of common stock for each preferred share plus additional shares of Common Stock equal to the quotient of the total amount of any unpaid preferred dividends divided by \$3.00.

At any time, the Company shall have the right, in its sole discretion, to redeem all or part of the preferred shares outstanding on a pro rata basis from all holders, subject to the conversion rights of the holders of the preferred shares. The redemption price shall equal: (i) the original purchase price; plus (ii) any unpaid preferred dividends through the date of redemption; plus (iii) a premium equal to 10% of the original purchase price.

Options

As noted in "Common Stock" above, all outstanding stock options issued in the Company prior to the reverse merger were converted to stock options at a ratio of .371:1.

As of September 30, 2014, the Company has the following options outstanding:

<u>Date Issued</u>	<u>Number Outstanding</u>	<u>Expiration Date</u>	<u>Exercise Price</u>	<u>Contractual Life (Years)</u>	<u>Value if Exercised</u>
Prior - 01/01/12	-	-	\$ -	-	\$ -
Issued - 01/02/12	150,000	12/31/2018	0.67	4.25	100,500
Issued - 01/19/12	150,000	12/31/2018	0.67	4.25	100,500
Issued - 03/01/12	18,550	12/31/2016	0.03	2.25	557
Issued - 03/01/12	39,363	12/31/2016	0.54	2.25	21,256
Issued - 03/01/12	274,682	12/31/2016	0.67	2.25	184,037
Issued - 03/01/12	49,520	12/31/2017	0.67	3.25	33,178
Issued - 03/01/12	1,782,589	12/31/2018	0.67	4.25	1,194,335
Issued - 03/01/12	2,233,420	12/31/2019	0.67	5.25	1,496,391
Issued - 03/01/12	63,070	12/31/2020	0.67	6.26	42,257
Issued - 03/01/12	37,100	12/31/2019	1.35	5.25	50,085
Issued - 03/01/12	37,100	12/31/2017	2.16	3.25	80,136
Issued - 03/01/12	7,420	12/31/2018	2.16	4.25	16,027
Issued - 06/30/12	2,378	6/30/2017	3.00	2.75	7,134
Issued - 07/19/12	30,000	8/30/2020	0.67	5.92	20,100
Exercised - 03/29/12	(7,420)		0.67		(4,971)
Forfeited	(2,056,100)		0.67		(1,377,587)
Balance - 12/31/2012	2,811,672		0.70		1,963,935
Issued - 12/31/13	147,016	12/31/2023	3.00	10.00	441,048
Forfeited	(244,562)		0.67		(163,857)
Balance - 12/31/2013	2,714,126		\$ 0.83		\$ 2,241,126
Exercised - 3/10/14	(18,550)		0.03		(557)
Issued - 4/24/14	19,161	4/30/2023	2.70		51,735
Balance - 9/30/2014	<u>2,714,737</u>		<u>\$ 0.84</u>		<u>\$ 2,292,304</u>

For the options granted in 2012 and prior, the Company has determined the estimated value of the options granted to employees and non-employees using the Black-Scholes pricing model and the following assumptions: stock price at valuation, \$2.00-11.05; expected term of four to eight years, exercise price ranging from \$0.03 to \$3.00, a risk free interest rate of 0.62-1.04 percent, a dividend yield of 0 percent and volatility of 31-42 percent.

Of the 2,714,737 options outstanding at September 30, 2014, 1,590,333 are vested with the remaining 1,124,404 options vesting in December 2014 through 2016. As of September 30, 2014, the outstanding options have an intrinsic value of approximately \$8.94 million.

Warrants

The Company has the following warrants outstanding as of September 30, 2014:

Number of Warrants	Maturity Date	Exercise Price
74,200	December 2014	\$ 1.35
79,633	December 2016	\$ 4.05
26,667	March 2017	\$ 4.05
18,519	June 2017	\$ 4.05
10,000	March 2019	\$ 2.70
10,000	March 2020	\$ 2.70
925,925	September 2023	\$ 3.00
100,000	December 2023	\$ 2.70
8,425,254	December 2023	\$ 3.00
50,000	May 2014	\$ 1.00
200,000	December 2024	\$ 3.00
90,000	December 2024	\$ 2.70
<u>10,010,198</u>		

NOTE 6 – LOANS PAYABLE

Loans Payable – Other

Since 2009 and prior to January 1, 2012, GPDB LLC entered into convertible bridge loans for working capital purposes with various individuals. Prior to January 1, 2012, the Company had borrowed \$925,500, repaying \$60,000 of these loans, and converting \$815,500 (along with \$145,205 of accrued interest) of these loans into 3,791,177 limited liability company membership units (“LLC Units”) during the year ended December 31, 2011. The conversions were recorded at \$0.25 into LLC Units, and all accrued interest on these loans was also converted. These loans are interest bearing at 16% per annum and all were past due when converted. All of the notes except one note for \$50,000 was either repaid or converted by December 31, 2012. Interest expense for the year ended December 31, 2011 on these loans was \$46,209. The \$50,000 loan along with accrued interest of \$23,912 remains outstanding at September 30, 2014.

In June 2008, the Company entered into a lease agreement for offices space which was terminated in June 2012. At termination date, the Company owed the Landlord \$29,064 in back rent. Prior to the termination agreement, the Company signed a promissory note in May 2012 to pay the total back rent plus interest of 7% per annum with monthly payments of \$3,382.42 beginning April 1, 2012 through maturity date of May 1, 2013. The Company made payments totaling \$7,620 during the year and the loan is currently in default. According to the terms of default, the loan shall accrue interest of 18% per annum. As of September 30, 2014, \$21,444 remained on the loan along with accrued interest of \$1,407.

Convertible Promissory Notes

On May 25, 2012, the Company issued a convertible note for \$300,000 with a maturity date of November 24, 2012. The note bears an interest rate of 12% per annum and is convertible, along with all accrued interest, into shares of the Company’s Common Stock at \$2.70 per share. As additional compensation, the Company issued to the holder a warrant to purchase 111,111 shares of the Company’s Common Stock. The warrant has an exercise price of \$4.05 per share and a contractual life of 5 years from the issuance date.

The value of the BCF recorded was \$156,667 and the debt discount related to the attached warrants was \$109,785 on the date of issuance. On November 24, 2012, the note holder signed a conversion agreement for the entire principal and interest. On March 28, 2013, the Company issued 117,778 shares of common stock valued at \$318,000 for the \$300,000 principal and \$18,000 for accrued interest.

On November 29, 2012, the Company issued a convertible note for \$300,000 with a maturity date of June 30, 2013. The note bears an interest rate of 12% per annum and is convertible, along with all accrued interest, into shares of the Company's Common Stock at \$2.70 per share. As additional compensation, the Company issued to the holder a warrant to purchase 111,111 shares of the Company's Common Stock. The warrant has an exercise price of \$4.05 per share and a contractual life of 5 years from the issuance date. The value of the BCF recorded was \$61,111 and the debt discount related to the attached warrants was \$51,733 on the date of issuance. As of September 30, 2014, the principal balance of the note was \$300,000, with a remaining debt discount and BCF of \$32,463 and \$-0-, respectively, and accrued interest totaling \$69,238.

On July 18, 2013, the Company issued a convertible note for \$300,000 with a maturity date of December 31, 2013. The note bears an interest rate of 12% per annum and is convertible, along with all accrued interest, into shares of the Company's Common Stock at \$2.70 per share. As additional compensation, the Company issued to the holder a warrant to purchase 111,111 shares of the Company's Common Stock. The warrant has an exercise price of \$4.05 per share and a contractual life of 5 years from the issuance date. The value of the beneficial conversion feature recorded was \$138,889 and the debt discount related to the attached warrants was \$100,457 on the date of issuance. As of September 30, 2014, the principal balance of the note was \$300,000, with a remaining debt discount and beneficial conversion feature of \$-0- and \$-0-, respectively, and accrued interest totaling \$52,964.

For the nine months ended September 30, 2014, the Company issued convertible notes to certain individual totaling \$313,434 with maturity dates of 90 days. The notes bear interest rates of 18% per annum and are convertible, along with all accrued interest, into shares of the Company's Common Stock at \$2.70 per share. The value of the beneficial conversion feature recorded was \$12,122 on the date of issuance for all of these notes. During the nine months ended September 30, 2014, \$87,000 of these convertible notes, plus interest of \$4,145, were converted into 33,757 shares of common stock. As of September 30, 2014, the principal balance of the remaining convertible notes was \$659,684, with a remaining beneficial conversion feature of \$-0-, and accrued interest totaling \$99,610.

Convertible Promissory Notes – Related Party – Board of Director

On April 9, 2012, the Company issued a convertible note for \$500,000, which was to be received in three installments of \$300,000, \$100,000 and \$100,000. The first installment of \$300,000 has a maturity date of October 16, 2015. The note bears an interest rate of 12% per annum and is convertible, along with all accrued interest, into shares of the Company's Common Stock at \$2.70 per share. As additional compensation, the Company issued to the holder a warrant to purchase 300,000 shares of the Company's Common Stock. The warrant has an exercise price of \$3.00 per share and a contractual life of 5 years from the issuance date. The value of the beneficial conversion feature (BCF) recorded was \$422,222 and the debt discount related to the attached warrants was \$149,727 on the date of issuance. As of September 30, 2014, the principal balance of the note was \$300,000, with a remaining debt discount and BCF of \$-0- and \$-0-, respectively, and accrued interest totaling \$99,854.

On July 9, 2012, the Company issued a second installment on the convertible note for \$500,000 in the amount of \$100,000 bearing the same maturity date of October 16, 2015. The note bears an interest rate of 12% per annum and is convertible, along with all accrued interest, into shares of the Company's Common Stock at \$2.70 per share. As additional compensation, the Company issued to the holder a warrant to purchase 100,000 shares of the Company's Common Stock. The warrant has an exercise price of \$3.00 per share and a contractual life of 5 years from the issuance date. The value of the BCF recorded was \$52,222 and the debt discount related to the attached warrants was \$49,992 on the date of issuance. As of September 30, 2014, the principal balance of the note was \$100,000, with a remaining debt discount and BCF of \$-0- and \$-0-, respectively, and accrued interest totaling \$31,956.

On August 21, 2012, the Company received the final installment on the convertible note for \$500,000 in the amount of \$100,000 bearing the same maturity date of October 16, 2015. The note bears an interest rate of 12% per annum and is convertible, along with all accrued interest, into shares of the Company's Common Stock at \$2.70 per share.

As additional compensation, the Company issued to the holder a warrant to purchase 100,000 shares of the Company's Common Stock. The warrant has an exercise price of \$3.00 per share and a contractual life of 5 years from the issuance date. The value of the BCF recorded was \$52,222 and the debt discount related to the attached warrants was \$44,181 on the date of issuance. As of September 30, 2014, the principal balance of the note was \$100,000, with a remaining debt discount and BCF of \$-0- and \$-0-, respectively, and accrued interest totaling \$29,654.

On October 16, 2012, the Company issued a convertible note for \$500,000 with a maturity date of October 16, 2015. The note bears an interest rate of 12% per annum and is convertible, along with all accrued interest, into shares of the Company's Common Stock at \$2.70 per share. As additional compensation, the Company issued to the holder a warrant to purchase 500,000 shares of the Company's Common Stock vested immediately, with an additional 150,000 vesting at a rate of 50,000 three anniversary dates. The warrant has an exercise price of \$3.00 per share and a contractual life of 5 years from the issuance date. The value of the BCF recorded was \$261,111 and the debt discount related to the attached warrants was \$135,780 on the date of issuance. As of September 30, 2014, the principal balance of the note was \$500,000, with a remaining debt discount and BCF of \$83,392 and \$-0-, respectively, and accrued interest totaling \$129,864.

On February 28, 2013, the Company issued a convertible note for \$300,000 with a maturity date of February 21, 2016. The note bears an interest rate of 12% per annum and is convertible, along with all accrued interest, into shares of the Company's Common Stock at \$2.70 per share. As additional compensation, the Company issued to the holder a warrant to purchase 300,000 shares of the Company's Common Stock. The warrant has an exercise price of \$3.00 per share and a contractual life of 5 years from the issuance date. The value of the beneficial conversion feature recorded was \$5,556 and the debt discount related to the attached warrants was \$57,694 on the date of issuance. As of September 30, 2014, the principal balance of the note was \$300,000, with a remaining debt discount and beneficial conversion feature of \$39,179 and \$3,748, respectively, and accrued interest totaling \$66,082.

On April 5, 2013, the Company issued a convertible note for \$50,000 with a maturity date of April 5, 2016. The note bears an interest rate of 12% per annum and is convertible, along with all accrued interest, into shares of the Company's Common Stock at \$2.70 per share. As additional compensation, the Company issued to the holder a warrant to purchase 50,000 shares of the Company's Common Stock. The warrant has an exercise price of \$3.00 per share and a contractual life of five years from the issuance date. The value of the beneficial conversion feature recorded was \$33,518 and the debt discount related to the attached warrants was \$50,000 on the date of issuance. As of September 30, 2014, the principal balance of the note was \$50,000, with a remaining debt discount and beneficial conversion feature of \$25,228 and \$26,289, respectively, and accrued interest totaling \$10,340.

On November 8, 2013, the Company issued a convertible note for \$200,000 with a maturity date of November 8, 2016. The note bears an interest rate of 12% per annum and is convertible, along with all accrued interest, into shares of the Company's Common Stock at \$2.70 per share. As additional compensation, the Company issued to the holder a warrant to purchase 200,000 shares of the Company's Common Stock. The warrant has an exercise price of \$3.00 per share and a contractual life of five years from the issuance date. The value of the beneficial conversion feature recorded was \$11,111 and the debt discount related to the attached warrants was \$200,000 on the date of issuance. As of September 30, 2014, the principal balance of the note was \$200,000, with a remaining debt discount and beneficial conversion feature of \$140,511 and \$9,614, respectively, and accrued interest totaling \$21,436.

On April 24, 2014, the Company issued a convertible note for \$200,000 with a maturity date of April 30, 2017. The note bears an interest rate of 12% per annum and is convertible, along with all accrued interest, into shares of the Company's Common Stock at \$2.70 per share. As additional compensation, the Company issued to the holder a warrant to purchase 200,000 shares of the Company's Common Stock. The warrant has an exercise price of \$3.00 per share and a contractual life of five years from the issuance date. The value of the beneficial conversion feature recorded was \$-0- and the debt discount related to the attached warrants was \$200,000 on the date of issuance. As of September 30, 2014, the principal balance of the note was \$200,000, with a remaining debt discount and beneficial conversion feature of \$170,985 and \$-0-, respectively, and accrued interest totaling \$10,455.

NOTE 7 – MEMBERSHIP AGREEMENTS – REWARD POINT LIABILITY AND DEFERRED REVENUE

The Company's customers have had the option of entering into four distinct membership agreements. "Founding Trust Membership" – the "Founding Trust Membership" was a lifetime membership agreement, that required the member to pay \$2,000. Upon payment of this fee, the member received 2,000 reward points, plus an additional bonus of 500 points (value of \$2,500 per member, \$1 per point). In addition to the 2,500 reward points received for signing up, each member had the opportunity to receive an additional 2,000 points over 18 months if the criteria in the agreement are met. The Company has accounted for these "Founding Trust Membership Fees" as "deferred revenue" for the initial 2,000 reward points paid for, and the balance of the fees as "reward point liability". The Company has classified the initial \$2,000 of deferred revenue to current period revenue based on a formula of the initial 2,500 points being used. Since the members receive 2,500 points initially, 2,000 they pay for and 500 they are given, these points are reclassified 80% ($2,000/2,500$) to revenue and 20% ($500/2,500$) as an offset to cost of sales. Additionally, the 500 points are classified as a deferred cost and written off to cost of sales when the 20% of the first 2,500 points per member are redeemed. The Company accrued the additional 2,000 bonus points monthly in accordance with the agreement as "deferred costs" and "reward point liability" as well. In addition, the "Founding Trust" members are able to earn points for referrals to future members that sign up. As the points are redeemed in the members' sales, the "deferred costs" and "reward point liability" are offset to the cost of sales in the current period.

Charter Membership – the "Charter Membership" is a lifetime membership agreement that requires the member to pay \$1,000. Upon payment of this fee, the member receives 1,000 reward points, plus an additional bonus of 400 points (value of \$1,400 per member, \$1 per point). In addition to the 1,400 reward points received for signing up, each member has the opportunity to receive an additional 600 points over 15 months if the criteria in the agreement are met. The Company has accounted for these "Charter Membership Fees" as deferred revenue for the \$1,000 paid. The Company has classified the \$1,000 of deferred revenue to current period revenue based on a formula of the initial 1,400 points being used. Since the members receive 1,400 points initially, the deferred revenue is recorded as current period revenue based on 80% of the first 1,400 points used ($1,000/1,400$). The Company accrues the additional 600 bonus points monthly in accordance with the agreement as "deferred costs" and "reward point liability" as well. In addition, the "Charter" members are able to earn points for referrals to future members that sign up. As the points are redeemed in the members' sales, the deferred costs are classified to the cost of sales in the current period.

As of December 31, 2012, the "Founding Trust Membership" and "Charter Membership" are no longer available to customers.

As of September 30, 2014 and 2013, the "deferred revenue" for the "Founding Trust" and "Charter" members totals \$0 and \$1,174,147, respectively. In addition, the "reward point liability" at September 30, 2014 for the "Founding Trust" and "Charter" members totals \$250,473. Effective September 30, 2013, the Company cancelled \$2,753,962 membership and bonus points relating to the "Founding Trust" and "Charter" memberships. As a result of the cancellation of these memberships, the Company reduced the rewards point liability by \$2,753,962 in the period ended September 30, 2013.

"Rewards" – the "rewards" members pay an annual membership fee of \$125 that is classified as deferred revenue and amortized by the Company over 12 months. The "rewards" members have the availability to earn rewards points for shopping in accordance with their agreement. As of December 31, 2012, the reward membership is no longer available to new customers but existing reward members can continual to renew their reward membership annually. "Club" – the "Club" members' pay an annual membership fee of \$50 that is classified as deferred revenue and amortized by the Company over 12 months. The "club" agreement was an early agreement the Company offered which enables the members to pay \$50 per year to shop on the site. There is no reward point system for this membership class. "Club" members were offered the opportunity to upgrade their membership to the "Rewards" membership for \$75. For the period ended September 30, 2014 and December 31, 2013, the Company has a total of \$230,592 and \$275,784, respectively, in deferred revenue for "Rewards" and "Club" membership fees.

The reward points are detailed in the table below:

	Membership					
	Points	Bonus Points	Earned Points	Redeemed Points	Cancelled Points	Total
Balance, December 31, 2013	1,507,739	3,370,821	443,046	(2,291,860)	(2,753,962)	275,784
Points Activity for Nine Months						
Ended September 30, 2014	-	-	88,658	(133,850)	-	(45,192)
Balance, September 30, 2014	1,507,739	3,370,821	531,704	(2,425,710)	(2,753,962)	230,592

Less than 1% of the Company's Founding Trust Memberships were sold to related parties.

NOTE 8 – INCOME TAXES

On December 30, 2011, the Company filed Articles of Conversion with the Secretary of State of Utah to form a new corporation, The Green Polka Dot Box, Inc. and convert the LLC into a C Corporation. The conversion was effective at the end of business December 31, 2011 for 2012. As a result, on January 2, 2012, the Company transferred all of its assets and liabilities to The Green Polka Dot Box, Inc. Also, on January 2, 2012, the Company issued shares of common stock (had 100,000,000 authorized, no par value) to the members of the LLC in exchange for their units.

Deferred income taxes are determined using the liability method for the temporary differences between the financial reporting basis and income tax basis of the Company's assets and liabilities. Deferred income taxes are measured based on the tax rates expected to be in effect when the temporary differences are included in the Company's tax return. Deferred tax assets and liabilities are recognized based on anticipated future tax consequences attributable to differences between financial statement carrying amounts of assets and liabilities and their respective tax bases.

As of September 30, 2014, there is no provision for income taxes, current or deferred.

	September 30, 2014
Net Operating losses	\$ (5,658,456)
Valuation allowance	5,658,456
	<u>\$ -</u>

The income tax provision differs from the amount of income tax determined by applying the U.S. federal income tax rate of 34% to pretax income from continuing operations for the nine months ended September 30, 2014 due to the following:

	September 30, 2014
Income tax benefit at U. S. federal statutory rates:	\$ (9,040,673)
Deferred Costs	78,401
Reward Point Liability	78,401
Deferred Revenue	31,650
Stock-based compensation	361,411
Stock issued for services	108,800
Derivative liability	2,543,136
Amortization of debit discount	173,949
Amortization of beneficial Conversion Feature	6,469
	<u>\$ (5,658,456)</u>

At September 30, 2014, the Company had a net operating loss carry forward in the amount of \$16,642,516, available to offset future taxable income through 2034. The Company established valuation allowances equal to the full amount of the deferred tax assets due to the uncertainty of the utilization of the operating losses in future periods.

A reconciliation of the Company's effective tax rate as a percentage of income before taxes and federal statutory rate for the three months ended September 30, 2014 is summarized below.

Federal statutory rate	34.00%
State income taxes, net of federal	0.00%
Valuation allowance	34.00%

NOTE 9 – OBLIGATION UNDER CAPITAL LEASE – RELATED PARTY

On September 18, 2013, the Company entered a lease for the Mt. Pleasant Property from a director at a base rent of \$6,500 per month for a term of 36 months. As additional consideration for the lease agreement, the Company issued a warrant to purchase 600,000 shares of common stock at an exercise price of \$2.70 per share expiring on September 30, 2023. The future lease commitments under this lease are as follows:

<u>Year</u>	<u>Amount</u>
2014	19,500
2015	78,000
2016	78,000
	<u>\$ 175,500</u>

NOTE 10 – SUBSEQUENT EVENTS

Between October 1, 2014 and November 11, 2014, the Company issued 336,800 shares of common stock for \$336,800 in cash.

In October 2014, the Company issued 289,176 shares of common stock and 1,000,000 common stock warrants related to a Line of Credit Agreement. The warrants are exercisable at \$1.00 per share until October 31, 2024.

In October 2014, the Company issued an additional 31, 536 shares of common stock in connection with the exercise of warrants in the second and third quarter of 2014.