RAADR, INC.

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2017
(UNAUDITED)

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RAADR, Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

	As of March 31, 2017	As of December 31, 2016
Assets:		
Current assets		
Cash and cash equivalents	$ -	$ -
Prepaid expenses and other current assets	-	60
Total current assets	-	60
Property and equipment, net	721	1,071
Total assets	$ 721	$ 1,131
Liabilities and Stockholders' Deficit		
Current liabilities		
Account payable	$ 600,082	$ 618,714
Accrued liabilities	949,493	839,719
Preferred stock to be issued	259,900	259,900
Convertible notes payable, net of discount of $8,437 and $24,018, respectively	704,217	629,636
Notes payable	1,000,034	1,000,034
Related party notes payable	199,204	199,204
Derivative liabilities	2,481,341	2,119,182
Total current liabilities	6,194,271	5,666,389
Commitments and contingencies (Note 5)		
Stockholders' Deficit:		
Preferred stock; $0.001 par value; 80,000,000 shares authorized; 0 and 0 shares issued and outstanding as of March 31, 2017 and December 31, 2016, respectively	-	-
Preferred stock, Series A; $0.001 par value; 20,000,000 shares authorized; 0 and 0 shares issued and outstanding as of March 31, 2017 and December 31, 2016, respectively	-	-
Common stock, $0.001 par value; 400,000,000 shares authorized, 609,974,036 and 609,974,036 shares issued and outstanding as of March 31, 2017 and December 31, 2016, respectively	609,974	609,974
Common stock, owed but not issued; 31,000 and 31,000 shares issued and outstanding as of March 31, 2017 and December 31, 2016, respectively	31	31
Additional paid-in capital	10,665,043	10,662,201
Accumulated deficit	(17,468,598)	(16,937,464)
Total stockholders' deficit	(6,193,550)	(5,665,258)
Total liabilities and stockholders' deficit	$ 721	$ 1,131

See accompanying notes to the condensed consolidated financial statements.

RAADR, Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

	For the Three Months Ended March 31, 2017	For the Three Months Ended March 31, 2016
Revenue, net	$ -	$ -
Cost of goods sold	-	-
Gross profit	-	-
Operating expenses:		
Depreciation	350	350
Executive compensation	24,000	24,000
General and adminstrative expenses	40,406	12,544
Professional fees, including stock-based compensation of $0 and $27,550, respectively	-	190,643
Salaries and wages	-	17,944
Total operating expenses	64,756	245,481
Loss from operations	(64,756)	(245,481)
Other income (expense):		
Interest expense	(72,183)	(192,479)
Other income (expense)	(32,036)	-
Change in fair value of derivatives	(362,159)	556,738
Total other income (expense)	(466,378)	364,259
Income (loss) before provision for income taxes	(531,134)	118,778
Provision for income taxes	-	-
Net income (loss)	$ (531,134)	$ 118,778
Basic net income (loss) per common share attributable to common stockholders	$ (0.00)	$ 0.00
Diluted net income (loss) per common share attributable to common stockholders	$ (0.00)	$ 0.00
Weighted-average number of shares used in computing basic per share amounts	609,974,036	122,957,391
Weighted-average number of shares used in computing dilutive per share amounts	609,974,036	866,899,107

See accompanying notes to the condensed consolidated financial statements.

RAADR, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	For the Three Months Ended March 31, 2017	For the Three Months Ended March 31, 2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ (531,134)	$ 118,778
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Stock-based compensation	-	27,550
Depreciation and amortization	350	350
Gain on derivative liability	362,159	(556,738)
Accretion of debt discount	15,581	161,445
Imputed interest on notes payable	2,794	-
Common stock issued for debt penalties, debt agreements and additional shares issued on conversions	-	4,075
Prepaid expenses	60	-
Accounts payable	40,368	10,020
Accrued liabilities	109,774	39,067
Net cash used in operating activities	(48)	(195,453)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of notes payable	-	179,950
Contribution of capital	48	-
Net cash provided by financing activities	48	179,950
Change in cash and cash equivalents	-	(15,503)
Cash and cash equivalents, beginning of period	-	15,503
Cash and cash equivalents, end of period	$ -	$ -
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ -	$ -
Cash paid for income taxes	$ -	$ -
Non-cash investing and financing activities:		
Conversions of notes payable and accrued interest into common stock	$ -	$ 27,517
Warrants or common stock issued in connection with notes payable	$ -	$ 4,075

See accompanying notes to the condensed consolidated financial statements.

RAADR, Inc.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Note 1 - History and Organization

Organization

The Company was organized March 29, 2006 (Date of Inception) under the laws of the State of Nevada, as White Dental Supply, Inc. On December 27, 2012, the Company formed two wholly owned subsidiaries, Choice One Mobile, Inc. and PITOOEY! Mobile, Inc., under the laws of the State of Nevada. On January 7, 2013, the Board of Directors of the Company authorized and a majority of the stockholders of the Company ratified, by written consent, resolutions to change the name of the Company to PITOOEY!, Inc. The name change was effective with the State of Nevada February 7, 2013. On February 6, 2013, the Company formed a wholly owned subsidiary, Rockstar Digital, Inc., under the laws of the State of Nevada. On October 31, 2013, the Company, as part of its settlement agreement with the employees of Rockstar Digital, ceased operations of its wholly owned subsidiary, Rockstar Digital, Inc. On July 29, 2015, the Company changed their name to Raadr, Inc. The name change was effective with the State of Nevada on July 29, 2015.

Business

The Company offers a unique software tool in www.raadr.com that allows individuals to monitor social media activity online. As the digital world of the 21st Century continues to evolve, parents, guardians, and children are faced with challenges and threats not just in the real world, but in the omnipresent realm of Social Media as well. PITOOEY! INC., makers of the proprietary technology application RAADR© have developed a web based tool that provides families with peace of mind when it comes to knowing that children are safe from bullying and predatory behavior unfortunately so prevalent today.

By customizing their own unique monitoring and alert settings, parents and guardians can be alerted when their children's Facebook, Twitter, Instagram and other pertinent social media platforms under scrutiny become posted with inappropriate language. By utilizing customized keywords chosen by the user that are added to an already existing database, parents and guardians can carry a sense of assuredness that the youth they love and are responsible for are safe and acting in a fun, yet appropriate manner.

Going Concern

The accompanying condensed consolidated financial statements have been prepared assuming the Company will continue as a going concern. As shown in the accompanying condensed consolidated financial statements, the Company has an accumulated deficit of approximately $17.5 million as of March 31, 2017, a net loss of approximately $531,000 and cash used from operations of approximately $50 during the three months ended March 31, 2017 and a working capital deficit of approximately $6.2 million as of March 31, 2017.

In order to continue as a going concern, the Company will need, among other things, additional capital resources. The Company is significantly dependent upon its ability, and will continue to attempt, to secure equity and/or additional debt financing. The Company is attempting to conduct private placements of its preferred and common stock to raise proceeds to finance its plan of operation. There are no assurances that the Company will be successful and without sufficient financing it would be unlikely for the Company to continue as a going concern.

The condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts of and classification of liabilities that might be necessary in the event the Company cannot continue in existence. These conditions raise substantial doubt about the Company's ability to continue as a going concern. These condensed consolidated financial statements do not include any adjustments that might arise from this uncertainty.

Note 2 - Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Raadr, Inc., Choice One Mobile, Inc., PITOOEY! Mobile, Inc. and Rockstar Digital, Inc. All significant intercompany balances and transactions have been eliminated. Raadr, Inc., Choice One Mobile, Inc., PITOOEY! Mobile, Inc. and Rockstar Digital, Inc. will be collectively referred herein to as the "Company".

Risks and Uncertainties

The Company has a limited operating history and has not generated revenues from our planned principal operations.

The Company's business and operations are sensitive to general business and economic conditions in the U.S. and worldwide. These conditions include short-term and long-term interest rates, inflation, fluctuations in debt and equity capital markets and the general condition of the U.S. and world economy. A host of factors beyond the Company's control could cause fluctuations in these conditions, including the political environment and acts or threats of war or terrorism. Adverse developments in these general business and economic conditions, including through recession, downturn or otherwise, could have a material adverse effect on the Company's consolidated financial condition and the results of its operations.

The Company currently has no sales and limited marketing and/or distribution capabilities. The Company has limited experience in developing, training or managing a sales force and will incur substantial additional expenses if we decide to market any of our current and future products. Developing a marketing and sales force is also time consuming and could delay launch of our future products. In addition, the Company will compete with many companies that currently have extensive and well-funded marketing and sales operations. Our marketing and sales efforts may be unable to compete successfully against these companies. In addition, the Company has limited capital to devote sales and marketing.

The Company's industry is characterized by rapid changes in technology and customer demands. As a result, the Company's products may quickly become obsolete and unmarketable. The Company's future success will depend on its ability to adapt to technological advances, anticipate customer demands, develop new products and enhance our current products on a timely and cost-effective basis. Further, the Company's products must remain competitive with those of other companies with substantially greater resources. The Company may experience technical or other difficulties that could delay or prevent the development, introduction or marketing of new products or enhanced versions of existing products. Also, the Company may not be able to adapt new or enhanced products to emerging industry standards, and the Company's new products may not be favorably received. Nor may we have the capital resources to further the development of existing and/or new ones.

Interim Consolidated Financial Statements

The accompanying unaudited interim consolidated financial statements have been prepared by the Company pursuant to the rules and regulations of the United States Securities and Exchange Commission. Certain information and disclosures normally included in annual financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, all adjustments and disclosures necessary for a fair presentation of these consolidated financial statements have been included. Such adjustments consist of normal recurring adjustments. These interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2016. The results of operations for the three months ended March 31, 2017 are not indicative of the results that may be expected for the full year.

Use of Estimates

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

Cash and Cash Equivalents

For the purpose of the statements of cash flows, all highly liquid investments with an original maturity of three months or less are considered to be cash equivalents. The carrying value of these investments approximates fair value.

Property and Equipment

Property and equipment is recorded at cost. Expenditures for major additions and improvements are capitalized and minor replacements, maintenance, and repairs are charged to expense as incurred. When property and equipment is retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the results of operations for the respective period. Depreciation is provided over the estimated useful lives of the related assets using the straight-line method for financial statement purposes. The Company uses other depreciation methods (generally accelerated) for tax purposes where appropriate. The estimated useful lives for significant property and equipment categories are as follows:

Computer equipment	3 years
Furniture and Equipment	5 years

The Company reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition and other economic factors. Based on this assessment there was no impairment as of March 31, 2017.

Revenue Recognition

The Company recognizes revenue when all of the following conditions are satisfied: (1) there is persuasive evidence of an arrangement; (2) the service has been provided to the customer; (3) the amount of fees to be paid by the customer is fixed or determinable; and (4) the collection of our fees is probable.

Sales related to long-term contracts for services (such as programming, website development and maintenance) extending over several years are accounted for under the percentage-of-completion method of accounting. Sales and earnings under these contracts are recorded based on the ratio of actual costs incurred to total estimated costs expected to be incurred related to the contract under the cost-to-cost method based budgeted milestones or tasks as designated per each contract. Anticipated losses on contracts are recognized in full in the period in which losses become probable and estimable.

For all other sales of product or services the Company recognizes revenues based on the terms of the customer agreement. The customer agreement takes the form of either a contract or a customer purchase order and each provides information with respect to the product or service being sold and the sales price. If the customer agreement does not have specific delivery or customer acceptance terms, revenue is recognized on the date of the customer agreement, invoice or purchase order.

Stock-based Compensation

The Company records stock based compensation in accordance with the guidance in ASC Topic 505 and 718 which requires the Company to recognize expenses related to the fair value of its employee stock option awards. This eliminates accounting for share-based compensation transactions using the intrinsic value and requires instead that such transactions be accounted for using a fair-value-based method. The Company recognizes the cost of all share-based awards on a graded vesting basis over the vesting period of the award.

The Company accounts for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with FASB ASC 718-10 and the conclusions reached by the FASB ASC 505-50. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services as defined by FASB ASC 505-50.

Loss Per Common Share

Net loss per share is provided in accordance with ASC Subtopic 260-10. The Company presents basic loss per share ("EPS") and diluted EPS on the face of statements of operations. Basic EPS is computed by dividing reported losses by the weighted average shares outstanding. Except where the result would be anti-dilutive to income from continuing operations, diluted earnings per share has been computed assuming the conversion of the convertible long-term debt and the elimination of the related interest expense, and the exercise of stock warrants. Loss per common share has been computed using the weighted average number of common shares outstanding during the year. Dilutive loss per share for the three months ended March 31, 2017 excludes all potential dilutive common shares as their effects are anti-dilutive. The following is the calculation of the dilutive net income for the three months ended March 31, 2016:

	Three Months Ended March 31, 2016
Weighted average common shares outstanding used in calculating basic earning per share	136,229,127
Effect of convertible notes payable	733,669,980
Effect of options and warrants	-
Weighted average common and common equivalent shares outstanding used in calculating diluted	869,899,107
Net income as reported	$ 118,778
Add: Interest on convertible notes payable	8,341
Add: Amortization of discount on convertible notes payable	161,445
Net income available to common stockholders	$ 288,564

Fair Value of Financial Instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants as of the measurement date. Applicable accounting guidance provides an established hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors that market participants would use in valuing the asset or liability.

The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability;

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

As of March 31, 2017 and December 31, 2016 the derivative liabilities are considered a level 2 item; see Note 4.

The carrying amounts reflected in the balance sheets for cash, accounts payable and accrued expenses approximate the respective fair values due to the short maturities of these items.

Recent Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 840), to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The amendments in this standard are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, for a public entity. Early adoption of the amendments in this standard is permitted for all entities and the Company must recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. The Company is currently in the process of evaluating the effect this guidance will have on its financial statements and related disclosures.

Note 3 – Financial Statement Elements

Accrued liabilities as of March 31, 2017 and December 31, 2016 consisted of:

	March 31, 2017	December 31, 2016
Accrued payroll and taxes	$ 190,615	$ 190,615
Executive compensation	279,444	255,454
Accrued interest	406,558	352,810
Other	72,876	40,840
	$ 949,493	$ 839,719

In August 2015, the Company entered into a settlement agreement with their former Chief Executive Officer. In connection with the agreement, the Company has the obligation to issue 703,550 shares of common stock in settlement of amounts payable to the former Chief Executive Officer for accrued salaries and an investment in Series B preferred stock. The Company has yet to issue the required shares and thus as of March 31, 2017 and December 31, 2016, the liabilities remain. During the year ended December 31, 2016, the Company amended the agreement so that an anti-dilution in which was present in the original settlement was removed.

Note 4 - Notes Payable

Notes payable as of March 31, 2017 and December 31, 2016 consisted of:

	March 31, 2017	December 31, 2016
Third Party Notes:		
Convertible promissory notes	$ 744,654	$ 685,654
Debentures with warrants	347,664	347,664
Notes under Investment Agreement	581,764	581,764
Promissory notes	38,606	38,606
Less: unamortized discount	(8,437)	(24,018)
Subtotal - third party notes	1,704,251	1,629,670
Related Party Notes:		
Debentures with warrants	87,445	87,445
Demand notes	111,759	111,759
Less: unamortized discount	-	-
Subtotal - related party notes	199,204	199,204
Total	1,903,455	1,828,874
Curent portion	(1,903,455)	(1,828,874)
Long-term portion	$ -	$ -

As of March 31, 2017, all notes indicated above are in default.

Convertible Promissory Notes

Commencing in December 2014 and through June 2016, the Company issued various convertible promissory notes to third parties to be used for operations. In most cases, these convertible promissory notes are convertible upon issuance into a variable number of shares of common stock. Based on the requirements of ASC 815, we determined that a derivative liability was triggered upon issuance due to the variable conversion price. Using the Black-Scholes pricing model, we calculated the derivative liability upon issuance and recorded the fair market value of the derivative liability as a discount to the convertible promissory notes. When a derivative liability associated with a convertible note is in excess of the face value of the convertible note, the excess of fair value of derivative is charged to the statement of operations. The derivative liability is required to be revalued at each conversion event and at each reporting period. The Company doesn't account for the derivative liability until the convertible promissory note is convertible. In addition, these convertible promissory notes include various default provisions in which increase the interest rate to rates ranging from 12% to 35% and at times the principal balance at rates ranging from 5% to 50%. Additionally, most convertible promissory notes have prepayment penalties in which range from 15% to 50%.

2016 Issuances

During the year ended December 31, 2016, the Company entered into eight convertible notes with stated principal balances of $238,410, of which $227,950 in proceeds were received. The difference between the stated principal balance and proceeds received related to on issuance discounts and fees withheld from the proceeds by the lender. The convertible notes bear interest rates ranging from 4-35%, are due at dates ranging from July 2016 to April 2017, and are convertible any time after issuance at a variable conversion price calculated at discounts ranging from 45%to 58% of the lowest trading price in the 10-20 days prior to conversion.

In connection with one of the convertible notes discussed above the Company issued a total of 250,000 shares of common stock. The Company valued the common shares at $4,075 based upon the closing market price of the Company's common stock on the date of the agreement. The Company recorded the value of these items as interest expense as the convertible notes had already been fully discounted due to the on issuance discounts and derivative liabilities, as discussed below.

In April 2016, the Company issued a $59,000 convertible note to a consultant for services related to the Company's website. The convertible note incurs interest at 8% per annum and was due on October 4, 2016. In addition, the convertible note is convertible any time after issuance at a variable conversion price calculated at a discount of 50% of the lowest trading price in the 30 days prior to conversion. At March 31, 2017, the Company reclassed this convertible note from accounts payable to convertible notes payable as it had previously been erroneously incorrectly recorded within accounts payable. The reclass didn't have an impact on the overall presentation of current liabilities and cash flows.

Discounts and Conversions

The convertible notes issued in 2015 and 2016 were fully discounted at issuance due to the associated derivative liabilities being in excess of the convertible notes payable. The excess fair value of $283,707 was immediately expensed as a loss on the fair value of the derivative liabilities during the year ended December 31, 2016. During the three months ended March 31, 2017 and 2016, interest expense from accretion of the discount was $15,580 and $161,445, respectively. As of March 31, 2017, $8,437 of the discount remained. At March 31, 2017, the derivative liabilities were re-valued at $2,481,341. See below for weighted average variables used.

During the year ended December 31, 2016, seven of the holders converted principal of $82,208 resulting in the issuance of 490,149,052 shares of common stock. In connection with these conversions, $16,828 of the derivative liability was reclassed to additional paid-in capital. The Company also recorded a loss on extinguishment of $5,900.

As of March 31, 2017, these convertible notes were convertible into approximately 4.6 billion shares of common stock. If all convertible notes were converted, the Company would be in excess of their authorized shares.

Derivative Liabilities

During the three months ended March 31, 2017 and 2016, the average of inputs used to calculate the derivative liability were as follows:

	As of March 31, 2017	As of March 31, 2016
Exercise price per share	$0.00015	$0.00060
Expected life (years)	0.50	0.50
Risk-free interest rate	12%	0.12%
Expected volatility	356%	253%

Debentures with Warrants

At various dates in 2014 and 2013, the Company issued debentures with warrants. These debentures contain interest rates ranging from 8% to 20% and mature at various times from July 2014 through July 2015. As of March 31, 2017 and December 31, 2016, these notes were in technical default.

The warrants issued with these debentures contain an exercise price of $0.50 per share and expire three years from the date of issuance. Based on a valuation of the warrants using the Black-Sholes method, discounts of $76,452 and $275,499 were attributed to the warrants during the years ended December 31, 2014 and 2013, respectively. These discounts are being amortized over the respective twelve month maturity periods of the debentures using the straight line method due to the limited amortization period. During the three months ended September 30, 2015, $21,102 was amortized to interest expense. As of September 30, 2015, the discounts were fully amortized.

In March 2015, the Company extended a $20,000 convertible note payable to September 30, 2015, requiring monthly interest payments. In addition, the Company modified the exercise price of the warrants to $0.20 per share. The Company accounted for the difference in fair market value of the note and warrants as a modification and recorded as interest expense due to the insignificant amount.

Notes Issued Under an Investment Agreement

On April 29, 2013, the Company entered into an Investment Agreement, in which an investor agreed to purchase debentures up to a total principal amount of $1,100,000. This commitment was increased to $2,000,000 based on an agreement modification entered into on December 2, 2013. Each debenture will accrue interest on the unpaid principal of each individual debenture at the rate of 8% per year from the date each debenture is issued until paid. Maturity dates of the debentures issued range from April 2014 through May 2015. As such, these notes are in default as of March 31, 2017. As of March 31, 2017 and December 31, 2016, the principle balance owed on these debentures was $532,431 and $532,431, respectively, plus accrued interest.

Promissory Notes

On July 25, 2012, the Company entered into an Intellectual Property Assignment Agreement. In accordance with the terms and conditions contained therein, the Company has agreed to pay the Seller $8,000 in two installments: The first payment of $4,000 was due July 25, 2013, and second payment of $4,000 was due July 25, 2014. The note is currently in default due to non-payment.

During the year ended December 31, 2013, the Company issued a $50,000 promissory note bearing interest at 10% and due on May 31, 2014. The note is payable in monthly payments of principal and interest. As of March 31, 2017 and December 31, 2016, the remaining principal balance of $10,606 and $10,606, respectively, is past due and in default.

In June 2015, the Company received $20,000 in proceeds from convertible notes payable. The notes are convertible, only at the Company's option, for a minimum of $40,000 in common stock based upon the closing stock price on the date of conversion for a period of one year. In addition, the notes incur interest at 12% per annum and is due June 1, 2016. Since the note is only convertible at the Company's option, the accounting for such will be triggered if the option is exercised.

Debentures with Warrants Issued to Related Parties

At various times in 2014 and 2013, the Company issued debentures with warrants to several related parties. These debentures bear interest at 8% and mature at various times from July 2014 through February 2015. As of March 31, 2017, all the notes are in default as they are past the maturity dates.

The warrants issued with these debentures contain an exercise price of $0.50 per share and expire three years from the date of issuance. Based on a valuation of the warrants using the Black-Sholes method, discounts of $2,010 and $105,055, respectively, were attributed to the warrants during the years ended December 31, 2014 and 2013. These discounts were being amortized over the respective twelve month maturity periods of the debentures using the straight line method due to the limited amortization period. As of December 31, 2014, all discounts had been amortized and none remained.

Demand Notes Issued to Related Parties

The Company has various notes outstanding to related parties totaling $111,759 as of March 31, 2017 and December 31, 2016, respectively. These notes are due on demand and have no stated interest rate.

Note 5 - Commitments and Contingencies

Consulting Agreements

On December 30, 2015, effective January 1, 2016, the Company entered into an agreement with two consultants to promote the Company's RAADR mobile app for a period of 60 days. Under the terms of the agreement, the consultants received a total of 100,000 shares of common stock and were to be paid a total of $50,000 for their services. In addition, the consultants were to receive 50% of all revenues generated from the

RAADR mobile app. See Note 6 for valuation of shares issued for services. As of March 31, 2017, no amounts had been earned under the revenue arrangement.

On July 29, 2014 (the "Effective date"), the Company entered into an agreement with cmdR Consulting, to develop the Company's RAADR mobile app, the purpose of which is to develop a subscriber-like mobile application to allow the monitoring of a variety of forms of social mention in social media. Contractual details call for an initial payment of $40,000, an additional payment of $30,000 in December, 2014 and five monthly payments of $10,000 commencing in January 2015. In addition, stock options of up to 1,000,000 shares, with a strike price of $0.09, were granted for achieving certain milestones including an expected launch date in Fall 2014, with pre-registration to begin early September, 2014. In addition, a user-based bonus of $0.20 per user will be paid if the platform exceeds 330,000 users by December 31, 2014. Due to cash flow restrictions and the likely hood of the deliverables being provided, the contract was cancelled subsequent to December 31, 2014.

On September 5, 2015, the Company entered into a new agreement with cmdR Consulting for the same services as described above. Under the terms of the agreement, the Company was to pay $10,000 per month through August 5, 2016 and a one-time payment of $20,000. On June 15, 2016, the monthly amount was increased to $16,500. In addition, the Company issued warrants to purchase 1,200,000 shares of common stock at $0.08 per share expiring in five years. The shares vest at various periods through September 30, 2016. Compensation expense recorded during the year ended December 31, 2016 was $96,000.

On March 4, 2017, effective January 1, 2017, the Company entered into an agreement with Raadr Security, Inc, an entity controlled by a principal of cmdR Consulting whereby it licensed the rights to the Company's software for $100 per year through December 31, 2020. In addition, the Company issued Raadr Security, Inc 20,000,000 shares of common stock. The agreement is non-cancellable and if cancelled by the Company they have the requirement to pay $35,000 for each month remaining on the agreement. Under the agreement, Raadr Security, Inc. retains all revenues related to the licensed software. In addition, past due amounts incur interest at 10% per annum.

Legal

On February 6, 2013, we formed a wholly owned subsidiary, Rockstar Digital, Inc. ("Rockstar"), under the laws of the State of Nevada. Rockstar was organized to specialize in internet branding through social media marketing, mobile marketing and iPhone ® app development Company. On October 31, 2013, the Company entered into a settlement agreement with certain former employees to assume responsibility for certain payroll taxes of Rockstar Digital, Inc. ("Rockstar") and assign its ownership of Mobile Application and Transition Services intellectual property rights to Rockstar. In addition, the Company agreed to not assert a claim against certain computer equipment (cost of $28,307) in use at Rockstar. The Company agreed to assume liability for any payroll taxes owed on payroll paid by the Company on behalf of Rockstar's employees. The Company estimated this liability at $30,000 which they have recorded in accrued liabilities as of March 31, 2017 and December 31, 2016.

On July 29, 2014, a default judgment was issued against the Company in Circuit Court of the 11th Judicial Circuit in and for Miami-Dade County, Florida. This judgment stems from a legal filing by a consulting firm, with which the Company entered into an agreement for consulting services, on February 20, 2013. On September 25, 2013, the Company cancelled the agreement because it determined that services had not been provided by consulting firm, as promised per the agreed-upon contract terms. In November 2014, we entered into a settlement agreement whereby the Company shall pay the plaintiff $13,246, in monthly installments of $1,472. In addition, the Company issued options to purchase 100,000 shares of the Company's common stock at an exercise price of $1.75 expiring in two years. The Company valued the options on the date of issuance at $21,424 using the Black-Sholes model. The required payments on the settlement have not been made, however, the full amount of the liability has been recorded within accrued liabilities as of March 31, 2017 and December 31, 2016.

Note 6 - Stockholders' Deficit

Three months Ended March 31, 2016

During the three months ended March 31, 2016, the Company issued 5,700,000 shares of common stock to five parties in connection with consulting agreements. Services performed included capital raising, strategic partnerships, business planning, Raadr product promotion, etc. The Company recorded $27,550 in connection with these agreements based upon the closing market price of the Company's common stock on the date of agreements. The common shares issued in connection with these agreements is non-forfeitable and thus the entire value of the common shares was expensed upon issuance. In addition, there are no future performance commitments under the agreements.

See Note 4 for additional issuances of common stock.

Note 7 - Related Party Transactions

As of March 31, 2017 and December 31, 2016, amounts included within accrued liabilities related to payroll due to Jacob DiMartino, our Chief Executive Officer, were $263,444 and $239,454, respectively. The Company accrues $8,000 per month in connection with the CEO's services.

See Note 4 discussion related to notes payable to related parties.

Note 8 - Subsequent Events

The Company received $20,775 in proceeds from the issuance of three convertible notes payable. Under the terms of the agreements, the notes are due in 180 days from the date of issuance, incur interest at rates ranging from 35%- 40% per annum and are convertible into common stock at a 35% discount to the average closing bid price per share of common stock during the 10 consecutive trading days immediately prior to conversion. The Company is currently determining the accounting impact but expects to record derivative liabilities due to the variable conversion price of the convertible notes payable. In addition, the notes include a 50% prepayment penalty. In addition, the Company issued the holder of the notes 8,000,000 shares of common stock under a separate consulting agreement for which the holder is finding sources of capital.

On May 4, 2017, the Company increased their authorized common stock to eight (8) billion shares.

On April 5, 2017, the Circuit Courts within the Twelfth Judicial Circuit of Florida entered an order approving the stipulation of the parties (the "Stipulation") in the matter of Northbridge Financial, Inc. ("NBF") v. Raadr Inc. Under the Stipulation, the Company agreed to issue, as settlement of liabilities owed by the Company to NBF in the aggregate amount of $272,250 (the "Claim Amount") and the following:

(a) In one or more tranches as necessary, 35,000,000 shares of common stock (the "Initial Issuance") and $27,500 in fees.

(b) Through the Initial Issuance and any required additional issuances, that number of shares of common stock with an aggregate value equal to the Purchase Price (defined under the Stipulation as the market price (defined as the lowest closing bid price of the Company's common stock during the valuation period set forth in the Stipulation) less the product of the Discount (equal to 50%) and the market price.

(c) If at any time during the valuation period the closing bid price of the Company's common stock is below 90% of the closing bid price on the day before an issuance date, the Company will immediately cause to be issued to BF such additional shares as may be required to affect the purposes of the Stipulation.

(d) Notwithstanding anything to the contrary in the Stipulation, the number of shares beneficially owned by NBF will not exceed 4.99% of the Company's outstanding common stock.

In connection with the Settlement Shares, the Company relied on the exemption from registration provided by Section 3(a)(10) under the Securities Act.

The Company cannot reasonably estimate the amount of proceeds NBF expects to receive from the sale of these shares which be used to satisfy the liabilities. Thus, the Company accounts for the transaction as the shares are sold and the liabilities are settled. All amounts are included within accounts payable. Shares in which are held by NBF at each reporting period are accounted for as issued but not outstanding.

As May 31, 2017, the Company has issued 682,500,000 shares of common stock to NBF.

See Note 5 for an additional subsequent event.