Part II – Offering Circular

An offering statement pursuant to Regulation A relating to these shares has been filed with the U.S. Securities and Exchange Commission (the "Commission"). Information contained in this preliminary offering circular is subject to completion or amendment. These shares may not be sold nor may offers to buy be accepted before the offering statement filed with the Commission is qualified. This preliminary offering circular shall not constitute an offer to sell or a solicitation of an offer to buy or sell any of these shares in any state in which such offer, solicitation or sale would be unlawful before registration or qualification under the laws of any such state. We may elect to satisfy our obligation to deliver a final offering circular by sending you a notice within two business days after the completion of our sale to you that contains the URL where the final offering circular or the offering statement in which such final offering circular was filed may be obtained.

Preliminary Offering Circular June 27, 2017

[logo]

CHICKEN SOUP FOR THE SOUL ENTERTAINMENT, INC.

900,000 shares of Class A common stock

This is an initial public offering of our Class A common stock. The offering price is $12.00 per share.

The offering consists of 900,000 shares of our Class A common stock comprised of (a) up to 641,983 newly issued shares of our Class A common stock ("Shares") and (b) up to an aggregate of 258,017 of our outstanding shares of Class A common stock that may be sold by certain of our non-management, non-affiliated existing stockholders ("Selling Stockholder Shares" and together with the Shares, the "Offering Shares"). We will not receive any of the proceeds from the sale of the Selling Stockholder Shares in the offering. None of our officers, directors or affiliates is selling any securities in this offering.

To the extent less than 900,000 of the Offering Shares are sold in the offering, the Offering Shares sold in the offering will be allocated pro rata between the Shares and Selling Stockholder Shares. To the extent 900,000 or more of the Offering Shares are sold in the offering, all of the Selling Stockholder Shares will be sold in the offering.

In the event all of the Offering Shares are sold, we may, in our discretion, sell up to 1,600,000 additional newly issued shares ("Additional Shares") in the offering.

There is no minimum number of Offering Shares that we must sell in order to conduct a closing in this offering. The offering will commence within two calendar days after this offering circular has been qualified by the Commission. See "*Plan of Distribution*."

Prior to this offering, there has been no public market for our common stock. We have applied to have our Class A common stock listed on the Nasdaq Global Market under the symbol CSSE no later than the final closing of this offering. If our Class A common stock is not approved for listing on the Nasdaq Global Market, we expect our Class A common stock will be listed on the Nasdaq Capital Market. We currently meet the financial listing requirements for the Nasdaq Capital Market. Giving effect to the sale of all of the Shares and at least 220,000 Additional Shares in the offering, we expect we will meet the financial listing requirements for the Nasdaq Global Market. See "*Plan of Distribution*."

See "Risk Factors" beginning on page 9 of this offering circular for a discussion of information that should be considered in connection with an investment in such securities.

The Commission does not pass upon the merits of or give its approval to any shares offered hereby or the terms of the offering, nor does it pass upon the accuracy or completeness of any offering circular or other solicitation materials. The Offering Shares are being offered pursuant to an exemption from registration with the Commission; however, the Commission has not made an independent determination that the Offering Shares offered are exempt from registration.

	Price Per Share	Selling Agents' Discounts and Commissions	Proceeds to Our Company[3]	Proceeds to Selling Stockholders[5]
Shares	$ 12.00	$ 0.96[1][2]	$ 7,087,492	$ —
Selling Stockholder Shares	$ 12.00	$ 0.48[1][2]	$ —[4]	$ 2,972,356

(1) Does not include a non-accountable expense allowance of 2% of the gross proceeds from the sale of the Offering Shares, payable by us to the joint bookrunning managers. The discounts and commissions (but not the non-accountable expense allowance) with respect to the Selling Stockholder Shares will be paid by the selling stockholders. See "*Plan of Distribution.*"

(2) Does not include fees payable by us to Folio Investments, Inc. ("Folio") for use of its online selling platform and related services in connection with this offering. See "*Plan of Distribution.*"

(3) Assumes that all of the Shares offered are sold and we have not taken advantage of our option to sell any Additional Shares as described herein.

(4) We will not receive any proceeds from the sale of Selling Stockholder Shares in this offering.

(5) Assumes that all of the Selling Stockholder Shares offered are sold.

We plan to market this offering to potential investors through the joint bookrunning managers. This offering will terminate on _____, 2017, subject to extension for up to ninety (90) days with the mutual consent of us and the joint bookrunning managers (the offering period, as extended, being referred to as the "Offering Period"). We may hold an initial closing on any number of Offering Shares at any time during the Offering Period and thereafter may hold one or more additional closings during the Offering Period. We will close on proceeds based upon the order in which they are received. With respect to Additional Shares, however, we may accept or reject orders in our discretion. No closing will be conducted unless we have been approved for listing on the Nasdaq Global Market or Nasdaq Capital Market (in either case, "Nasdaq"), although we will elect to delay listing and trading thereon until the earlier of the final closing of the offering and the end of the Offering Period. We and the joint bookrunning managers will consider various factors in determining the timing of any additional closings following the initial closing, including the amount of proceeds received at the initial closing and any prior additional closings, and coordination with the commencement of our listing on Nasdaq. See "*Plan of Distribution.*"

Investment proceeds shall be held in escrow with Continental Stock Transfer & Trust Co., Inc. ("Continental" or the "Escrow Agent") until the earlier of the date of a closing with respect to such proceeds (at which time such proceeds shall be used to complete share purchases in the offering) and the end of the Offering Period (at which time, such proceeds shall be returned to the applicable investors without interest or deduction). Pursuant to Rule 15c2-4, unless there is a closing with respect to escrowed proceeds in the offering, we will not have any access to such proceeds. We may begin accepting investment proceeds into escrow at any time beginning two days after this offering circular has been qualified by the Commission.

We may decide to close the offering early or cancel it, in our sole discretion. If we extend the offering, we will provide that information in an amendment to this offering circular. If we close the offering early or cancel it, we may do so without notice to you, although if we cancel the offering all funds that may have been provided by any investors will be promptly returned without interest or deduction. See "*Plan of Distribution.*"

This is a Regulation A+ Tier 2 offering.

We are an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 and have elected to comply with certain reduced public company reporting requirements. As a smaller reporting company within the meaning of Rule 405, we are following the Form S-1 disclosure requirements for smaller reporting companies. This offering circular is intended to provide the information required by Part I of Form S-1.

Joint Bookrunning Managers

HCFP/Capital Markets **[ ]** **[ ]**

_____, 2017

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"Chicken Soup for the Soul®" and related names are trademarks are owned by Chicken Soup for the Soul, LLC ("CSS"). "Sips™" is a trademark owned by us. Solely for our convenience, trademarks and trade names referred to in this prospectus may appear without the "®" or "™" symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent possible under applicable law, our rights or the rights to these trademarks and trade names. We do not intend our use or display of other companies' trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other companies. Each trademark, trade name, or service mark of any other company appearing in this prospectus is the property of its respective holder.

You should rely only on the information contained in this offering circular. We have not authorized anyone to provide you with different information.

The information in this offering circular assumes that all of the Shares offered are sold and we have not taken advantage of our option to sell any Additional Shares as described herein.

Unless otherwise stated in this offering circular, "we," "us," "our," "our company" or "CSS Entertainment" refers to Chicken Soup for the Soul Entertainment, Inc. and our predecessor operations.

The term "Adjusted EBITDA" is as defined in "Management's Discussion and Analysis of Financial Condition and Result of Operations – Use of Non-GAAP Financial Measure."

Chicken Soup for the Soul Entertainment

Chicken Soup for the Soul's Hidden HEROES

PROJECT DAD

a plus THE SIP

SUMMARY

This summary highlights certain information appearing elsewhere in this offering circular. For a more complete understanding of this offering, you should read the entire offering circular carefully, including the risk factors and the financial statements.

Overview

CSS Entertainment curates and shares video stories that bring out the best of the human spirit.

We create and distribute our video content under the *Chicken Soup for the Soul* brand. Since our inception in January 2015, our business has grown rapidly and is profitable. Our 2016 revenue was $8.1 million, as compared to 2015 revenue of $1.5 million. We had net income of $0.8 million in 2016, as compared to a net loss of $0.8 million in 2015. Our 2016 Adjusted EBITDA was $3.8 million, as compared to 2015 Adjusted EBITDA of $0.0 million.

We are aggressively growing our business through a combination of organic growth, licensing and distribution arrangements, acquisitions, and strategic relationships.

In October 2015, we premiered our first show, *Chicken Soup for the Soul's Hidden Heroes* on CBS. In 2016, we had two shows on the air, *Hidden Heroes* and *Project Dad, a Chicken Soup for the Soul Original*, which aired on Discovery's TLC network.

In September 2016, we entered into an exclusive distribution agreement ("A Plus Distribution Agreement") with A Sharp Inc. d/b/a A Plus ("A Plus"), a digital media company that is majority owned by an affiliate of CSS, and which specializes in positive journalism and social change. Our agreement with A Plus significantly expands our ability to share our content by providing us access to A Plus' celebrity influencers, including A Plus' founder and chairman, Ashton Kutcher. These celebrity influencers have more than 480 million followers combined.

In March 2017, we launched the CSS Network, our branded direct-to-consumer ("DTC") network. The CSS Network will allow more consumers to view our growing library of *Chicken Soup for the Soul* original and third-party video content on a fee-per-view, subscription or advertising-supported basis.

In June 2017, we entered into a three-year collaboration agreement ("Collaboration Agreement") with an affiliate of Ashton Kutcher ("Kutcher"). Kutcher will serve as an executive producer and collaborate with us on all business and creative elements of two new television series relating to the positive content of A Plus and the *Chicken Soup for the Soup* brand.

We believe that increasing consumer demand for hopeful and enduring real life stories will continue to drive our growth. We intend to continue to expand our content offerings and distribution capabilities at our current rapid pace in order to bring the positive *Chicken Soup for the Soul* message to as many people as possible.

The *Chicken Soup for the Soul* Brand

We have an exclusive, perpetual and worldwide license from CSS to create and distribute our video content under the *Chicken Soup for the Soul* brand.

The *Chicken Soup for the Soul* brand is best known for its series of *Chicken Soup for the Soul* books, with more than 250 published titles. More than 500 million *Chicken Soup for the Soul* books have been sold worldwide during the past 23 years. The brand has garnered considerable awareness within its highly-prized female demographic with more than 80% of social media followers of *Chicken Soup for the Soul* on Facebook, Twitter and Instagram being women.

The *Chicken Soup for the Soul* brand has been experiencing significant growth in its media and social media presence:

- The brand had more than 2.6 million combined Facebook fans as of March 2017, which is up approximately 28 times since December 2011.
- The *Chicken Soup for the Soul* daily podcast, which was launched in February 2016, has had more than 1.4 million digital downloads since inception.

The *Chicken Soup for the Soul* brand had over 10 billion content views (which include impressions, video views and podcast downloads) across all platforms including Facebook, Twitter, YouTube and Instagram during the 12-month period ended March 31, 2017, with 1 billion content views in March 2017.

We believe the significant awareness and reach of the *Chicken Soup for the Soul* brand, the demographics to which the brand appeals, and the growing social media presence and highly engaged fan base associated with the brand will translate into meaningful recognition and demand for our video content offerings.

Our Video Content

We provide both long-form and short-form video content. Our long-form video content typically consists of 30 to 60 minute episodic programs. Our short-form video content typically consists of one to five minute videos sometimes branded as *Sips*. We generally make our content available to consumers globally through traditional media and a growing number of alternative distribution platforms.

We currently have two long-form video content projects on air: *Chicken Soup for the Soul's Hidden Heroes* and *Project Dad, a Chicken Soup for the Soul Original*. The multi-award winning *Hidden Heroes* is hosted by Brooke Burke-Charvet and is currently airing its second season on CBS. *Project Dad* is airing on the TLC network and two other Discovery networks. A segment of *Hidden Heroes* can be seen at https://cssentertainment.com/hiddenheroes. A short overview of *Project Dad* can be seen at https://cssentertainment.com/what-we-do/television/project-dad. In addition, we have delivered our short-form videos, including *Sips*, to multiple customers including Hilton Grand Vacations, American Humane and the Emily Griffith Technical College, and are in negotiations with numerous others. A recent Hilton Grand Vacations *Sip* can be seen at https://cssentertainment.com/what-we-do/online-video/the-sip and a recent American Humane video can be seen at https://cssentertainment.com/what-we-do/television.

In addition, we have agreements-in-principal for our third long-form video content series called *Paycation Homes* with sponsors and cable networks. This show will give viewers the information and inspiration needed to realize their dreams of using real estate entrepreneurship to obtain financial success.

We have an exciting pipeline of new long-form and short-form video content projects in various stages of development. For example, we have entered into exclusive co-production agreements for two additional long-form shows with Peacock Productions, the non-fiction production division of NBCUniversal.

We partner with highly-regarded independent producers to develop and produce our video content. Using this approach provides us with access to a diverse pool of creative ideas for new video content projects and allows us to scale our business on a variable cost basis. We seek committed funding prior to moving forward with a project.

Our Opportunity

Recent advancements in video, internet, and mobile technologies have reduced the barriers to entry for video content creation and distribution. These changes in technology have meaningfully impacted consumer viewing habits. Traditional video content distribution channels, such as broadcast and cable television networks, are losing ground to alternative distribution platforms, including internet-delivered networks, such as social media, and "over-the-top" ("OTT") and DTC networks. This has fractionalized the viewing audience, making it more difficult for advertisers to reach their target audiences.

In addition, traditional cable subscriber fees and linear television advertising are coming under significant pressure as consumers migrate towards "cord cutting," "skinny bundles," OTT, and DTC offerings. As these trends continue, we anticipate that many industry participants will face constrained programming budgets and network failures. Recent examples of the effect of these trends include the shutdown in October 2016 of Pivot TV, a digital cable and satellite television network targeted at young adults between 18 and 34 years old, and the announcement of the conversion of Esquire TV Network to a digital-only service in January 2017. These trends are providing new opportunities not previously available.

One of our fundamental objectives is to continue to grow our CSS Network as we continue to grow our content offerings to critical mass. Our strategy is to build our library of video content through a combination of *Chicken Soup for the Soul* original video content and opportunistic acquisitions of third-party video content libraries or other rights to video content as failing networks seek to monetize their library value. Industry dislocation is also enabling us to purchase broadcast airtime in attractive time slots and on attractive terms to further exhibit our video content as networks seek to fill their schedules in the face of declining budgets.

Our relationship with A Plus allows us to accelerate the growth of our video content offerings and to develop and distribute high quality, empathetic short-form videos and articles to millions of people worldwide. The themes of the content developed and distributed by A Plus are complementary to the *Chicken Soup for the Soul* brand. A Plus has celebrity influencers such as Ashton Kutcher, Britney Spears, Lil Wayne and George Takei among many others with over 480 million combined followers.

We believe that having an established brand with strong awareness, such as the *Chicken Soup for the Soul* brand, a clear and consistent message and a reputation for high-quality, entertaining video content, will be a key differentiating factor that enables individuals to successfully locate the video content they desire and allows providers to better reach their targeted audiences in an environment characterized by a proliferation of content creators and distribution platforms and fractionalized audiences.

Corporate Information

We are a Delaware corporation formed on May 4, 2016. CSS Productions LLC ("CSS Productions"), our predecessor and immediate parent company, was formed in December 2014 by Chicken Soup for the Soul, LLC ("CSS"), a publishing and consumer products company, and initiated operations in January 2015. We were formed to create a discrete entity focused on video content opportunities using the *Chicken Soup for the Soul* brand. The Chicken Soup for the Soul brand is owned and licensed to us by CSS. Chicken Soup for the Soul Holdings, LLC ("CSS Holdings"), is the parent company of CSS and our ultimate parent company. Our business address is 132 E. Putnam Avenue, Floor 2W, Cos Cob, Connecticut 06807, and our telephone number is (855) 398-0443. Our web address is http://www.cssentertainment.com. Our website is not part of this offering circular.

THE OFFERING

Securities being offered by the company	Up to 641,983 shares of Class A common stock, at $12.00 per share (“Shares”).
Securities being offered by certain existing stockholders	Certain of our non-management, non-employee stockholders may sell up to an aggregate of 258,017 shares of our Class A common stock in this offering at $12.00 per share (“Selling Stockholder Shares” and, together with the Shares, the “Offering Shares”).
Best efforts offering	There is no minimum number of Offering Shares that we must sell in order to conduct a closing in this offering. If all the Offering Shares are sold in the offering, we will have the option to sell up to 1,600,000 additional newly issued shares in the offering in our discretion (“Additional Shares”). Our directors and officers shall be entitled to purchase Shares in the offering.
Securities outstanding prior to this offering	1,249,090 shares of Class A common stock 8,071,955 shares of Class B common stock 678,822 Class W warrants 130,618 Class Z warrants
Securities outstanding after this offering	1,891,073 shares of Class A common stock 8,071,955 shares of Class B common stock 678,822 Class W warrants 130,618 Class Z warrants
Two classes of common stock	Holders of shares of Class A common stock and Class B common stock have substantially identical rights, except that holders of shares of Class A common stock are entitled to one (1) vote per share and holders of shares of Class B common stock are entitled to ten (10) votes per share. Holders of shares of Class A common stock and Class B common stock vote together as a single class on all matters (including the election of directors) submitted to a vote of stockholders, unless otherwise required by law or our charter documents. See “*Description of Securities*” for a description of the terms of our Class A and Class B common stock.
Listing of securities and proposed symbols	Prior to this offering, there has been no public market for our common stock. We have applied to have our Class A common stock listed on the Nasdaq Global Market under the symbol CSSE no later than the final closing of this offering. If our Class A common stock is not approved for listing on the Nasdaq Global Market, we expect our Class A common stock will be listed on the Nasdaq Capital Market. We currently meet the financial listing requirements for the Nasdaq Capital Market. Giving effect to the sale of all of the Shares and at least 220,000 Additional Shares in the offering, we expect we will meet the financial listing requirements for the Nasdaq Global Market. See “*Plan of Distribution*.”

Lock-up agreements with our company	Each existing non-management, non-affiliated holder (collectively, the "Unaffiliated Holders") of our Class A common stock and Class B common stock, other than one non-management, non-affiliated holder of our Class B common stock, has entered into a lock-up agreement with us that provides he, she or it will not sell, transfer or otherwise dispose of any of our Class A common stock, Class B common stock, Class W warrants or shares underlying the Class W warrants (collectively, the "Company Securities") until after the 90th day following the day our Class A common stock first trades on Nasdaq; provided that sales of the Selling Stockholder Shares in this offering shall not be subject to this lock-up. Each of our parent stockholder and its affiliates, directors and executive officers and a former executive officer (collectively, the "Insiders") has entered into an agreement with us ("Company Lock-up") pursuant to which he, she or it has agreed to not sell, transfer or otherwise dispose of any Company Securities for an initial period of 18 months following the date our Class A common stock first trades on Nasdaq. After such time, the Company Lock-up will automatically end with respect to 1/24 of each class of the Company Securities owned by such holder on each monthly anniversary date of the expiration of the initial 18-month period. We may elect to release any holder from its lock-up at any time or from time to time for any reason or no reason with respect to any or all of the Company Securities or any portion thereof. No such release shall be deemed to obligate us to grant any future releases to such holder or any other holder.
Lock-up agreements with the joint bookrunning managers	Each of our Unaffiliated Holders, other than one non-management, non-affiliated holder of our Class B common stock, has entered into a lock-up agreement with the joint bookrunning managers that provides he, she or it will not sell, transfer or otherwise dispose of any Company Securities until after the 90th day following the day our Class A common stock first trades on Nasdaq; provided that sales of the Selling Stockholder Shares in this offering shall not be subject to this lock-up. Each of the Insiders has entered into an agreement with the joint bookrunning managers pursuant to which he, she or it has agreed to not sell, transfer or otherwise dispose of any Company Securities for an initial period of 180 days following the day our Class A common stock first trades on Nasdaq. The joint bookrunning managers may elect to release any holder from its lock-up at any time or from time to time for any reason or no reason with respect to any or all of the Company Securities or any portion thereof. No such release shall be deemed to obligate the joint bookrunning managers to grant any future releases to such holder or any other holder. In the event the joint booking running managers elect to release their lock-up with respect to any Company Securities held by any officer or director of our company, they will notify us of the impending release and will announce the impending release through a major news service at least two business days prior to the effective date of the release. See *"Description of Securities Lock-up Agreements."*
Use of proceeds	Assuming we sell all of the Shares, we estimate that the net proceeds to us from the offering, after deducting the selling agents' discounts, commissions and non-accountable expense allowance and other estimated offering expenses payable by us, will be approximately $6,082,492 (or $23,312,492 if we sell all of the Additional Shares). Our Term Notes (as defined in "*Management's Discussion and Analysis of Financial Condition and Result of Operations – Liquidity and Capital Resources – Debt Private Placement*") shall be repaid at the time of the initial closing of this offering as required by the terms thereof, as amended, and we may use a portion of the net proceeds of this offering for such repayment. We intend to use any remaining net proceeds of this offering for: (a) financing production and associated development and operating costs and expenses for our video content; (b) strategic acquisitions, including acquiring video content distribution companies, assets and video content libraries; (c) servicing our obligations under the Credit Facility; and (d) working capital and general corporate purposes. See *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Credit Facility"* and "*—Debt Private Placement*" for a description of the terms of the Term Notes and Credit Facility. See "*Use of Proceeds*" for further information on our use of proceeds from this offering.

	We will pay all of the expenses of this offering (other than the selling agents' discounts and commissions of 4% payable with respect to the Selling Stockholder Shares sold in this offering), but will not receive any of the proceeds from the sale of the Selling Stockholder Shares in this offering.
Risk Factors	Prospective investors should carefully consider the Risk Factors beginning on page 9 before investing in the shares offered hereby.

SUMMARY CONSOLIDATED FINANCIAL DATA

The summary consolidated financial information set forth below summarizes relevant financial data for our business. The financial data was derived from our audited consolidated financial statements, and should be read in conjunction with the consolidated financial statements and the accompanying notes, which are included elsewhere in this offering circular. In addition, the financial data should be read in conjunction with *Management's Discussion and Analysis of Financial Condition and Results of Operations*, also included elsewhere in this offering circular.

	For the Year Ended December 31,	
	2016	**2015**
Operating Data:		
Total revenue	$ 8,118,632	$ 1,506,818
Gross profit	4,962,964	853,023
Gross profit %	*61.1%*	*56.6%*
Operating expenses	3,182,775	1,606,499
Operating income (loss)	1,780,189	(753,476)
Net income (loss) **(a) (b)**	781,133	(753,463)
Basic net income (loss) per common share	0.09	(0.09)
Diluted net income (loss) per common share	0.09	(0.09)
Weighted average common shares outstanding: **(c)**		
Basic	8,835,930	8,760,000
Diluted	8,996,636	8,760,000
Adjusted EBITDA **(d)**	3,776,676	38,524

(a) Net income (loss) includes non-cash share-based compensation expense of $1,542,044 (primarily related to a former officer of the Company) and $792,000 for the years ended December 31, 2016 and December 31, 2015, respectively. Non-cash share-based compensation expense is included in selling, general and administrative expense in the consolidated statements of operations included elsewhere in this offering circular.

(b) Net income includes non-cash amortization of debt discounts and amortization of deferred financing costs totaling $424,571 for the year ended December 31, 2016. These costs are included in interest expense in the consolidated statement of operations included elsewhere in this offering circular.

(c) Basic and diluted weighted average common shares outstanding assumes that Class B common stock of the Company is issued and outstanding as of January 1, 2015. For the year ended December 31, 2016, diluted weighted average common shares outstanding gives effect to Class W Warrants issued between May 2016 and December 2016, as if they were issued and outstanding on January 1, 2016. See Notes 1 and 8 to the consolidated financial statements included elsewhere in this offering circular.

(d) See *"Management's Discussion and Analysis of Financial Condition and Results of Operations"*, *"Use of Non-GAAP Financial Measure" - "Reconciliation of Historical Results to Adjusted EBITDA"* included elsewhere in this offering circular for further discussion.

	December 31, 2016		
	Actual	Pro Forma [1]	Pro Forma As Adjusted [2]
Balance Sheet Data:			
Cash and cash equivalents	$ 507,247	$ 4,445,407	$ 6,445,899
Total assets	11,817,917	16,206,077	18,206,570
Total liabilities	8,193,371	9,398,859	5,316,859
Stockholders' equity	3,624,546	6,807,218	12,889,711

(1) The "Pro Forma" information gives effect to net proceeds of approximately $3.5 million of securities in the 2017 Equity Private Placement, the Debt Private Placement, and two individual equity private placements after December 31, 2016, and through June 13, 2017. Total assets and stockholders' equity includes Class A common stock issued pursuant to the Collaboration Agreement. The Pro Forma information also includes 102,060 shares of Class A common stock issued in June 2017 pursuant to the conversion of an aggregate principal amount of $0.9 million of our Term Notes. The Pro Forma information reflects net advances received under the Credit Facility of approximately $0.5 million after December 31, 2016, and through June 13, 2017. In March 2017, the Credit Facility was amended to increase the net advances available to the Company to $4.5 million. The 2017 Equity Private Placement, the Debt Private Placement, the Credit Facility, the Term Note conversions to Class A common stock, and other private placements are described in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources"* and elsewhere herein. The Pro Forma information for the Term Notes sold in the Debt Private Placement after December 31, 2016, includes an additional debt discount to the carrying amount of the Term Notes payable and a corresponding credit to additional paid-in capital of approximately $0.3 million, which represents the estimated fair value of the warrants issued with the Term Notes. In addition, the Pro Forma information with respect to the Credit Facility includes an additional debt discount to the carrying amount of the Credit Facility and a corresponding credit to additional paid-in capital of approximately $0.1 million, which represents the estimated fair value of the additional warrants issued pursuant to the increase in the amount available under the Credit Facility.

If payment obligations are still outstanding under the Credit Facility at its maturity date, or if prior to the maturity date there is an event of default as prescribed by the Credit Facility, then at the Company's option, (a) all principal and interest may be exchanged into shares of Class A common stock of the Company on the same terms as the Company's most recently completed equity financing; provided, that under no circumstances shall the pre-money valuation used for this exchange be less than $52,560,000, (b) the maturity date of the Credit Facility may be extended as happened in January 2017 by mutual agreement of the parties, or (c) all principal and interest may be paid in full.

(2) The "Pro Forma As Adjusted" information gives effect to the sale of all of the Shares by us in the offering and the application of the estimated net proceeds derived therefrom (including repayment of all remaining Term Notes), but does not give effect to the sale of any Additional Shares. We will pay all of the expenses of the offering (other than the selling agents' discounts and commissions of 4% payable with respect to the Selling Stockholder Shares sold in this offering), but will not receive any of the proceeds from the sale of the Selling Stockholder Shares in this offering.

RISK FACTORS

An investment in the securities offered by this offering circular involves a high degree of risk. You should consider carefully all of the material risks described below, together with the other information contained in this offering circular, before making a decision to invest in the CSS Entertainment shares.

Risks associated with our business

We do not have a long operating history on which to evaluate our company.

Our predecessor, CSS Productions, was formed in December 2014 and we were formed in May 2016 to succeed to CSS Productions' assets in order to create a discrete, focused entity to pursue video content opportunities using the *Chicken Soup for the Soul* brand. We face all the risks faced by newer companies in the media industry, including significant competition from existing and emerging media producers and distributors, many of which are significantly more established, larger and better financed than our company.

It is only recently that we debuted our video content and accordingly do not have a long history on which to evaluate our ability to produce and distribute video content that will be desired by our target consumers across multiple media offerings. Similarly, we do not have a long-term operating or financial history that can be reviewed in evaluating an investment in our company.

All of our assets are pledged to secure existing indebtedness.

All of our assets are pledged under *pari passu* first priority security interests to secure our repayment obligations under indebtedness owed to the noteholders under the Term Notes (to the extent not repaid in full at the time of this offering) and the facility lender under the Credit Facility. In the event the holders of such indebtedness take action with respect to our assets in connection with any default under the Term Notes (to the extent not repaid in full from the proceeds of this offering) or the Credit Facility, we may not be able to continue our operations.

Certain conflicts of interest may arise between us and our affiliated companies and we have waived certain rights with respect thereto.

Our certificate of incorporation includes a provision stating that we renounce any interest or expectancy in any business opportunities that are presented to us or our officers, directors or stockholders or affiliates thereof, including but not limited to CSS Productions and its affiliates (collectively, the "CSS Companies"), except as may be set forth in any written agreement between us and any of the CSS Companies (such as the CSS License Agreement under which CSS has agreed that all video content operations shall be conducted only through CSS Entertainment). This provision also states that, to the fullest extent permitted by Delaware law, our officers, directors and employees shall not be liable to us or our stockholders for monetary damages for breach of any fiduciary duty by reason of any of our activities or any activities of any of the CSS Companies. As a result of these provisions, there may be conflicts of interest among us and our officers, directors, stockholders or their affiliates, including the CSS Companies, relating to business opportunities, and we have waived our right to monetary damages in the event of any such conflict.

Our long-term results of operations are difficult to predict and depend on the commercial success of our video content and the continued strength of the Chicken Soup for the Soul brand.

Our ability in the long-term to obtain sponsorships and licensing arrangements and to distribute our video content will depend, in part, upon the commercial success of the content that we initially distribute and, in part, on the continued strength of the *Chicken Soup for the Soul* brand. We cannot predict whether our initial video content will be accepted by audiences at a level that will create strong demand for our future video content. Further, the continued strength of the brand will be affected in large part by the operations of CSS and its other business operations, none of which we control. CSS utilizes the brand through its other subsidiaries for various commercial purposes, including the sale of books (including educational curriculum products), pet foods and other consumer products. Negative publicity relating to CSS or its other subsidiaries or the brand, or any diminution in the perception of the brand could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects. We cannot assure you that we will manage the production and distribution of all of our video content successfully, that all or any portion of our video content will be met with critical acclaim or will be embraced by audiences on a one-time or repeated basis, or that the strength of the *Chicken Soup for the Soul* brand will not diminish over time.

Our reliance on third parties for production and distribution could limit our control over the quality of the finished video content.

We currently have limited internal production and distribution capabilities and are reliant on relationships with third parties for much of these capabilities. Working with third parties is an integral part of our strategy to produce and distribute video content on a cost efficient basis, and our reliance on such third parties could lessen the control we have over the projects, despite our approval rights. Should the third party producers we rely upon not produce completed projects to the standards we expect and desire, critical and audience acceptance of such projects could suffer, which could have an adverse effect on our ability to produce and distribute future projects. Further, we cannot be assured of entering into favorable agreements with such third party producers on economically favorable terms or on terms that provide us with satisfactory intellectual property rights in the completed projects.

An integral part of our strategy is to initially minimize our production and distribution costs by utilizing funding sources provided by others, however, such sources may not be readily available.

The production and distribution of video content require a significant amount of capital. As part of our strategy, we will initially seek to fund the production and distribution of our video content through the payment of upfront fees by sponsors, licensors, broadcast, cable and satellite outlets and other producers and distributors, as well as through other initiatives, such as government tax incentives. Funding for our video content projects from the aforementioned sources or other sources may not be available on attractive terms or at all as and when we need such funding. To the extent we are not able to secure agreements by which upfront fees are paid to us, we may need to curtail the amount of video content being produced, or use our operating or other funds to pay for such video content, which could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

As we grow we may seek to fund and produce more of our video content directly, subjecting us to significant additional risks.

Our current strategy of funding the production and distribution of our video content through the payment of upfront fees by third parties may limit the backend return to us. If we should determine to use our own funds to produce and distribute more of our video content in order to capture greater backend returns, we would face significant additional risks, such as the need to internally advance funds ahead of revenue generation and cost recoupment and the need to divert some of our resources and efforts away from other operations. In order to reduce these risks, we may determine to raise additional equity or incur additional indebtedness. In such event, our stockholders and the company will be subjected to the risks associated with issuing more of our shares or increasing our debt obligations.

We have derived our revenue to date from a limited number of video content offerings and clients and have funded our projects from a limited number of sources.

To date, we have derived all of our revenue from a limited number of video content offerings and clients. We will need to expand and broaden our video content offerings, the distribution channels into which they are placed, the clients to which we sell and the production and financing relationships utilized to create such video content to ensure that we are not reliant on a limited number of offerings or distribution partners in the future. A failure to expand and broaden our video content offerings, client base or distribution, production and financing relationships could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

We are required to make continuing payments to our affiliates, which may reduce our cash flow and profits.

We are required to make significant payments to our affiliates as described under "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Affiliate Resources and Obligations – CSS Management Agreement*," "*—CSS License Agreement*" and *"–A Plus Distribution Agreement"* and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources*." Accordingly, in the aggregate, at least 10% of our gross revenue will be paid to our affiliates on a continuous basis and will not be otherwise available to us.

If a project we are producing incurs substantial budget overruns, we may have to seek additional financing from outside sources to complete production or fund the overrun ourselves.

If a production we are funding incurs substantial budget overruns, we may have to seek additional financing from outside sources to complete production or fund the overrun ourselves. We cannot be certain that any required financing will be available to us on commercially reasonable terms or at all, or that we will be able to recoup the costs of overruns. Increased costs incurred with respect to a particular project may result in the production not being ready for release at the intended time, which could cause a decline in the commercial performance of the project. Budget overruns could also prevent a project from being completed or released at all.

Our operating results may fluctuate.

Our operating results are dependent, in part, on management's estimates of revenue to be earned over the life of a project. We will regularly review and revise our revenue estimates. This review may result in a change in the rate of amortization and/or a write-down of the video content asset to its estimated realizable value. Results of operations in future years depend upon our amortization of our video content costs. Periodic adjustments in amortization rates may significantly affect these results.

Further, as many of our third-party relationships will be on a project-by-project basis, the profits, if any, generated from various projects will fluctuate based on the terms of the agreements between us and our third-party producers and distributors.

Because of our current stage of development, we generate a significant portion of our annual revenue in the fourth quarter of our fiscal year. We anticipate that our revenue may be more evenly distributed throughout the year in the future as we expand our business and diversify our video content offerings. Until such time, our quarter to quarter financial results may not be comparable within any single fiscal year or from fiscal year to fiscal year.

As a result of the foregoing and other factors, our results of operations may fluctuate significantly from period to period, and the results of any one period may not be indicative of the results for any future period.

Distributors' failure to promote our video content could adversely affect our revenue and could adversely affect our business results.

We will not always control the timing and manner in which our licensed distributors distribute our video content offerings. However, their decisions regarding the timing of release and promotional support are important in determining success. Any decision by those distributors not to distribute or promote our video content or to promote our competitors' video content to a greater extent than they promote our intent could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

We are smaller and less diversified than many of our competitors.

Many of the producers and studios with which we compete are part of large diversified corporate groups with a variety of other operations, including television networks, cable channels and other diversified companies such as Amazon, which can provide both the means of distributing their products and stable sources of earnings that may allow them to better offset fluctuations in the financial performance of their operations. In addition, the major studios have more resources with which to compete for ideas, storylines and scripts created by third parties as well as for actors, and other personnel required for production. The resources of the major producers and studios may also give them an advantage in acquiring other businesses or assets, including video content libraries, that we might also be interested in acquiring.

We must successfully respond to rapid technological changes and alternative forms of delivery or storage to remain competitive.

The entertainment industry in general continues to undergo significant developments as advances in technologies and new methods of product delivery and storage, or certain changes in consumer behavior driven by these developments, emerge. Consumers are spending an increasing amount of time online and on mobile devices, and are increasingly viewing content on a time-delayed or on-demand basis online, on their televisions and on handheld or portable devices. Our distributors and we must adapt our businesses to changing consumer behavior and preferences and exploit new distribution channels. Our strategy is to seek to take advantage of these changes and thereby to create new revenue streams and other opportunities for our video content. If we cannot successfully utilize these and other emerging technologies, it could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

We face risks from doing business internationally.

We intend to distribute our video content outside the U.S. and derive revenue in foreign jurisdictions. As a result, our business is subject to certain risks inherent in international business, many of which are beyond our control. These risks include:

- laws and policies affecting trade, investment and taxes, including laws and policies relating to the repatriation of funds and withholding taxes, and changes in these laws;

- the Foreign Corrupt Practices Act and similar laws regulating interactions and dealings with foreign government officials;
- changes in local regulatory requirements, including restrictions on video content;
- differing cultural tastes and attitudes;
- differing degrees of protection for intellectual property;
- financial instability and increased market concentration of buyers in foreign television markets;
- the instability of foreign economies and governments;
- fluctuating foreign exchange rates;
- the spread of communicable diseases in such jurisdictions, which may impact business in such jurisdictions; and
- war and acts of terrorism.

Events or developments related to these and other risks associated with international trade could adversely affect our revenue from non-U.S. sources, which could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

Protecting and defending against intellectual property claims may have a material adverse effect on our business.

Our ability to compete depends, in part, upon successful protection of our intellectual property relating to our video content and the protection of the *Chicken Soup for the Soul* brand. We will attempt to protect proprietary and intellectual property rights to our productions through available copyright and trademark laws and licensing and distribution arrangements with reputable international companies in specific territories and media. Under the terms of the CSS License Agreement, CSS has the primary right to take actions to protect the brand, and, if it does not, and we reasonably deem any infringement thereof is materially harmful to our business, we may elect to seek action to protect the brand ourselves. Although in the former case, we would equitably share in any recovery, and in the latter case, we would retain the entirety of any recovery, should CSS determine not to prosecute infringement of the brand, we could be materially harmed and could incur substantial cost in prosecuting an infringement of the *Chicken Soup for the Soul* brand.

Others may assert intellectual property infringement claims against us.

One of the risks of the video content production and distribution business is the possibility that others may claim that our productions and production techniques misappropriate or infringe the intellectual property rights of third parties with respect to their previously developed content, stories, characters and other entertainment or intellectual property. Although CSS is obligated to indemnify us for claims related to our use of the *Chicken Soup for the Soul* brand in accordance with the CSS License Agreement, we could face lawsuits with respect to claims relating thereto. Irrespective of the validity or the successful assertion of any such claims, we could incur significant costs and diversion of resources in defending against them, which could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

Our business involves risks of liability claims for video content, which could adversely affect our results of operations and financial condition.

As a producer and distributor of video content, we may face potential liability for defamation, invasion of privacy, negligence and other claims based on the nature and content of the materials distributed. These types of claims have been brought, sometimes successfully, against producers and distributors of video content. Any imposition of liability that is not covered by insurance or is in excess of insurance coverage could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

Piracy of video content may harm our business.

Video content piracy is extensive in many parts of the world, including South America, Asia, and certain Eastern European countries, and is made easier by technological advances and the conversion of video content into digital formats. This trend facilitates the creation, transmission and sharing of high quality unauthorized copies of video content on DVDs, Blu-ray discs, from pay-per-view through set-top boxes and other devices and through unlicensed broadcasts on free television and the internet. The proliferation of unauthorized copies of our video content could have an adverse effect on our business.

We rely upon a number of partners to offer streaming of content to various devices.

We currently offer viewers the ability to receive streaming content through a host of internet-connected devices, including internet-enabled televisions, digital video players, game consoles and mobile devices, using third-party platforms. We intend to continue to broaden our capability to instantly stream content to other platforms and partners over time. We do not own any of the technology utilized in the distribution of our content and rely on third-party platforms. If we are not successful in maintaining existing and creating new relationships, or if we encounter technological, content licensing or other impediments to our streaming content, our ability to grow our business could be adversely impacted. In addition, technology changes may require that our partners update their platforms. If partners do not update or otherwise modify their platforms, our service and our viewers' use and enjoyment could be negatively impacted.

Any significant disruption in the computer systems of third parties that we utilize in our operations could result in a loss or degradation of service and could adversely impact our business.

Our reputation and ability to attract, retain and serve our viewers is dependent upon the reliable performance of the computer systems of third parties that we utilize in our operations. These systems may be subject to damage or interruption from earthquakes, adverse weather conditions, other natural disasters, terrorist attacks, power loss, telecommunications failures, computer viruses, computer denial of service attacks or other attempts to harm these systems. Interruptions in these systems, or to the internet in general, could make our content unavailable or impair our ability to deliver such content.

Our online activities are subject to a variety of laws and regulations relating to privacy, which, if violated, could subject us to an increased risk of litigation and regulatory actions.

In addition to our websites, we use third-party applications, websites, and social media platforms to promote our video content offerings and engage consumers, as well as monitor and collect certain information about consumers. There are a variety of laws and regulations governing individual privacy and the protection and use of information collected from such individuals, particularly in relation to an individual's personally identifiable information. Many foreign countries have adopted similar laws governing individual privacy, some of which are more restrictive than similar United States laws. If our online activities were to violate any applicable current or future laws and regulations, we could be subject to litigation and regulatory actions, including fines and other penalties.

If government regulations relating to the internet or other areas of our business change, we may need to alter the manner in which we conduct our business or incur greater operating expenses.

The adoption or modification of laws or regulations relating to the internet or other areas of our business could limit or otherwise adversely affect the manner in which we currently conduct our business. In addition, the continued growth and development of the market for online commerce may lead to more stringent consumer protection laws, which may impose additional burdens on us. If we are required to comply with new regulations or legislation or new interpretations of existing regulations or legislation, this compliance could cause us to incur additional expenses or alter our operations.

If we experience rapid growth, we may not manage our growth effectively, execute our business plan as proposed or adequately address competitive challenges.

We anticipate continuing to grow our business and operations rapidly. Our growth strategy includes organic initiatives and acquisitions. Such growth could place a significant strain on the management, administrative, operational and financial infrastructure we utilize, most of which is made available to us by our affiliates under the CSS Management Agreement. Our long-term success will depend, in part, on our ability to manage this growth effectively, obtain the necessary support and resources under the CSS Management Agreement and grow our own internal resources as required, including internal management and staff personnel. To manage the expected growth of our operations and personnel, we also will need to increase our internal operational, financial and management controls, and our reporting systems and procedures. Failure to effectively manage growth could result in difficulty or delays in producing our video content, declines in overall project quality and increases in costs. Any of these difficulties could adversely impact our business financial condition, operating results, liquidity and prospects.

Our exclusive license to use the Chicken Soup for the Soul brand could be terminated in certain circumstances.

We do not own the *Chicken Soup for the Soul* brand or any other Chicken Soup for the Soul-related assets (including books), other than those assets transferred to us under the CSS Contribution and Trema Contribution Agreements as described under "*Certain Transactions – Contribution Agreements."* The brand is licensed to us by CSS under the terms of the CSS License Agreement as described under "*Certain Transactions – CSS License Agreement.*" CSS controls the brand, and the continued integrity and strength of the *Chicken Soup for the Soul* brand will depend in large part on the efforts and businesses of CSS and how the brand is used, promoted and protected by CSS, which will be outside of the immediate control of our company. Although the license granted to us under the CSS License Agreement is perpetual, there are certain circumstances in which it may be terminated by CSS, including our breach of the CSS License Agreement.

We are subject to risks associated with possible acquisitions, business combinations, or joint ventures.

From time to time, we will engage in discussions and activities with respect to possible acquisitions, sale of assets, business combinations, or joint ventures intended to complement or expand our business, some of which may be significant transactions for us. We may not realize the anticipated benefit from any of the transactions we pursue. Regardless of whether we consummate any such transaction, the negotiation of a potential transaction could require us to incur significant costs and cause diversion of management's time and resources.

Integrating any business that we acquire may be distracting to our management and disruptive to our business and may result in significant costs to us. We could face several challenges in the consolidation and integration of information technology, accounting systems, personnel and operations. Any such transaction could also result in impairment of goodwill and other intangibles, development write-offs and other related expenses. Any of the foregoing could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

Claims against us relating to any acquisition or business combination may necessitate our seeking claims against the seller for which the seller may not indemnify us or that may exceed the seller's indemnification obligations.

There may be liabilities assumed in any acquisition or business combination that we did not discover or that we underestimated in the course of performing our due diligence. Although a seller generally may have indemnification obligations to us under an acquisition or merger agreement, these obligations usually will be subject to financial limitations, such as general deductibles and maximum recovery amounts, as well as time limitations. We cannot assure you that our right to indemnification from any seller will be enforceable, collectible or sufficient in amount, scope or duration to fully offset the amount of any undiscovered or underestimated liabilities that we may incur. Any such liabilities, individually or in the aggregate, could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

We may require and not be able to obtain additional funding to meet increased capital needs after an acquisition.

Our ability to grow through acquisitions, business combinations and joint ventures and our ability to fund our operating expenses after one or more acquisitions may depend upon our ability to obtain funds through equity financing, debt financing (including credit facilities) or the sale or syndication of some or all of our interests in certain projects or other assets or businesses. If we do not have access to such financing arrangements, and if other funds do not become available on terms acceptable to us, there could be a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

Our success depends on our management and relationships with our affiliated companies.

Our success depends to a significant extent on the performance of our management personnel and key employees, including production and creative personnel, made available to us through the CSS Management Agreement. The loss of the services of such persons or the resources supplied to us by our affiliated companies could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

To be successful, we need to attract and retain qualified personnel.

Our success will depend to a significant extent on our ability to identify, attract, hire, train and retain qualified professional, creative, technical and managerial personnel. Competition for the caliber of talent required to produce and distribute our video content continues to increase. We cannot assure you that we will be successful in identifying, attracting, hiring, training and retaining such personnel in the future. If we were unable to hire, assimilate and retain qualified personnel in the future, such inability could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

We are an "emerging growth company" under the JOBS Act of 2012 and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our Class A common stock less attractive to investors.

We are an "emerging growth company", as defined in the Jumpstart Our Business Startups Act of 2012 ("JOBS Act"), and we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies" including, but not limited to, not being required to comply with the auditor attestation requirements of section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. We cannot predict if investors will find our Class A common stock less attractive because we may rely on these exemptions. If some investors find our Class A common stock less attractive as a result, there may be a less active trading market for our Class A common stock and our stock price may be more volatile.

In addition, Section 107 of the JOBS Act also provides that an "emerging growth company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an "emerging growth company" can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We are choosing to take advantage of the extended transition period for complying with new or revised accounting standards.

We will remain an "emerging growth company" for up to five years, although we will lose that status sooner if our revenue exceeds $1 billion, if we issue more than $1 billion in non-convertible debt in a three-year period, or if the market value of our common stock that is held by non-affiliates exceeds $700 million as of June 30 of any year.

Our status as an "emerging growth company" under the JOBS Act of 2012 may make it more difficult to raise capital as and when we need it.

Because of the exemptions from various reporting requirements provided to us as an "emerging growth company" and because we will have an extended transition period for complying with new or revised financial accounting standards, we may be less attractive to investors and it may be difficult for us to raise additional capital as and when we need it. Investors may be unable to compare our business with other companies in our industry if they believe that our financial accounting is not as transparent as other companies in our industry. Any inability to raise additional capital as and when we need it, could have a material adverse effect on our business, financial condition, operating results, liquidity and prospects.

Our chairman and chief executive officer will effectively control our company.

We have two classes of common stock – Class A common stock, each share of which entitles the holder thereof to one vote on any matter submitted to our stockholders, and Class B common stock, each share of which entitles the holder thereof to ten votes on any matter submitted to our stockholders. Our chairman and chief executive officer, William J. Rouhana, Jr., has control over the vast majority of all the outstanding voting power as represented by our outstanding Class B and Class A common stock and effectively controls CSS Holdings and CSS, which controls CSS Productions, and, in turn, our company. Further, our bylaws provide that any member of our board may be removed with or without cause by the majority of our outstanding voting power, thus Mr. Rouhana will exert significant control over our board. This concentration of ownership and decision making may make it more difficult for other stockholders to effect substantial changes in our company and may also have the effect of delaying, preventing or expediting, as the case may be, a change in control of our company.

We may issue shares of our capital stock or debt securities in the future, whether to complete any acquisition, a business combination or to raise additional funds, which would reduce the equity interest of our stockholders and might cause a change in control of our ownership.

Our certificate of incorporation authorizes the issuance of up to 70 million shares of Class A common stock, par value $.0001 per share, 20 million shares of Class B common stock, par value $.0001 per share, and 10 million shares of preferred stock, par value $.0001 per share. Assuming we sell all of the Shares in this offering (but no Additional Shares), we will have 68,108,927 authorized but unissued shares of our Class A common stock remaining available for issuance, 11,928,045 authorized but unissued shares of our Class B common stock remaining available for issuance and 10,000,000 authorized but unissued shares of our preferred stock remaining available for issuance immediately after the offering. We also may issue a substantial number of additional Shares of our common stock or preferred stock, or a combination of common and preferred stock, to raise additional funds or in connection with any acquisition or business combination in the future.

Risks associated with this offering

Our outstanding warrants may have an adverse effect on the market price of our common stock.

We have outstanding Class W warrants to purchase up to an aggregate of 678,822 shares of Class A common stock and Class Z warrants to purchase up to an aggregate of 130,618 shares of Class A common stock. The sale, or even the possibility of sale, of the Class W warrants and the Class Z warrants or the shares underlying the Class W warrants and the Class Z warrants, could have an adverse effect on the market price for our securities or on our ability to obtain future public financing. Furthermore, we might issue warrants or other securities convertible or exchangeable for shares of common stock in the future in order to raise funds or to effect acquisitions or business combinations. If and to the extent our warrants are exercised, or we issue additional securities to raise funds or consummate any acquisition or business combination, you may experience dilution to your holdings.

We do not intend to pay any dividends on our common stock at this time.

We have not paid any cash dividends on our shares of common stock to date. The payment of cash dividends on our common stock in the future will be dependent upon our revenue and earnings, if any, capital requirements and general financial condition as well as the limitations on dividends and distributions that exist under the laws and regulations of the State of Delaware and will be within the discretion of our board of directors. It is the present intention of our board of directors to retain all earnings, if any, for use in our business operations and, accordingly, our board of directors does not anticipate declaring any dividends on our common stock in the foreseeable future. As a result, any gain you will realize on our common stock (including shares of common stock obtained upon exercise of our warrants) will result solely from the appreciation of such shares.

You will experience immediate and substantial dilution.

The difference between the public offering price per share of our Class A common stock and the pro forma as adjusted net tangible book value per share of our Class A common stock and Class B common stock, combined, after this offering constitutes the dilution to the investors of shares in this offering. Our existing stockholders acquired their securities prior to this offering at prices less than investors are paying in this offering, contributing to this dilution. Upon consummation of this offering, investors will incur immediate dilution of approximately $11.21 per share (the difference between the pro forma as adjusted net tangible book value per share and the initial offering price of $12.00 per share). This is because investors in this offering purchasing shares will be contributing approximately 50.7% of the total amount paid to us for our outstanding securities after this offering but will only own 6.4% of our outstanding securities. Accordingly, the per-share purchase price investors of the shares will be paying exceeds our per share pro forma as adjusted net tangible book value. In addition, in the future, holders of our common stock will experience substantial dilution upon any exercise of our outstanding warrants.

If our securities becomes subject to the SEC's penny stock rules, broker-dealers may experience difficulty in completing customer transactions and trading activity in our securities may be adversely affected.

If at any time we have net tangible assets of $5,000,000 or less and our common stock has a market price per share of less than $5.00, transactions in our securities may be subject to the "penny stock" rules promulgated under the Securities Exchange Act of 1934. Under these rules, broker-dealers who recommend such securities to persons other than institutional accredited investors must:

- make a special written suitability determination for the purchaser;

- receive the purchaser's written agreement to the transaction prior to sale;
- provide the purchaser with risk disclosure documents which identify certain risks associated with investing in “penny stocks” and which describe the market for these “penny stocks” as well as a purchaser's legal remedies; and
- obtain a signed and dated acknowledgment from the purchaser demonstrating that the purchaser has actually received the required risk disclosure document before a transaction in a “penny stock” can be completed.

If our securities become subject to these rules, broker-dealers may find it difficult to effectuate customer transactions and trading activity in our securities may be adversely affected. As a result, the market price of our securities may be depressed, and you may find it more difficult to sell our securities.

Nasdaq may, after listing, delist our Class A common stock from quotation on its exchange, which could limit investors' ability to sell and purchase our shares and subject us to additional trading restrictions.

We anticipate that our Class A common stock will be listed on Nasdaq, a national securities exchange, no later than the final closing of this offering. Although, we currently meet the financial listing requirements of the Nasdaq Capital Market, and after giving effect to the sale of all of the Shares and at least 220,000 Additional Shares in the offering, we expect we will meet the financial listing requirements of the Nasdaq Global Market, if our common stock is not listed on Nasdaq at any time after this offering, we could face significant material adverse consequences, including:

- a limited availability of market quotations for our common stock;
- reduced liquidity with respect to our common stock;
- a determination that our common stock is “penny stock” which will require brokers trading in our shares to adhere to more stringent rules, possibly resulting in a reduced level of trading activity in the secondary trading market for our common stock;
- a limited amount of news and analyst coverage for our company; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

The determination for the offering price of our shares is more arbitrary compared with the pricing of securities for an established operating company.

Prior to this offering there has been no public market for any of our securities. The public offering price of our shares was negotiated between us and the joint bookrunning managers. Factors considered in determining the prices and terms of the Shares (and the Additional Shares) offered hereby include:

- the history and prospects of companies similar to our company;
- prior offerings of those companies;
- our prospects;
- our capital structure;
- an assessment of our management;
- general conditions of the securities markets at the time of the offering; and

· other factors as were deemed relevant.

However, although these factors were considered, the determination of the offering prices is more arbitrary than the pricing of securities for an established operating company.

Following this offering, the price of our Class A common stock may vary significantly due to general market or economic conditions as well as other factors. Furthermore, an active trading market for the securities may never develop or, if developed, may not be sustained. You may be unable to sell your securities unless a market can be established and sustained.

A portion of the proceeds of this offering will be used to repay our Term Notes and Credit Facility.

A portion of the proceeds of this offering will be used, in our discretion, to repay amounts outstanding under our Credit Facility (approximately $4.0 million as of the date of this offering circular) and, as required by the terms of our Term Notes, as amended, to repay such Term Notes (approximately $4.1 million as of the date of this offering circular). The amounts used to repay indebtedness will not be available to us for our operations. The Credit Facility will remain available to us until June 2018. See *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Credit Facility"* and *"—Debt Private Placement"* for a description of the terms of the Term Notes and Credit Facility.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The statements contained in this offering circular that are not purely historical are forward-looking statements. Forward-looking statements include, but are not limited to, statements regarding expectations, hopes, beliefs, intentions or strategies regarding the future. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “possible,” “potential,” “predicts,” “project,” “should,” “would” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this offering circular may include, for example, statements about our:

- limited operating history and ability to maintain or increase profitability;
- reliance on third parties for production and distribution;
- results of operations;
- ability to manage growth;
- ability to minimize our production and distribution costs by utilizing funding sources provided by others;
- regulatory or operational risks;
- success in retaining or recruiting, or changes required in, our officers, key employees or directors;
- capital structure;
- ability to obtain additional financing when and if needed; and
- liquidity and trading of our securities.

The forward-looking statements contained in this offering circular are based on current expectations and beliefs concerning future developments and their potential effects on us. There can be no assurance that future developments will be those that have been anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described under the heading “*Risk Factors*.” Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

USE OF PROCEEDS

We estimate that the net proceeds of this offering will be $6,082,492 if we sell all of the Shares (or $23,312,492 if we sell all of the Additional Shares).

Our Term Notes shall be repaid at the time of the initial closing of this offering as required by the terms thereof, as amended, and we may use a portion of the net proceeds of this offering (up to $4.1 million) for such repayment. We intend to use any remaining net proceeds of this offering for:

- financing production and associated development and operating costs and expenses for our video content;
- strategic acquisitions, including acquiring video content distribution companies, assets and video content libraries;
- servicing our obligations under the Credit Facility; and
- working capital and general corporate purposes.

We believe that the net proceeds of the offering, after giving effect to the use of a portion thereof to repay our Term Notes, together with our current resources, will allow us to operate for at least the next 12 months.

See *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Credit Facility"* and "*—Debt Private Placement*" for a description of the terms of the Credit Facility and Term Notes.

We cannot estimate the amounts to be used for each purpose set forth above. We also reserve the right to change the use of the proceeds in accordance with our strategic plans or if all of the Shares are not sold in this offering. Accordingly, our management will have significant flexibility in allocating the net proceeds of this offering.

We will pay all of the expenses of the offering (other than the selling agents' discounts and commissions of 4% payable with respect to the Selling Stockholders Shares sold in this offering), but will not receive any of the proceeds from the sale of the Selling Stockholder Shares in this offering.

DILUTION

The difference between the offering price per share of our Class A common stock in this offering and the Pro Forma As Adjusted net tangible book value per share after this offering constitutes the dilution to investors in this offering. Net tangible book value per share is determined by dividing our net tangible book value, which is our total tangible assets less total liabilities, by the total number of outstanding shares of Class A common stock and Class B common stock.

As of December 31, 2016, on an Actual basis and a Pro Forma basis, our net tangible book value is as follows:

	Actual	Pro Forma
Net book value - Actual	$ 3,624,546	$ 3,624,546
Less: intangible asset	(5,000,000)	(5,000,000)
Net tangible book value - Actual	(1,375,454)	(1,375,454)
Add:		
Sale of Class A common stock in private placements, net		1,863,160
Exchange of Term Notes for Class A common stock		918,000
Fair value of warrants issued with Term Notes		293,012
Fair value of warrants issued issued with Credit Facility		108,500
Net tangible book value	$ (1,375,454)	$ 1,807,218
Total common shares outstanding - Pro Forma		9,321,045
Net tangible book value per common share - Pro Forma		$ 0.19

After giving effect to the sale of the Shares (but excluding Additional Shares) in this offering, on a Pro Forma As Adjusted basis, our net tangible book value would be $7,889,710, or $0.79 per common share, after deducting selling agents' discounts, commissions, a non-accountable expense allowance and expenses of this offering totaling approximately $1,621,000. This represents an immediate increase in Pro Forma As Adjusted net tangible book value of $0.60 per share to our existing stockholders and an immediate dilution of $11.21 per share to investors purchasing shares in this offering.

The following table illustrates the dilution to new investors on a per-share basis:

Offering price per share		$ 12.00
Pro Forma net tangible book value per share before this offering	$ 0.19	
Increase in Pro Forma As Adjusted net tangible book value per share attributable to investors purchasing shares in this offering	0.60	
Pro Forma As Adjusted net tangible book value per share after this offering		0.79
Dilution in Pro Forma As Adjusted net tangible book value per share to investors in this offering		$ 11.21

The following table sets forth information with respect to our existing stockholders and the new investors as follows:

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders	9,321,045	93.6%	$ 7,488,970	49.3%	$ 0.80
New investors	641,983	6.4	7,703,796	50.7	12.00
Total	9,963,028	100.0%	$ 15,192,766	100.0%	

CAPITALIZATION

The following table sets forth our capitalization as of December 31, 2016 on an actual basis, on a pro forma basis to give effect to the events described in footnote (1), below, and on a pro forma as adjusted basis to give effect to the events described in footnote (2), below.

	Actual	Pro Forma [1]	Pro Forma As Adjusted [2]
Term Notes payable, net of unamortized debt discount and unamortized deferred financing costs totaling $359,894 actual and $894,799 pro forma	$ 2,610,106	$ 4,105,201	$ —
Net advances under Credit Facility, net of unamortized debt discount and unamortized deferred financing costs totaling $163,512 actual; $272,012 proforma, and $272,012 pro forma as adjusted	3,316,488	3,702,988	3,702,988
	$ 5,926,594	$ 7,808,189	$ 3,702,988
Stockholders' equity:			
Preferred stock, $0.0001 par value; 10,000,000 shares authorized; none issued or outstanding	$ —	$ —	$ —
Class A Common stock, $0.0001 par value, 70,000,000 shares authorized, 893,369 shares issued and outstanding actual; 1,249,090 shares issued and outstanding pro forma; 1,891,073 shares issued and outstanding, pro forma as adjusted	89	124	189
Class B Common stock, $0.0001 par value, 20,000,000 shares authorized, 8,071,955 shares issued and outstanding actual, pro forma, and pro forma as adjusted	807	807	807
Additional paid-in capital	4,074,646	7,257,283	13,339,711
Accumulated deficit	(450,996)	(450,996)	(450,996)
Total stockholders' equity	3,624,546	6,807,218	12,889,711
Total capitalization	$ 9,551,140	$ 13,939,300	$ 16,592,699

(1) The "Pro Forma" information gives effect to net proceeds of approximately $3.5 million of securities in the 2017 Equity Private Placement, the Debt Private Placement, and two individual equity private placements after December 31, 2016, and through June 13, 2017. Total stockholder's equity includes Class A common stock issued pursuant to the Collaboration Agreement. The Pro Forma information also includes 102,060 shares of Class A common stock issued in June 2017 pursuant to the conversion of an aggregate principal amount of $0.9 million of our Term Notes. The Pro Forma information reflects net advances received under the Credit Facility of approximately $0.5 million after December 31, 2016, and through June 13, 2017. In March 2017, the Credit Facility was amended to increase the net advances available to the Company to $4.5 million. The 2017 Equity Private Placement, the Debt Private Placement, the Credit Facility, the Term Note conversions to Class A common stock, and other private placements are described in *"Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources"* and elsewhere herein. The Pro Forma information for the Term Notes sold in the Debt Private Placement after December 31, 2016, includes an additional debt discount to the carrying amount of the Term Notes payable and a corresponding credit to additional paid-in capital of approximately $0.3 million, which represents the estimated fair value of the warrants issued with the Term Notes. In addition, the Pro Forma information with respect to the Credit Facility includes an additional debt discount to the carrying amount of the Credit Facility and a corresponding credit to additional paid-in capital of approximately $0.1 million, which represents the estimated fair value of the additional warrants issued pursuant to the increase in the amount available under the Credit Facility.

If payment obligations are still outstanding under the Credit Facility at its maturity date, or if prior to the maturity date there is an event of default as prescribed by the Credit Facility, then at the Company's option, (a) all principal and interest may be exchanged into shares of Class A common stock of the Company on the same terms as the Company's most recently completed equity financing; provided, that under no circumstances shall the pre-money valuation used for this exchange be less than $52,560,000, (b) the maturity date of the Credit Facility may be extended as happened in January 2017 by mutual agreement of all parties, or (c) all principal and interest will be paid in full.

(2) The "Pro Forma As Adjusted" information gives effect to the sale of all of the Shares by us in the offering and the application of the estimated net proceeds derived therefrom (including repayment of all remaining Term Notes), but does not give effect to the sale of any Additional Shares. We will pay all of the expenses of the offering (other than the selling agents' discounts and commissions of 4% payable with respect to the Selling Stockholder Shares sold in this offering), but will not receive any of the proceeds from the sale of the Selling Stockholder Shares in this offering.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our consolidated financial condition and results of operations should be read together with our consolidated financial statements and related notes appearing elsewhere in this offering circular. Some of the information contained in this discussion and analysis or set forth elsewhere in this offering circular, including information with respect to our plans and strategy for our business and related financing, includes forward-looking statements involving risks and uncertainties and should be read together with the "Risk Factors" section of this offering circular for a discussion of important factors which could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Business Overview

CSS Entertainment curates and shares video stories that bring out the best of the human spirit.

We create and distribute our video content under the *Chicken Soup for the Soul* brand. Since our inception in January 2015, our business has grown rapidly and is profitable. Our 2016 revenue was $8.1 million, as compared to 2015 revenue of $1.5 million. We had net income of $0.8 million in 2016, as compared to a net loss of $0.8 million in 2015. Our 2016 Adjusted EBITDA was $3.8 million, as compared to 2015 Adjusted EBITDA of $0.0 million.

We are aggressively growing our business through a combination of organic growth, licensing and distribution arrangements, acquisitions, and strategic relationships.

We partner with highly-regarded independent producers to develop and produce our video content. Using this approach provides us with access to a diverse pool of creative ideas for new video content projects and allows us to scale our business on a variable cost basis. We seek committed funding prior to moving forward with a project. Since we seek to secure both the committed funding and production capabilities for our video content prior to moving forward with a project, we have high visibility into the profitability of a particular project before committing to proceed with such project. In addition, we take limited financial risk on developing our projects (usually less than $25,000 per project).

We are a Delaware corporation formed on May 4, 2016. CSS Productions, our predecessor and immediate parent company, was formed in December 2014 by CSS, a publishing and consumer products company, and initiated operations in January 2015. We were formed to create a discrete entity focused on video content opportunities using the *Chicken Soup for the Soul* brand. The Chicken Soup for the Soul brand is owned and licensed to us by CSS. CSS Holdings is the parent company of CSS and our ultimate parent company.

In connection with our succession to the operations of CSS Productions, and pursuant to the terms of the Contribution Agreement and Trema Contribution Agreement described in "*Certain Transactions – Contribution Agreements*," all video content assets owned by CSS and any of its affiliates, including all rights and obligations related thereto, were transferred to us in May 2016. Thereafter, CSS Productions' operating activities substantially ceased and CSS Entertainment continued the business operations of producing and distributing the video content.

Use of Non-GAAP Financial Measures

We use a non-GAAP financial measure to evaluate our results of operations and as a supplemental indicator of our operating performance. The non-GAAP financial measure that we use is Adjusted EBITDA. Adjusted EBITDA is considered a non-GAAP financial measure as defined by Regulation G promulgated by the SEC under the Securities Act of 1933, as amended. Due to the significance of non-cash and non-recurring expenses recognized in the years ended December 31, 2016 and 2015, and the likelihood of material non-cash and non-recurring expenses to occur in future periods, we believe that this non-GAAP financial measure will enhance the understanding of our historical and current financial results. Further, we believe that Adjusted EBITDA enables our board of directors and management to analyze and evaluate financial and strategic planning decisions that will directly effect operating decisions and investments. The presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items or by non-cash items. This non-GAAP financial measure should be considered in addition to, rather than as a substitute for, our actual operating results included in our consolidated financial statements. See "*Use of non-GAAP Financial Measure*" below for further discussion.

Results of Operations

For the Year Ended December 31, 2016 compared with the Year Ended December 31, 2015

Basis of Presentation

CSS began evaluating the possibility of using the *Chicken Soup for the Soul* brand for the development, distribution and sale of its video content in early 2014. Our predecessor and parent company, CSS Productions was formed in December 2014 to pursue video content opportunities using the *Chicken Soup for the Soul* brand. CSS Productions began operations in January 2015. As such, and in accordance with Staff Accounting Bulletin Topic 1 B, opening members' deficit as of January 1, 2015 includes $478,666 of pre-formation allocated expenses for the year ended December 31, 2014. The pre-formation allocated expenses were derived from the financial statements of CSS, based on allocations of costs incurred attributable to the development of the video content business prior to the formation of the CSS Productions.

This discussion of results of operations, affiliate resources and obligations, and liquidity and capital resources gives effect to the combined consolidated results of CSS Entertainment and the results of CSS Productions prior to CSS Entertainment succeeding to its operations.

These results should be read together with our consolidated financial statements and accompanying notes included elsewhere in this offering circular and together with Critical Accounting Policies and Estimates included below.

Revenue

	Year Ended December 31,	
	2016	**2015**
Television	$ 7,341,918	$ 1,506,818
Online	776,714	-
Total Revenue	**$ 8,118,632**	**$ 1,506,818**

Television revenue

Television revenue was 90% and 100% of total revenue for the year ended December 31, 2016 ("2016") and for the year ended December 31, 2015 ("2015"), respectively. Our television revenue includes revenue generated from the exhibition of our long-form video content on television. Our television revenue for 2016 and 2015 was derived from our two episodic television series. Revenue is recognized as each individual episode becomes available for delivery or becomes available for broadcast.

During 2016, our first episodic television series, *Hidden Heroes*, completed its first season on the CBS. The *Hidden Heroes* slate is comprised of half-hour episodes totaling 26 episodes, each airing twice over a 52-week season. *Hidden Heroes*' first season premiered on CBS in October 2015 and its season one episodes continued to air through September 2016. In October 2016, *Hidden Heroes* season two began airing on CBS and will continue airing through September 2017. The sponsor for *Hidden Heroes*, a stockholder of our company, has agreed to fund the series for a third season.

During 2016, our second episodic television series, *Project Dad*, was produced and aired on Discovery's Discovery Life network in November and December 2016. The *Project Dad* slate for season one is comprised of eight, one-hour episodes. The show premiered on Discovery Life in November 2016, and aired on Discovery's TLC network and Discovery Family in 2017. The sponsor for *Project Dad* has agreed to fund a different parenting series, which is expected to air in the fourth quarter of 2017.

During 2015, *Hidden Heroes* began airing in October and revenue was recognized for the individual episodes that were delivered or were available for broadcast by December 31, 2015. We also received a $75,000 non-refundable deposit pursuant to an extension option agreement for a feature film. The feature film has not started production and there is no commitment or contract to produce a feature film.

Because of our current stage of development, we generate a significant portion of our annual revenue in the fourth quarter of our fiscal year. We anticipate that our revenue may be more evenly distributed throughout the year in the future as we expand our business and diversify our video content offerings. Until such time, our quarter to quarter financial results may not be comparable within any single fiscal year or from fiscal year to fiscal year.

Online revenue

Online revenue was 10% and 0% of total revenue for 2016 and 2015, respectively. Our online revenue includes revenue generated from the exhibition of our video content online, primarily our short-form video content, including *Sips* and video content net revenue through our Distribution Agreement with A Plus. See "*–Affiliate Resources and Obligations,*" below for further discussion.

Revenue from *Sips* and our other online video content is recognized as the video content is posted on the applicable web site for viewing.

Under the terms of the A Plus Distribution Agreement, we receive a net distribution fee equal to 40% of gross revenue generated by the distribution of the A Plus video content, and 15% of gross revenue generated by the distribution of the A Plus editorial content, until the A Plus Advance (as defined and described in *"—Affiliate Resources and Obligations*," below) has been repaid to us in full. After full repayment, the foregoing distribution fee payable to us will be reduced to 30% and 5%, respectively, and A Plus shall receive the remainder ("A Plus Revenue") of such gross revenue. We recoup the A Plus Advance by retaining our fee plus the portion of gross revenue otherwise payable by the Company to A Plus and applying such A Plus Revenue to the recoupment of the A Plus Advance. We will not pay A Plus any A Plus Revenue until such time as the A Plus Advance has been recouped in full by us. Producer payments due to A Plus through the Distribution Agreement are recorded as a reduction to our recorded amount of revenue.

Cost of Revenue

	Year Ended December 31,	
	2016	**2015**
Programming costs	$ 3,155,668	$ 653,795

We initially capitalize our programming costs incurred to produce and develop our long-form and short-form video content. We capitalize all direct production and financing costs, capitalized interest, when applicable, and production overhead.

The costs of producing our long-form and short-form video contents are amortized using the individual-film-forecast method. This method provides that costs are amortized to cost of revenue in the proportion that the current period's revenue compares to our estimate of the ultimate revenue expected to be recognized, which may span several years.

For 2016, 96% of programming costs included in cost of revenue consisted of amortization of programming costs for *Hidden Heroes* seasons one and two and *Project Dad* season one, to the extent the episodes were recognized as revenue. For 2015, all programming costs included in our cost of revenue consisted of amortization of programming costs for *Hidden Heroes* seasons one, to the extent the episodes were recognized as revenue.

Operating expenses

	Year Ended December 31,	
	2016	2015
Selling, general and administrative	$ 2,370,912	$ 1,327,749
Management and license fees due to affiliate	811,863	278,750
Total Operating Expenses	**$ 3,182,775**	**$ 1,606,499**

Selling, general and administrative expenses

For 2016, our selling, general and administrative expenses consisted primarily of non-cash share-based compensation expense of $1,542,044 or 65% of total selling, general and administrative expense. In addition, payroll and related benefits and professional fees totaled $458,605 and $172,165, respectively. These three expense categories made up 91% of total selling general and administrative expenses in 2016. The non-cash share-based compensation expense of $1,542,041 resulted primarily from the issuance of shares to a former officer of the Company. We believe that selling, general and administrative expenses will increase in 2017 and beyond, as a result of costs associated with being a publicly traded company.

For 2015, our selling, general and administrative expenses consisted primarily of non-cash share-based compensation expense, payroll and related benefits and professional fees, and totaled $792,000, $360,751 and $93,176, respectively, or 64% of total selling, general and administrative expenses. These three expense categories made up 94% of total selling general and administrative expenses in 2015. The non-cash share-based compensation expense of $792,000 (60% of total selling, general and administrative expense) resulted from the issuance of certain Class B membership interests in CSS Productions to Trema in satisfaction of certain rights Trema owned in the Subject Assets.

See "*–Use of non-GAAP Financial Measure*," below for further discussion relating to selling, general and administrative expenses.

In addition, during 2016 and 2015 we had a consulting agreement with a company that provided executive production services to us, including all activities necessary to establish and maintain relationships regarding our proposed feature length film and a possible talk show and, to oversee the production of each. The consulting agreement was with a writer and director of feature films who is the son of our chairman and chief executive officer. We made payments under the consulting agreement of $35,000 and $60,000 for 2016 and 2015, respectively. In July 2016, the company and the provider of executive production services mutually agreed to terminate the agreement.

Management and license fees due to affiliate

During 2016, we paid $811,863 to CSS for management and license fees incurred relating to the CSS License Agreement and the CSS Management Agreement (see "*–Affiliate Resources and Obligations,*" below). These fees totaled 10% of our total revenue.

During 2015, we paid CSS 4% and 1% in management services and license fees, respectively, based on cash revenue collected. The total fees paid in 2015 were $278,750. These fees were paid relating to a management and license fee agreement between CSS Productions and CSS in effect during 2015. These 2015 agreements were terminated and replaced with the CSS License Agreement and CSS Management Agreement noted above, as part of the formation of CSS Entertainment.

Interest expense

During 2016, we recorded interest expense totaling $560,069. Of this amount, $110,091, or 20%, was paid in cash. The cash interest paid on the Credit Facility and the Term Notes totaled $107,022, and $3,069 was paid to CSS as interest on the CSS License Note for the time it was outstanding (see *"–CSS License Agreement,"* below). During 2016, we issued Class W warrants to the lender under our Credit Facility and to the purchasers of the Term Notes. We recorded the fair value of the Class W warrants issued as a discount to the carrying value of the Credit Facility and the Term Notes. At the time of issuance of the Class W warrants, the fair value totaled $863,371. During 2016, we recorded the amortization of the debt discount to interest expense in the amount of $383,712, or 69% of total interest expense reported for 2016. The unamortized balance of $479,659 will be charged to interest expense during 2017. Also during 2016, we charged $40,859 of deferred financing costs to interest expense, or 7% of total interest expense reported for 2016. See "*–Use of non-GAAP Financial Measure*," below for further discussion relating to interest expense. The Credit Facility had not been established and the Term Notes had not been sold during 2015, therefore there was no interest expense in 2015.

Provision for income taxes

Our provision for income taxes consists of federal and state income taxes. We recognize deferred tax assets and liabilities for future tax consequences attributable to differences between our financial statement carrying amounts of existing assets and liabilities and their respective tax bases. We measure deferred tax assets and liabilities using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to reverse. We recognize the effect on deferred tax assets and liabilities resulting from a change in tax rates in income in the period that includes the date of the change.

We were formed on May 4, 2016 as a C corporation for federal and state income tax purposes. As such, we are required to file our first tax returns for the year ended December 31, 2016. For 2016, our provision for income taxes consists of federal and state taxes that are deferred until future periods. The taxes deferred until future periods total $439,000. The primary reason that our taxes are not currently payable is that all programming costs are deductible for federal and state income tax purposes. A portion of our programming costs incurred during 2016 remain on our balance sheet and are amortized to future periods for accounting purposes, but are currently deductible for income tax purposes. In addition, we have net operating losses of approximately $1,049,000 that expire in 2036. The ultimate realization of the net operating losses is dependent upon our future taxable income, if any, and may be limited in any one year by alternative minimum tax rules.

There is no provision for income taxes for the year ended December 31, 2015, as CSS Productions had elected to be treated as a partnership for federal and state income tax purposes and, accordingly, no provision is made for income taxes. Any taxable income or loss for CSS Productions during 2015 is passed along to its members as CSS Productions is a limited liability company.

Affiliate Resources and Obligations

CSS License Agreement

In May 2016, we entered into a trademark and intellectual property license agreement with CSS, which we refer to as the "CSS License Agreement." Under the terms of the CSS License Agreement, we have been granted a perpetual, exclusive, worldwide license to produce and distribute video content using the *Chicken Soup for the Soul* brand and related content, such as stories published in the *Chicken Soup for the Soul* books.

We paid CSS a one-time license fee of $5 million comprised of a $1.5 million cash payment and the concurrent issuance to CSS of the CSS License Note, having a principal amount of $3.5 million and bearing interest at 0.5% per annum. The CSS License Note has been repaid as of December 31, 2016. See "*–Liquidity and Capital Resources*," below.

We also pay CSS an incremental recurring license fee equal to 4% of our gross revenue for each calendar quarter, and a marketing fee of 1% of our gross revenue for each calendar quarter, with each quarterly fee payable on or prior to the 45th day after the end of the calendar quarter to which it relates. Under the terms of the CSS License Agreement, the first quarterly fee was payable by us with respect to the quarter ended March 31, 2016, as CSS had already been rendering services to our predecessor with respect to the video content business. Provided that the CSS License Agreement remains in place, CSS has agreed that it will not engage, and will not cause or permit its subsidiaries (other than us) to engage, in the production or distribution of video content, including that which is unrelated to the *Chicken Soup for the Soul* brand, except in connection with the marketing of their other products and services.

We believe that the terms and conditions of the CSS License Agreement, which provides us with the rights to use the trademark and intellectual property in connection with our video content, are more favorable to us than any similar agreement we could have negotiated with an independent third party.

CSS Management Agreement

In May 2016, we entered into a management services agreement, that has an initial term of five years and automatically renews for additional one-year terms at the discretion of the parties thereto, which we refer to as the "CSS Management Agreement." Under the terms of the CSS Management Agreement, we are provided with the broad operational expertise of CSS and its subsidiaries and personnel, including the services of our chairman and chief executive officer, Mr. Rouhana, our vice chairman and chief strategy officer, Mr. Seaton, our senior brand advisor and director, Ms. Newmark, and our chief financial officer, Mr. Pess. The CSS Management Agreement also provides for services, such as accounting, legal, marketing, management, data access and back-office systems, and provides us with office space and equipment usage.

We pay CSS a management fee equal to 5% of our gross revenue for each calendar quarter, with each quarterly payable on or prior the 45th day after the end of the calendar quarter to which it relates. The first quarterly fee was payable by us with respect to the quarter ended March 31, 2016, as CSS had already been rendering services to our predecessor with respect to the video content business.

In addition, for any sponsorship which is arranged by CSS or its affiliates for (i) our video content or (ii) a multi-element transaction for which we receive a portion of such revenue and CSS receives the remaining revenue (for example, a transaction that relates to both our video content and CSS' printed products), we shall pay a sales commission to CSS equal to 20% of the portion of such revenue we receive. Each sales commission shall be paid within 30 days of the end of the month in which we receive it. If CSS collects the entire fee from such multi-element transaction, CSS will remit our portion of such fee to us after deducting its sales commission.

For the year ended December 31, 2016, we recognized $405,932 of expense under this agreement.

We believe that the terms and conditions of the CSS Management Agreement are more favorable and cost effective to us than if we hired the full staff to operate the company.

A Plus Distribution Agreement

In September 2016, we entered into the A Plus Distribution Agreement. A Plus develops and distributes high quality, empathetic short-form videos and articles to millions of people worldwide. The A Plus Distribution Agreement has an initial term ending in September 2023. Under the terms of the A Plus Distribution Agreement, we have the exclusive worldwide rights to distribute all video content (in any and all formats) and all editorial content (including articles, photos and still images) created, produced, edited or delivered by A Plus. Under the terms of the A Plus Distribution Agreement, we paid A Plus an advance of $3 million (the "A Plus Advance"). We recoup the A Plus Advance by retaining the portion of gross revenue otherwise payable by the Company to A Plus and applying such A Plus Revenue to the recoupment of the A Plus Advance. We will not pay A Plus its portion of gross revenue until such time as the A Plus Advance has been recouped in full. A Plus is a digital media company founded, chaired, and partially owned by actor and investor Ashton Kutcher. Mr. Kutcher owns 23%, third parties own 2%, and our affiliate, Chicken Soup for the Soul Digital, LLC, owns 75%, of A Plus.

Use of Non-GAAP Financial Measures

In addition to the results reported in accordance GAAP, we use a non-GAAP financial measure, which is not recognized under GAAP, as a supplemental indicator of our operating performance. This non-GAAP financial measure is provided to enhance the readers understanding of our historical and current financial performance. Management believes that this measure provides useful information in that it excludes amounts that are not indicative of our core operating results and ongoing operations and provide a more consistent basis for comparison between periods. The non-GAAP financial measure that we currently use is Adjusted EBITDA which is defined as follows:

"Adjusted EBITDA" means earnings before interest, taxes, depreciation, amortization and share-based compensation expense, and also includes adjustments for other identified charges such as severance costs for a former officer who was not replaced and the costs incurred to form our Company and to prepare for this offering of our common stock to the public. Identified charges also include the cost of maintaining a board of directors prior to being a publicly traded company. After we are a publicly traded company, director fees will be deducted from Adjusted EBITDA. Adjusted EBITDA is not an earnings measure recognized by GAAP and does not have a standardized meaning prescribed by GAAP; accordingly, Adjusted EBITDA may not be comparable to similar measures presented by other companies. Management believes Adjusted EBITDA to be a meaningful indicator of our performance that provides useful information to investors regarding our financial condition and results of operations. The most comparable GAAP measure is operating income.

Reconciliation of Historical Results to Adjusted EBITDA

		Year Ended December 31,	
		2016	2015
Net income (loss), as reported		$ 781,133	$ (753,463)
Provision for income taxes		439,000	-
Interest expense, net of interest income	(a)	560,056	(13)
Share-based compensation expense	(b)	1,542,041	792,000
Severance costs		225,828	-
Organization costs and directors costs	(c)	228,615	-
Adjusted EBITDA		**$ 3,776,673**	**$ 38,524**

(a) Includes non-cash amortization of debt discounts and amortization of deferred financing costs of $424,571 for the year ended December 31, 2016.

(b) For 2016, this includes the fair value of shares of Class A common stock at the date of issuance, issued to a former officer of our company, to our outside directors and to individuals for services rendered. For 2015, this includes a share-based payment resulting from the issuance of certain Class B membership interests in CSS Productions to Trema in satisfaction of certain rights Trema owned in the Subject Assets.

(c) Includes the costs incurred to form our company and to prepare for this offering of our common stock to the public. This includes the costs of maintaining a board of directors prior to being a publicly traded company.

Liquidity and Capital Resources

Credit Facility

On May 12, 2016, we entered into the Credit Facility with the facility lender, an affiliate of Mr. Rouhana. Under the terms of the Credit Facility, as amended as of December 12, 2016, January 24, 2017 and March 27, 2017, we may borrow, repay and reborrow up to an aggregate of $4.5 million through June 30, 2018. Our payment obligations under the Credit Facility are senior obligations and secured by a first priority security interest in all of our assets, thus having the same priority as the security interest granted by us to the holders of the Term Notes. The proceeds of the loans made under the Credit Facility are used by us for working capital and general corporate purposes.

In connection with our formation in May 2016, and our acquisition of all video content and related assets owned by CSS and its affiliates, we borrowed $1.5 million under the Credit Facility to pay a portion of the $5 million one-time payment required under the CSS License Agreement.

Loans under the Credit Facility bear interest at 5% per annum, payable monthly in arrears in cash. We are also obligated to pay the facility lender an annual fee equal to 0.75% of the unused portion of the Credit Facility. Principal under the Credit Facility (and all accrued but unpaid interest thereon) shall be paid by us on or prior to June 30, 2018 (the "Facility Maturity Date"). If the Credit Facility is still outstanding at the Facility Maturity Date, or, if prior to that date there is an event of default as prescribed by the Credit Facility, then (a) all principal and interest may be exchanged into shares of Class A common stock of the Company on the same terms as the Company's most recently completed equity financing, provided that under no circumstances shall the pre-money valuation used for this exchange be less than $52,560,000, (b) the Facility Maturity Date may be extended as happened in January 2017 by mutual agreement of all parties, or (c) all principal and interest will be paid in full.

As of June 13, 2017, we have outstanding borrowings under the Credit Facility of approximately $4.0 million. A portion of the proceeds of this offering may be used to pay, in whole or in part, the balance due under the Credit Facility, in which case the amount repaid will be available to be re-borrowed.

Debt Private Placement

Pursuant to our financing plan prior to this initial public offering, we sold a total of $5.0 million of senior secured term notes ("Term Notes") and Class W warrants in a private placement. Beginning in July 2016 and through December 31, 2016, we sold in a private placement ("Debt Private Placement") to accredited investors $3.0 million aggregate principal amount of Term Notes and Class W warrants to purchase an aggregate of 252,450 shares of Class A common stock. From January 1, 2017 through May 3, 2017, we sold an additional $2.0 million aggregate principal amount of Term Notes and Class W warrants to purchase an additional aggregate of 172,550 shares of Class A common stock in the Debt Private Placement.

The Term Notes bear interest at 5% per annum, payable monthly in arrears in cash. The principal of the Term Notes (including all accrued, but unpaid interest thereon) were originally payable by us on the earlier of (a) June 30, 2017 and (b) the third business day following consummation of (i) an initial public offering (including this offering) and (ii) any future equity offering (other than as a result of the exercise of our Class W warrants) resulting in gross proceeds to us of at least $7 million (the "Term Notes Original Maturity Date"). The Term Notes and Class W warrants have the terms described herein under "*Description of Securities – Term Notes*" and "*– Class W Warrants*," respectively.

In June 2017, we requested that the holders of our Term Notes extend the maturity date thereof to the earlier of (a) July 31, 2017 and (b) the date that is three business days following the consummation of the initial closing of the IPO (such earlier date, the "Term Notes Extended Maturity Date"). As of the date of this offering circular, all holders (100%) of the Term Notes have agreed to the Term Notes Extended Maturity Date. In connection with the extension, we offered all holders of our Term Notes the opportunity to purchase shares of our Class A common stock at $9.00 per share (with three Class Z warrants also being issued to them for each ten shares purchased) through the payment of cash or conversion of principal under their Term Notes. As of the date of this offering circular, holders of $0.9 million aggregate principal amount of the Term Notes, including three of our executive officers, have elected to convert such principal amount into an aggregate of 102,060 shares of Class A common stock and 30,618 Class Z warrants. As of the date of this offering circular, a total of $4.1 million principal amount of the Term Notes remains due on the Term Notes Extended Maturity Date.

A portion of the proceeds of this offering may be used to pay, in whole or part, the principal (and any interest due and unpaid thereon) of the Term Notes.

Equity Private Placements

Pursuant to our financing plan prior to this initial public offering, we sold a total of approximately $2.5 million of Class A common stock and warrants in private placements. Beginning in June 2016 and through November 2016, we sold in a separate private placement (the "2016 Equity Private Placement") to accredited investors $1.0 million of units, consisting of an aggregate of 170,960 shares of Class A common stock and Class W warrants to purchase an aggregate of 51,288 shares of Class A common stock.

Beginning in December 2016 and through March 2017, we sold in a separate private placement (the "2017 Equity Private Placement") to accredited investors $975,710 of units, consisting of an aggregate of 150,112 shares of Class A common stock and Class W warrants to purchase an aggregate of 45,034 shares of Class A common stock.

During May and June 2017, we sold in two separate equity private placements, a total of an aggregate of 55,000 shares of Class A common stock and Class Z warrants to purchase an aggregate of 50,000 shares of Class A common stock.

Other than the Credit Facility, we do not have any available credit, bank financing or other external sources of liquidity. In order to meet our commitments, to expand our operations and to fund our activities, we need to obtain additional capital. The net proceeds from this offering, as well as private placements of debt and equity completed prior to the effective date of this offering, should be sufficient to meet our cash requirements for at least the next twelve months. However, any projections of future cash needs and cash flows are subject to substantial uncertainty. Even if we are able to raise the funds required, it is possible that we could incur unexpected costs and expenses in the future, fail to collect significant amounts that may be owed to us, or experience unexpected cash requirements that would force us to seek additional financing. If we seek additional financing, we would likely issue additional equity or debt securities, and as a result, stockholders may experience additional dilution or the new debt or equity securities may have rights, preferences or privileges more favorable than those of existing holders of our debt or equity. In this event, if additional financing is not available or is not available on acceptable terms, we may be required to delay, reduce the scope of or eliminate our video content production plans.

Over the next twelve months and assuming our Term Notes have been repaid from the proceeds of the offering, we expect to use the funds from this offering for the following purposes:

- financing production and associated development and operating costs and expenses for our video content;
- strategic acquisitions, including acquiring video content distribution companies, assets and video content libraries;
- servicing our obligations under the Credit Facility; and
- working capital and general corporate purposes.

We cannot estimate the amounts to be used for each purpose set forth above. We also reserve the right to change the use of the proceeds in accordance with our strategic plans or if all Shares are not sold in this offering. Accordingly, our management will have significant flexibility in allocating the net proceeds of this offering.

Cash flow summary information is as follows:

	Year Ended December 31,	
	2016	**2015**
Cash provided by (used in):		
Operating activities	$ (2,479,473)	$ 2,594,301
Investing activities	(5,000,000)	-
Financing activities	7,982,642	(2,590,223)
Net increase in cash and cash equivalents	**$ 503,169**	**$ 4,078**

Our operating activities required a net use of cash in 2016 totaling $2,479,473. The net use of cash in 2016 was primarily due to our investment of $5,120,254 in programming costs for our video content that was on air and in-development, and to complete episodes of *Hidden Heroes* and *Project Dad*. This investment in programming costs was offset, in part, by the amortization of such costs totaling $3,155,668, which was included in cost of revenue in 2016. In addition, operating cash was generated from an increase in accounts payable and accrued expenses of $671,337, but this was more than offset by a decrease in deferred revenue of $3,428,571.

Our operating activities generated net cash in 2015 totaling $2,594,301. The net cash generated in 2015 was primarily due to the receipt of sponsorship payments and other advances of $3,500,000 for video content to be produced. Sponsorship payments and other advances received were offset, in part, by our investment of $1,597,364 in programming costs for our video content in development and to complete episodes of *Hidden Heroes* season one, which began airing on CBS in October 2015. Our investment in programming costs was offset, in part, by the amortization of such costs totaling $646,295 for *Hidden Heroes*, which is included in cost of revenue in 2015.

Our investing activities required a net use of cash in 2016 totaling $5,000,000. This was due to our purchase of the perpetual trademark and intellectual property license from CSS for $5,000,000. There was no net cash used in or provided by investing activities for 2015.

Our financing activities generated net cash in 2016 totaling $7,982,642. The net cash generated in 2016 was primarily due to net advances under the Credit Facility of $3,480,000, the sale of Term Notes of $2,970,000 pursuant to the Debt Private Placement, and $1,075,809 of gross cash generated from the sale of Class A common stock in the 2016 Equity Private Placement and 2017 Equity Private Placement. The cash generated was offset, in part, by stock issuance costs and financing costs of $282,206.

Our financing activities required a net use of cash in 2015 totaling $2,590,223. The cash used in financing activities was primarily due to license payments made by us to CSS under the CSS License Agreement.

Contractual Obligations and Commitments

We have significant cash obligations and commitments as follows:

- to repay the Term Notes at the Term Notes Maturity Date,
- to make interest payments in accordance with the terms of the Term Notes,
- to make quarterly payments to CSS based on reported gross revenue in accordance with the CSS License Agreement and the CSS Management Agreement,
- to make interest payments in accordance with the terms of the Credit Facility,
- to repay the Credit Facility in full no later than June 30, 2018, subject to its terms.

Critical Accounting Policies and Estimates

Our critical accounting policies and estimates are those related to our revenue recognition, the fair value of financial instruments, share-based compensation expense, our programming costs and how we account for the fair value of financial instruments.

Use of Estimates

When we prepare our consolidated financial statements in conformity with GAAP, we must make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, and the reported amounts of revenue and expenses during each reporting period. Our significant estimates include those related to revenue recognition, accounts receivable allowances, intangible assets, share-based compensation expense, income taxes and programming costs. Actual results included in this offering circular, and in future financial results, could differ from the original estimates.

Revenue recognition

We recognize revenue when persuasive evidence of an arrangement exists, the fee is fixed and determinable, delivery has occurred, and collection of the resulting receivable is deemed probable. For episodic television programs, revenue is recognized as each episode becomes available for delivery or becomes available for broadcast, and for short-form online videos, revenue is recognized when the videos are posted to a website for viewing. Revenue from the distribution of short-form online media content is included in online revenue in the accompanying consolidated statements of operations.

Fair value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To increase the comparability of fair value measurements, a three-tier fair value hierarchy, which prioritizes the inputs used in the valuation methodologies, is as follows:

- Level 1 - Valuations based on quoted prices for identical assets and liabilities in active markets.

- Level 2 - Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

- Level 3 - Valuations based on unobservable inputs reflecting our own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

At December 31, 2016 and 2015, the fair value of our financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued expenses and accrued programming costs, approximated their carrying value due to the short maturity of these instruments.

Programming Costs

Programming costs include the unamortized costs of completed, in-process, or in-development long-form and short-form video content. For video content we produce, capitalized costs include all direct production and financing costs, capitalized interest when applicable, and production overhead.

The costs of producing our video content are amortized using the individual-film-forecast method. These costs are accrued and amortized in the proportion that current period's revenue bears to management's estimate of ultimate revenue expected to be recognized from each production.

For an episodic television series, the period over which ultimate revenue is estimated cannot exceed ten years following the date of delivery of the first episode, or, if still in production, five years from the date of delivery of the most recent episode, if later.

Programming costs are stated at the lower of amortized cost or estimated fair value. The valuation of programming costs is reviewed on a title-by-title basis, when an event or change in circumstances indicates that the fair value may be less than its unamortized cost and the valuation is based on a discounted cash flows ("DCF") methodology with assumptions for cash flows. Key inputs employed in the DCF methodology include estimates of a program's ultimate revenue and costs as well as a discount rate. The discount rate utilized in the DCF is based on the weighted average cost of capital of the Company plus a risk premium representing the risk associated with producing a particular program. We perform an annual impairment analysis for unamortized programming costs. Additional amortization is recorded in the amount by which the unamortized costs exceed the estimated fair value. Estimates of future revenue involve measurement uncertainty and it is therefore possible that reductions in the carrying value of programming costs may be required as a consequence of changes in management's future revenue estimates.

Included in cost of revenue in the consolidated statement of operations for 2016 and 2015, is amortization of programming costs totaling $3,155,668 and $646,295, respectively.

Share-based Payments

We account for share-based payments in accordance with the authoritative guidance issued on share-based compensation. Share-based compensation expense is measured at the grant date, based on the fair value of the award, and is recognized as an expense over the requisite service period, net of estimated forfeitures. We estimate the fair value of share-based payments using the Black-Scholes option-pricing model. During 2016, share-based awards were issued to a former officer of the Company, non-employee directors and individuals for services rendered and were recorded at their fair value. All share-based awards were fulfilled with new shares of Class A common stock.

During 2015, we recorded share-based compensation for Class B membership interests issued to Trema in satisfaction of certain rights Trema owned in the Subject Assets. We estimated the fair value of the share-based payment using the Black-Scholes option-pricing model.

Controls and Procedures

We are not currently required to maintain an effective system of internal controls as defined by Section 404 of the Sarbanes-Oxley Act. We will be required to comply with the internal control requirements of the Sarbanes-Oxley Act for the fiscal year ending December 31, 2018. As of the date of this offering circular, we have not completed an assessment, nor have our auditors tested our systems, of internal controls.

Off-Balance Sheet Arrangements

As of May 15, 2017, we did not have any off-balance sheet arrangements as defined in Item 303(a)(4)(ii) of Regulation S-K.

Effect of Inflation and Changes in Prices

We do not believe that inflation and changes in prices will have a material effect on our operations.

JOBS Act

On April 5, 2012, the JOBS Act was signed into law. The JOBS Act contains provisions that, among other things, relax certain reporting requirements for qualifying public companies. We will qualify as an “emerging growth company” and under the JOBS Act will be allowed to comply with new or revised accounting pronouncements based on the effective date for private (not publicly traded) companies. We are electing to delay the adoption of new or revised accounting standards, and as a result, we may comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for non-emerging growth companies. As such, our financial statements may not be comparable to companies that comply with public company effective dates.

BUSINESS

Overview

CSS Entertainment curates and shares video stories that bring out the best of the human spirit.

We create and distribute our video content under the *Chicken Soup for the Soul* brand. Since our inception in January 2015, our business has grown rapidly and is profitable. Our 2016 revenue was $8.1 million, as compared to 2015 revenue of $1.5 million. We had net income of $0.8 million in 2016, as compared to a net loss of $0.8 million in 2015. Our 2016 Adjusted EBITDA was $3.8 million, as compared to 2015 Adjusted EBITDA of $0.0 million.

We are aggressively growing our business through a combination of organic growth, licensing and distribution arrangements, acquisitions, and strategic relationships.

In October 2015, we premiered our first show, *Chicken Soup for the Soul's Hidden Heroes* on CBS. In 2016, we had two shows on the air, *Hidden Heroes* and *Project Dad, a Chicken Soup for the Soul Original*, which aired on Discovery's TLC network.

In September 2016, we entered into the A Plus Distribution Agreement with A Plus. The A Plus Distribution Agreement significantly expands our ability to share our content by providing us access to A Plus' celebrity influencers, including A Plus' founder and chairman, Ashton Kutcher. These celebrity influencers have more than 480 million followers combined.

In March 2017, we launched the CSS Network, our branded DTC network. The CSS Network will allow more consumers to view our growing library of *Chicken Soup for the Soul* original and third-party video content on a fee-per-view, subscription, or advertising-supported basis.

In June 2017, we entered into a three-year collaboration agreement with Kutcher. Kutcher will serve as an executive producer and collaborate with us on all business and creative elements of two new television series for us relating to the positive content of A Plus and the *Chicken Soup for the Soup* brand.

We believe that increasing consumer demand for hopeful and enduring real life stories will continue to drive our growth. We intend to continue to expand our content offerings and distribution capabilities at our current rapid pace in order to bring the positive *Chicken Soup for the Soul* message to as many people as possible.

Our Opportunity

Recent advancements in video, internet, and mobile technologies have reduced the barriers to entry for video content creation and distribution. These changes in technology have meaningfully impacted consumer viewing habits. Traditional video content distribution channels, such as broadcast and cable television networks, are losing ground to alternative distribution platforms, including internet-delivered networks, such as social media, and OTT and DTC networks. This has fractionalized the viewing audience, making it more difficult for advertisers to reach their target audiences.

In addition, traditional cable subscriber fees and linear television advertising are coming under significant pressure as consumers migrate towards "cord cutting," "skinny bundles," OTT, and DTC offerings. As these trends continue, we anticipate that many industry participants will face constrained programming budgets and network failures. Recent examples of the effect of these trends include the shutdown in October 2016 of Pivot TV, a digital cable and satellite television network targeted at young adults between 18 and 34 years old, and the announcement of the conversion of Esquire TV Network to a digital-only service in January 2017. These trends are providing new opportunities not previously available with traditional linear broadcast and cable networks, both domestically and internationally.

We believe that brands have become more important to attract viewers and sponsors and, accordingly, that an opportunity exists for companies that have access to sustainable brands. These companies can exploit their brands to "break through the noise" presented by the wide array of consumer viewing choices in order to provide video content that is readily identifiable to, and desired by, consumers. Companies such as Hallmark (family), Disney (family) and National Geographic (nature) have been able to use their brands to present programming targeted at specific areas of interest and attract viewers seeking such programming.

The *Chicken Soup for the Soul* Brand

We have an exclusive, perpetual and worldwide license from CSS to create and distribute our video content under the *Chicken Soup for the Soul* brand.

The *Chicken Soup for the Soul* brand is best known for its series of *Chicken Soup for the Soul* books, with more than 250 published titles. More than 500 million *Chicken Soup for the Soul* books have been sold worldwide during the past 23 years. The brand has garnered considerable awareness within its highly-prized female demographic with more than 80% of social media followers of *Chicken Soup for the Soul* on Facebook, Twitter and Instagram being women.

The *Chicken Soup for the Soul* brand has been experiencing significant growth in its media and social media presence:

- The brand had more than 2.6 million combined Facebook fans as of March 2017, which is up approximately 28 times since December 2011.
- The *Chicken Soup for the Soul* daily podcast, which was launched in February 2016, has had more than 1.4 million digital downloads since inception.

The *Chicken Soup for the Soul* brand had over 10 billion content views (which include impressions, video views and podcast downloads) across all platforms including Facebook, Twitter, YouTube and Instagram during the 12-month period ended March 31, 2017, with 1 billion content views in March 2017.

We believe the significant awareness and reach of the *Chicken Soup for the Soul* brand, the demographics to which the brand appeals, and the growing social media presence and highly engaged fan base associated with the brand will translate into meaningful recognition and demand for our video content offerings.

Distribution Agreement

We have an exclusive distribution relationship with A Plus. A Plus develops and distributes high quality, empathetic short-form videos and articles to millions of people worldwide.

In September 2016, we entered into the A Plus Distribution Agreement. The A Plus Distribution Agreement has an initial term ending in September 2023. Under the terms of the A Plus Distribution Agreement, we have the exclusive worldwide rights to distribute all video content (in any and all formats) and all editorial content (including articles, photos and still images) created, produced, edited or delivered by A Plus. Under the terms of the Distribution Agreement, we were required to pay A Plus the A Plus Advance of $3 million. As of March 31, 2017, the A Plus Advance has been paid in full by us to A Plus.

Under the terms of the A Plus Distribution Agreement, we receive a net distribution fee equal to 40% of gross revenue generated by the distribution of the A Plus video content, and 15% of gross revenue generated by the distribution of the A Plus editorial content, until the A Plus Advance (as defined and described in *"—Affiliate Resources and Obligations*," below) has been repaid to us in full. After full repayment, the foregoing distribution fee payable to us will be reduced to 30% and 5%, respectively, and A Plus shall receive the remainder ("A Plus Revenue") of such gross revenue. We recoup the A Plus Advance by retaining the portion of gross revenue otherwise payable by the Company to A Plus and applying such A Plus Revenue to the recoupment of the A Plus Advance. We will not pay A Plus any A Plus Revenue until such time as the A Plus Advance has been recouped in full by us.

Collaboration Agreement and Strategic Investment

In June 2017, we entered into a three-year collaboration agreement ("Collaboration Agreement") with Kutcher. Under the terms of the Collaboration Agreement, Kutcher will serve as an executive producer and collaborate with us on all business and creative elements of two new television series for us relating to the positive content of A Plus and the *Chicken Soup for the Soup* brand. As compensation for acting as executive producer, Kutcher was issued shares of our Class A common stock, Class Z warrants to purchase additional shares of our Class A common stock and a significant profit participation in the production and exploitation of the two series.

Concurrently with the execution of the Collaboration Agreement, Kutcher purchased additional shares of our Class A common stock and Class Z Warrants to purchase additional shares.

Our Strategy

One of our fundamental objectives is to continue to grow our CSS Network as we continue to grow our content offerings to critical mass. Our strategy is to build our library of video content through a combination of *Chicken Soup for the Soul* original video content and opportunistic acquisitions of third-party video content libraries or other rights to video content as failing networks seek to monetize their library value. Industry dislocation is also enabling us to purchase broadcast airtime in attractive time slots and on attractive terms to further exhibit our video content as networks seek to fill their schedules in the face of declining budgets.

Our relationship with A Plus allows us to accelerate the growth of our video content offerings and to develop and distribute high quality, empathetic short-form videos and articles to millions of people worldwide. The themes of the content developed and distributed by A Plus are complementary to the *Chicken Soup for the Soul* brand. A Plus has celebrity influencers such as Ashton Kutcher, Britney Spears, Lil Wayne and George Takei among many others with over 480 million combined followers.

We believe that having an established brand with strong awareness such as the *Chicken Soup for the Soul* brand, a clear and consistent message and a reputation for high-quality, entertaining video content, will be a key differentiating factor that enables individuals to successfully locate the video content they desire and allows providers to better reach their targeted audiences in an environment characterized by a proliferation of content creators and distribution platforms and fractionalized audiences.

The key elements of our strategy to seize our opportunity and drive growth over the next few years include:

- growing our existing video content production and distribution business, by covering many themes (e.g., relationships, health and wellness and positive living) consistent with the messaging of the *Chicken Soup for the Soul* brand in many formats (e.g., short-form, longer-form and episodic);

- enhancing our revenue potential from our short-form video content (including from our long-form video content by repurposing such video content into short-form video content) for syndication through our short-form video content syndication platforms, including A Plus;

- expanding our existing, and developing, new relationships with sponsors, television networks and independent producers to create new video content in a variety of formats under, or which are consistent with, the *Chicken Soup for the Soul* brand;

- building our library (including long-form video content, short-form video content and long-form content developed from our short-form content) and acquiring third-party libraries of video content that are consistent with the messaging of the *Chicken Soup for the Soul* brand, which we believe will offer the potential for additional revenue and profitability;

- soliciting, aggregating and curating crowd-sourced video content that is consistent with the messaging of the *Chicken Soup for the Soul* brand and creating related *Chicken Soup for the Soul* channels to display such crowd-sourced video content;

- selling advertising on our CSS Networks;

- formulating and implementing an e-commerce strategy for video content-related merchandising; and

- seeking to opportunistically acquire video content production, distribution and related technology companies and/or assets.

We are seeking access to the public capital markets to avail ourselves of the capital resources provided by such capital markets and to establish our common stock as a public currency to enable us to pursue these growth strategies.

Our Video Content

We utilize the *Chicken Soup for the Soul* brand, together with our management's industry experience and expertise, to generate revenue through the production and distribution of video content. Following our innovative business model, we seek to secure committed funding for the production costs of our video content in advance of production through sponsorships, product integration and licensing fees received from corporations, foundations, video content networks (*e.g.*, cable, broadcast and online) and other organizations.

Corporate and foundation sponsors with which we work include Hilton Grand Vacations, American Humane, the Boniuk Foundation and the Morgridge Family Foundation and we are currently in discussions with numerous others. We endeavor to retain meaningful back-end rights to our video content in these relationships, which provides opportunities for improved profitability and enhances our library value.

We partner with highly-regarded independent producers to develop and produce our video content. Using this approach provides us with access to a diverse pool of creative ideas for new video content projects and allows us to scale our business on a variable cost basis. We seek committed funding prior to moving forward with a project.

We currently have producer agreements or arrangements in place with a number of these producers, including Litton Entertainment, a Hearst company, Peacock Productions, an NBCUniversal company, and Soul Pancake, a company owned by Participant Media. We anticipate entering into relationships with additional independent producers.

Our long-form video content consists of 30 to 60 minute episodic programs typically distributed initially on traditional television or cable networks. Our current long-form video content projects include:

- ***Chicken Soup for the Soul's Hidden Heroes ("Hidden Heroes")***. The multi-award winning *Hidden Heroes* is hosted by Brooke Burke-Charvet and is currently airing its second season on CBS. During its first season, the show averaged approximately one million viewers per original episode and received multiple prestigious awards. A segment of *Hidden Heroes* can be seen at https://cssentertainment.com/hiddenheroes. *Hidden Heroes* has been renewed for its second season and new episodes premiered in October 2016.

- ***Chicken Soup for the Soul's Project Dad***. Our second long-form video content project is a show in which the camera follows three celebrity dads as they put their careers on the sidelines and get to know their children, resulting in a humorous look at the pitfalls and joys of being a father. The show is based on an original, on-going series produced by KBS, the flagship public service broadcaster in Korea. It is a top-rated show in Korea, where more than 100 episodes have aired. The show is also popular in China, where more than 50 episodes of the Chinese version have aired. We have rights to the format in all markets around the world except Korea, China and Turkey. The show premiered on Discovery Life in November 2016, aired on Discovery's TLC network and Discovery Family in 2017. A short overview of *Project Dad* can be seen at https://cssentertainment.com/what-we-do/television/project-dad.

- ***Paycation Homes***. We have entered into an agreement for the production of our third long-form video content series called *Paycation Homes* with sponsors and have agreements-in-principal with cable networks for broadcast of the series. This show gives viewers the information and inspiration needed to realize their dreams of using real estate entrepreneurship to obtain financial success.

Our short-form video content, including our branded short-form video content known as *Sips*, is typically exhibited through online video content distribution and social media platforms, such as YouTube, Facebook, Yahoo, Diply, Gateway Media, SheKnows, Rumble and Liquid Social among others, as well as on the social media of *Chicken Soup for the Soul* and our sponsors. Our current short-form video content projects include:

- **Hilton Grand Vacation *Sips***. A series of seven short-form videos illustrating that a life without vacations is not complete. These *Sips* are scheduled to be delivered in October 2016 and became available for viewing in January 2017. A recent Hilton Grand Vacations *Sip* can be seen at https://cssentertainment.com/what-we-do/online-video/the-sip.

- **Emily Griffith Technical College *Sips***. A series of ten short-form videos highlighting the success in overcoming adversity of graduates of the Emily Griffith Technical College. All ten *Sips* were funded by the Morgridge Family Foundation and delivered in June 2016. These *Sips* can be viewed on the social media of Emily Griffiths Technical College and *Chicken Soup for the Soul*, as well as Rumble.

- **American Humane**. A series of six *Hidden Heroes* integrations that are also being made available on A Plus. American Humane has agreed to sponsor six additional integrations in season three *of Hidden Heroes*. A recent American Humane video can be seen at https://test.cssentertainment.com/what-we-do/television.

We have an exciting pipeline of new long-form and short-form video content projects in various stages of development. For example, we have entered into exclusive co-production agreements for two additional long-form shows with Peacock Productions, the non-fiction production division of NBCUniversal.

Brand Licensing

Subject to the terms of the CSS License Agreement, we also seek opportunities to license use of the brand in connection with other video content projects, including films. In these circumstances, we will maintain certain approval rights to ensure the project's message is consistent with the *Chicken Soup for the Soul* brand.

Management and Affiliate Resources and Relationships

Our management team, led by our chairman and chief executive officer, William J. Rouhana, Jr., our vice chairman and chief strategy officer, Scott W. Seaton, our senior brand advisor and director, and Amy L. Newmark, possesses extensive expertise in the technology, media and telecommunications ("TMT") industries. Mr. Rouhana played a pioneering role in several innovative TMT companies, including Winstar Communications, Inc. ("Winstar"). As chief executive officer, Mr. Rouhana built Winstar from a three-person start-up enterprise to a Nasdaq-listed public company that employed approximately 5,000 people, serviced more than 1 million customers and generated annual revenue of approximately $1 billion. Mr. Seaton was a senior investment banker covering companies in the TMT sectors for Credit Suisse First Boston, Bank of America and Oppenheimer & Co. and served as a director of Mediacom Communications Corporation, currently the fifth largest cable television operator in the United States. Ms. Newmark has been the publisher and editor-in-chief of the *Chicken Soup for the Soul* series of books. She was previous a highly ranked equity research analyst covering the TMT sectors.

We have entered into agreements with our affiliate companies that provide us with access to important assets and resources. These agreements include:

- A trademark and intellectual property license agreement, which we refer to as the "CSS License Agreement," between us and CSS through which we have been granted a perpetual, exclusive, worldwide license to produce and distribute video content using the brand and related content, such as stories published in the *Chicken Soup for the Soul* books. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Affiliate Resources and Obligations – CSS License Agreement"* for a discussion of the terms of the CSS License Agreement.

- A management services agreement, which we refer to as the "CSS Management Agreement," between us and CSS through which we are provided with the broad operational expertise of CSS and its subsidiaries and personnel, including the services of our chairman and chief executive officer, Mr. Rouhana, and our vice chairman Mr. Seaton. The CSS Management Agreement also provides for services, such as accounting, legal, marketing, management, data access and back-office systems, and provides us with office space and equipment usage. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Affiliate Resources and Obligations – CSS Management Agreement"* for a discussion of the terms of the CSS Management Agreement.

- A distribution agreement, which we refer to the "A Plus Distribution Agreement," with A Plus through which we have the exclusive worldwide rights to distribute all video content (in any and all formats) and all editorial content (including articles, photos and still images) created, produced, edited or delivered by A Plus. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Affiliate Resources and Obligations – A Plus Distribution Agreement"*

Intellectual Property

We are party to the CSS License Agreement with CSS through which we have been granted the perpetual, exclusive, worldwide license to produce and distribute video content using the brand and related content, such as stories published in the *Chicken Soup for the Soul* books. *Chicken Soup for the Soul* and related names are trademarks owned by CSS. We have the proprietary rights (including copyrights) in all of our *Sips* and company-produced content.

We intend to rely on a combination of confidentiality procedures, contractual provisions and other similar measures to protect our proprietary information and intellectual property rights.

Competition

Video content production and distribution direct to consumers are highly competitive businesses. We face competition from companies within the entertainment business and from alternative forms of leisure entertainment, such as travel, sporting events, outdoor recreation, video games, the internet and other cultural and computer-related activities. We compete with the major studios, numerous independent motion picture and television production companies, television networks, pay television systems and online media platforms for the services of performing artists, producers and other creative and technical personnel and production financing, all of which are essential to the success of our businesses. In addition, our video content competes for media outlet and audience acceptance with video content produced and distributed by other companies. As a result, the success of any of our video content is dependent not only on the quality and acceptance of a particular production, but also on the quality and acceptance of other competing video content available in the marketplace at or near the same time.

Given such competition, and our stage of development, we intend to initially emphasize a lower cost structure, risk mitigation, reliance on financial partnerships and innovative financial strategies. Our cost structures are designed to utilize our flexibility and agility as well as the entrepreneurial spirit of our employees, partners and affiliates, in order to provide creative, desirable video content.

Facilities

We are provided with office space from CSS under the terms of the CSS Management Agreement. This office space is located at 132 E. Putnam Avenue, Floor 2W, Cos Cob, Connecticut 06807.

We consider these facilities adequate for our current operations.

Periodic Reporting

Our Class A common stock is not currently registered under the Securities Exchange Act of 1934, as amended ("Exchange Act"). We will seek to have our Class A common stock registered under the Exchange Act promptly following qualification with the Commission of the offering statement of which this offering circular is a part and prior to the trading of our Class A common stock on Nasdaq. After registration under the Exchange Act, we will have reporting obligations, including the requirement to file annual and quarterly reports with the SEC. In accordance with the requirements of the Exchange Act, our annual reports will contain financial statements audited and reported on by an independent registered public accounting firm.

Employees

We have two direct employees. The services of our personnel, including our chairman and chief executive officer, vice chairman and chief strategy officer, our senior brand advisor and director, and chief financial officer, are provided to us under the CSS Management Agreement. We also utilize many consultants in the ordinary course of our business and hire additional personnel on a project-by-project basis. We believe that our employee and labor relations are good.

Legal Proceedings

There is no material litigation, arbitration or governmental proceeding currently pending against us, or any of our officers or in their capacity acting as such under the CSS Management Agreement, and neither we, nor our officers have been subject to any such proceeding in the 12 months preceding the date of this offering circular.

MANAGEMENT

Executive Officers, Key Employees and Directors

Our current executive officers, key employees and directors are as set forth below.

Name	Age	Position
William J. Rouhana, Jr.*	64	Chairman of the Board and CEO
Scott W. Seaton*	57	Vice Chairman, Chief Strategy Officer and Director
Daniel M. Pess*	64	Executive Vice President and Chief Financial Officer
Michael A. Winter	48	SVP of Programming and Development
Elana B. Sofko	49	SVP of Business Development and Distribution
Amy L. Newmark*	60	Director
Peter J. Dekom	70	Director
Fred M. Cohen	73	Director
Christina Weiss Lurie	57	Director
Diana Wilkin	58	Director

* Services Provided pursuant to the CSS Management Agreement.

William J. Rouhana, Jr. Mr. Rouhana has been our chairman since the formation of our predecessor in December 2014, has been our chief executive officer since January 1, 2017 and has been the Chief Executive Officer of each of CSS Holding and CSS since April 2008. Mr. Rouhana has been a leader in the media, entertainment and communications industries for more than 35 years. He was the founder and Chief Executive Officer of Winstar Communications, a wireless broadband pioneer, and Winstar New Media, one of the earliest online video content companies, from 1993 until 2001. During his career, Mr. Rouhana has led the acquisition of numerous media companies including Virgin Vision, a Virgin Group worldwide film distribution venture, in the 1980s. As an entertainment and finance lawyer from 1977 to 1985, he developed new film financing models for major producers such as Blake Edwards. He received his B.A. from Colby College, where he is currently trustee emeritus; and his J.D. from Georgetown Law School. He is the co-founder of The Humpty Dumpty Institute, which created the International Film Exchange, and the Chairman of the Global Creative Forum, which connects the United Nations with major film and television executives and talent. Among other qualifications, Mr. Rouhana brings to our Board extensive executive leadership in the communications, media and entertainment industries including production and distribution of content, and broad experience in business financings and acquisitions. Mr. Rouhana is the husband of Amy Newmark, a member of our board of directors.

Scott W. Seaton. Mr. Seaton has been our vice chairman, chief strategy officer and a member of our board since our formation in May 2016. He has been the Executive Vice President and Chief Operating Officer of CSS Holdings and CSS since April 2012. He has more than 25 years of media and telecommunications investment banking experience. Prior to joining the CSS companies, he was a Managing Director at Credit Suisse First Boston where he worked from 1988 to 2002, at Bank of America from 2002 to 2009 and at Oppenheimer & Co from 2010 to March 2012. He served on the board of Mediacom Communications Corporation from 2009 to 2011 when Mediacom was taken private for $3.7 billion. He received his A.B. from Stanford University and his M.B.A. from Harvard University. Among other qualifications, Mr. Seaton brings to our Board extensive public company and media-related financing, merger and acquisition transactional experience and important operating experience relating to the *Chicken Soup for the Soul* brand and related operations and media company board experience.

Daniel M. Pess. Mr. Pess has been our executive vice president and chief financial officer since January 1, 2017. He has been the Executive Vice President and Chief Financial Officer of CSS Holdings and CSS since May 2012. He began his career as a CPA at a Big Four accounting firm and has more than 35 years as a senior financial executive for both publicly-traded and private companies. Prior to joining the CSS companies, he was the Corporate Controller at Uniforce Services (Comforce), a publicly-traded company where he worked from 1991 to 1994. He also worked as Executive Vice President and Chief Financial Officer at QueryObject Systems, a publicly-traded technology company from 1994 to 2001, at White Amber, Inc., a software company sold to Taleo (Oracle) from 2002 to 2004, and at Certpoint Systems, Inc. from 2004 to April 2012, a software company, prior to its sale to Infor Software Solutions. He served on the board of QueryObject Systems from 1997 to 2001, when its assets were sold to its largest distributor. He received his B.S. from the C.W. Post School of Professional Accountancy, Long Island University.

Michael A. Winter. Mr. Winter became Senior Vice President of Programming and Development for our company in February 2017. He has been a television producer and executive for 20 years. From 2010 to March 2014, he was Vice President of Development for independent producer Leopard Films, overseeing the production of more than 300 episodes of the megahit *House Hunters International*. From 2006 to 2010, he was an executive producer for the Scripps Network, where he created and executive produced approximately 30 series and specials for HGTV, including many of the network's most successful shows. From 2004 to 2006, he was the first director of programming for Comcast's Outdoor Life Network, which became NBC Sports Network. Mr. Winter started his television career as a producer working on shows for ABC, Fox, MTV, VH1, A&E and others. He received his B.A. from American University.

Elana B. Sofko. Ms. Sofko became Senior Vice President of Business Development and Distribution for our company in September 2016. Ms. Sofko brings more than two decades of media and entertainment experience to our company. From January 2013 to August 2016, Ms. Sofko led the digital business growth initiatives for WWE, a leading entertainment company, including WWE's localization of digital products and the launch and international expansion of WWE Network, a subscription based video over-the-top (OTT) service. From 2011 to December 2012, she led a technology innovation development program at ESPN and prior to that, from 2007 to 2011, headed global content strategy for Nokia's mobile app storefront. From 2003 to 2007, Ms. Sofko launched digital businesses for A&E Television Networks. From 1997 to 2003, Ms. Sofko worked on the launch of satellite radio as part of the start-up team at SiriusXM. From 1991 to 1997, Ms. Sofko built and launched commercial background music services for News Corp. She received her B.A. from the State University of New York at Albany and an M.B.A. from the University of Connecticut.

Amy L. Newmark. Ms. Newmark has been a member of our board of since our formation in May 2016. She has more than 30 years of media and telecommunications industry and investment banking experience. Ms. Newmark has been the Publisher, Editor-in-Chief and an author for CSS since April 2008, and has co-authored the publication of more than 150 books during her tenure. From 1981 to 1986, she was a Managing Director at CJ Lawrence, a brokerage firm, and was a top-ranked telecom equity analyst during her tenure. Ms. Newmark founded and managed Information Age Partners, a hedge fund from 1993 to 1996. From 1995 to 1997, she was an executive at Winstar Communications. From 1998 to 2007, she served on the Boards of a variety of different technology companies. She received her A.B. and C.F.A. from Harvard University. Among other qualifications, Ms. Newmark brings to our Board important financing experience, content publications expertise and an intimate knowledge of the *Chicken Soup for the Soul* brand and related operations. Ms. Newmark is the wife of Mr. Rouhana, our chairman and chief executive officer.

Peter J. Dekom. Mr. Dekom has been a member of our board of since June 2016. He has more than 40 years of media and entertainment legal, consulting and entrepreneurial experience. In 1989, he was named one of Forbes' top 100 lawyers in the United States. He has been named one of Premiere Magazine's 50 most powerful people in Hollywood. From 2003 to 2011 he was "of counsel" with Weissmann Wolff Bergman Coleman Grodin & Evall. From 1976 to 1995, he was a partner with Bloom, Dekom, Hergott and Cook. During his career, his clients have included George Lucas, Paul Haggis, Keenen Ivory Wayans, John Travolta, Ron Howard, Rob Reiner, Andy Davis, Robert Towne and Larry David. His corporate clients have included Sears, Pacific Telesis and Japan Victor Corporation (JVC). He is a former member of the board of each of Imagine Films Entertainment, Will Vinton Studios and Cinebase Software. He is a Member of the Academy of Television Arts and Sciences and Academy Foundation. He received his B.A. from Yale University and his J.D. from the UCLA School of Law. Among other qualifications, Mr. Dekom brings to our Board extensive legal and business experience in the media and entertainment industries.

Fred M. Cohen. Mr. Cohen has been a member of our board of since June 2016. He has more than 35 years of media and entertainment experience. Since 2004, he has been the Chairman of the International Academy of Television Arts & Sciences (Emmys), and, since 2000, the Chairman of its Foundation. Previously, he was the Executive Vice President of CBS Broadcast International, President of King World International Productions, and President of HBO International. Since 2006, he has served as strategic advisor to Harpo Productions on the international distribution of its television properties including The Oprah Winfrey Show and Dr. Oz. He is Chair Emeritus of PCI – Media Impact, a New York based international NGO (non-governmental organization). He received his B.A. from The University of Michigan and his M.S. from Stanford University. Among other qualifications, Mr. Cohen brings to our Board extensive executive and operational experience in the media and entertainment industries, including the international segments of such industries.

Christina Weiss Lurie. Ms. Weiss Lurie has been a member of our board of since June 2016. Her multi-faceted career spans the worlds of sports, entertainment and philanthropy. She is an owner of the Philadelphia Eagles and President of Eagles Charitable Foundation (formerly Eagles Youth Partnership). She is also an Oscar award-winning film producer. As executive producer, Ms. Weiss Lurie received an Oscar for *Inside Job* (2011), which tackles the consequences of systematic corruption of the U.S. by the financial services industry, and *Inocente* (2013), which features the struggles of a homeless, undocumented teen. She is the co-founder of two independent film companies, Vox3 Films and Tango Pictures. She is also a noted philanthropist. Under her leadership, the Philadelphia Eagles earned the coveted 2011 Beyond Sports Team of the Year award for their work in the community and for trailblazing environmental programs in professional sports. She received her B.A. from Yale University. Among other qualifications, Ms. Weiss Lurie brings to our Board extensive content production experience and broad management skills.

Diana Wilkin. Ms. Wilkin has been a member of our board of since June 2016. She has over 20 years of experience in the media industry. Since January 2017, Ms. Wilkin has been the President of Broadcast of Share Rocket, a social media measurement company. She has been Managing Director of Twelve 24 Media, a broadcast and media consulting firm, since February, 2014. Formerly she served as President of CBS Affiliate Relations from 2008 to December 2013, where she was responsible for network agreements with all major broadcast groups' television stations. From 2000 to 2008, she was involved in the management of both CBS and FOX affiliates as Vice President, General Manager in numerous markets. She received her B.S. from the University of Southern California. Among other qualifications, Ms. Wilkin brings to our Board, extensive management and operational experience in the media and entertainment industries, particularly in the television broadcasting industry.

Each of our directors will hold office until the next annual meeting of stockholders and until his or her successor is elected and qualified.

Conflicts of Interest

Our certificate of incorporation provides that:

- we renounce any interest or expectancy in, or being offered an opportunity to participate in, any business opportunities that are presented to us or our officers, directors or stockholders or affiliates thereof, including but not limited to, CSS Productions and its affiliates (including A Plus), collectively referred to in this section as the "CSS Companies," except as may be prescribed by any written agreement with us;

- our officers and employees will not be liable to our company or our stockholders for monetary damages for breach of any fiduciary duty by reason of any activities of us or any of the CSS Companies to the fullest extent permitted by Delaware law;

Pursuant to the CSS License Agreement, the CSS Companies have agreed not to produce and distribute video content. Accordingly, if any of our executive officers or directors becomes aware of a non-video content opportunity which is suitable for an entity to which he or she has current fiduciary or contractual obligations, he or she will be entitled to present those opportunities to the CSS Companies prior to presenting them to us.

Director Independence

Currently Peter Dekom, Fred Cohen, Christina Weiss Lurie and Diana Wilkin would each be considered an "independent director" under the listing standards of national securities exchanges such as Nasdaq, which is defined generally as a person other than an officer or employee of the company or its subsidiaries or any other individual having a relationship, which, in the opinion of the company's board of directors would interfere with the director's exercise of independent judgment in carrying out the responsibilities of a director. Our independent directors will have regularly scheduled meetings at which only independent directors are present.

Committees

Effective as of the date of this offering circular, we will have standing audit, nominating and compensation committees.

Audit Committee

Effective as of the date of this offering circular, we will establish an audit committee of the board of directors, which will consist of Mr. Dekom (committee chairman), Mr. Cohen and Ms. Wilkin, each of whom is an independent director under Nasdaq's listing standards. The audit committee's duties, which are specified in the Audit Committee Charter, include, but are not limited to:

- reviewing and discussing with management and the independent auditor the annual audited financial statements, and recommending to the board whether the audited financial statements should be included in our annual reports;
- discussing with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of our financial statements;
- discussing with management major risk assessment and risk management policies;
- monitoring the independence of the independent auditor;
- verifying the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law;
- reviewing and approving all related-party transactions;
- inquiring and discussing with management our compliance with applicable laws and regulations;
- pre-approving all audit services and permitted non-audit services to be performed by our independent auditor, including the fees and terms of the services to be performed;
- appointing or replacing the independent auditor;
- determining the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work; and
- establishing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or reports, which raise material issues regarding its financial statements or accounting policies.

Financial Experts on Audit Committee

The audit committee will at all times be composed exclusively of "independent directors" who are "financially literate" as defined under Nasdaq listing standards. Nasdaq listing standards define "financially literate" as being able to read and understand fundamental financial statements, including a balance sheet, income statement and cash flow statement.

In addition, the audit committee will have, and we must certify to Nasdaq annually that the audit committee does have, at least one member who has past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background that results in the individual's financial sophistication. The board of directors has determined that Mr. Dekom qualifies as an "audit committee financial expert," as defined under rules and regulations of the SEC.

Nominating Committee

Effective as of the date of this offering circular, we will establish a nominating committee of the board of directors, which will consist of Mr. Cohen (committee chairman), Mr. Dekom and Ms. Weiss Lurie, each of whom is an independent director under Nasdaq's listing standards. The nominating committee is responsible for overseeing the selection of persons to be nominated to serve on our board of directors. The nominating committee considers persons identified by its members, management, stockholders, investment bankers and others.

The guidelines for selecting nominees, which are specified in the Nominating Committee Charter, generally provide that persons to be nominated:

- should have demonstrated notable or significant achievements in business, education or public service;
- should possess the requisite intelligence, education and experience to make a significant contribution to the board of directors and bring a range of skills, diverse perspectives and backgrounds to its deliberations; and
- should have the highest ethical standards, a strong sense of professionalism and intense dedication to serving the interests of the stockholders.

The Nominating Committee will consider a number of qualifications relating to management and leadership experience, background and integrity and professionalism in evaluating a person's candidacy for membership on the board of directors. The nominating committee may require certain skills or attributes, such as financial or accounting experience, to meet specific board needs that arise from time to time and will also consider the overall experience and makeup of its members to obtain a broad and diverse mix of board members.

Compensation Committee

Effective as of the date of this offering circular, we will establish a compensation committee of the board of directors, which will consist of Ms. Weiss Lurie (committee chairwoman), Ms. Wilkin and Mr. Cohen, each of whom is an independent director under Nasdaq's listing standards. The compensation committee's duties, which are specified in the Compensation Committee Charter, include, but are not limited to:

- reviewing and approving on an annual basis the corporate goals and objectives relevant to the Chief Executive Officer's compensation, evaluating the Chief Executive Officer's performance in light of such goals and objectives and determining and approving the remuneration (if any) of the Chief Executive Officer's based on such evaluation;
- reviewing and approving the compensation of all of other executive officers (including through our management services agreements described below);
- reviewing executive compensation policies and plans;
- implementing and administering incentive compensation equity-based remuneration plans;
- assisting management in complying with proxy statement and annual report disclosure requirements;
- approving all special perquisites, special cash payments and other special compensation and benefit arrangements for executive officers and employees;
- if required, producing a report on executive compensation to be included in the annual proxy statement; and
- reviewing, evaluating and recommending changes, if appropriate, to the remuneration for.

Executive Compensation

Our company pays a quarterly management fee to CSS as described below under "-- *CSS Management Agreement*" and CSS provides us with the services of certain of its employees, including the persons listed in the table below who serve us in the positions indicated. All salaries and compensation of the persons listed below are paid by CSS. None of our executive officers is directly employed by us and we have not paid them any cash or other compensation to date, except that such officers are eligible to participate, and certain of such officers have participated, in our Incentive Plan. See "– *Option Grants*" immediately below. However, we provide the information in the table below based on the business time of each such person that is allocated to our company, as if such person was paid directly by our company for such time and service. The percentages of time allocated to our company by each of the named executive officers were as follows: (a) 60% (2016) and 25% (2015) for Mr. Rouhana; (b) 50% (2016) and 25% (2015) for Mr. Seaton; and (c) 40% (2016) and 25% (2015) for Mr. Pess.

Summary Compensation Table

Name and Principal Position[1]	Year	Salary ($)	Bonus ($)	All Other Compensation[2] ($)	Total ($)
William J. Rouhana, Jr.	2016	108,000	–	6,504	114,504
Chief Executive Officer	2015	45,000	–	2,457	47,457
(principal executive officer)					
Scott W. Seaton	2016	125,000	92,450	16,761	234,211
Vice Chairman	2015	50,000	37,500	7,596	95,096
Daniel M. Pess	2016	98,000	63,400	9,290	170,690
Chief Financial Officer	2015	50,000	23,750	5,262	79,012
(principal financial and accounting officer)					

1 No stock awards, option awards or non-equity incentive plan compensation was paid to any named executive officer in 2016 or 2015. No pension or non-qualified deferred compensation plans are maintained for or made available to the named executive officers.

2 Represents allocable portion (based on business time allocated to our company) of medical care, vision and long-term disability coverage premiums.

CSS Management Agreement

We entered into the CSS Management Agreement with our parent operating company, CSS, on May 12, 2016. Under the terms of the CSS Management Services Agreement, are provided with the broad operational expertise of the CSS companies' personnel, including our chairman and chief executive officer, vice chairman and chief strategy officer, senior brand advisor and director and chief financial officer. The CSS Management Agreement also provides for us to receive numerous other services, including accounting, legal, marketing, social media support, management, data access and back office systems, and requires CSS to provide us with office space and equipment usage. The terms of the CSS Management Agreement and payments made by us to date thereunder are described in this offering circular under *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Affiliate Resources and Obligations – CSS Management Agreement.*"

Option Grants

In January 2017, we granted five-year options to purchase up to 100,000 shares of our Class A common stock to each Mr. Seaton, Ms. Newmark and Mr. Pess that vest in eight equal quarterly installments commencing March 31, 2017 and which are exercisable at $6.50 per share. In 2017, we granted additional options to non-management grantees to purchase up to an aggregate of 155,000 shares at exercise prices between $6.50 and $7.50. All of these options were granted under our Incentive Plan described below under "—Incentive Plan."

Director Compensation

We have agreed to pay each of our independent directors, beginning in June 2016, $50,000 per year in two equal semi-annual installments, payable 50% in cash and 50% in shares of Class A common stock. See "*Security Ownership of Management and Certain Security Holders*."

Code of Ethics

Effective upon consummation of this offering, we will adopt a code of ethics that applies to all of our respective executive officers, directors and employees. The code of ethics will codify the business and ethical principles that govern all aspects of our business.

Incentive Plan

Our board of directors and stockholders adopted our 2017 Equity Incentive Plan ("Incentive Plan") as of January 1, 2017.

Purpose

The purpose of the Incentive Plan is to enable us to offer employees, officers, directors and consultants of our company and our parent and subsidiary companies whose past, present and/or potential future contributions to us have been, are, or will be important to our success, an opportunity to acquire a proprietary interest in us.

Administration

The Incentive Plan will be administered by our compensation committee. The compensation committee will be comprised solely of "outside directors," as defined in the regulations issued under Section 162(m) of the Code, and "non-employee" directors, as defined in Rule 16b-3 under the Securities Exchange Act of 1934, as amended. Subject to the provisions of the Incentive Plan, the compensation committee determines, among other things, the persons to whom from time to time awards may be granted and the specific type of awards to be granted.

Stock Subject to the Incentive Plan

Our board of directors has reserved 1,000,000 shares of our Class A common stock for issuance under the Incentive Plan. Shares of stock subject to awards that are forfeited or terminated without payment to the holder in the form of Class A common stock will be available for future award grants under the Incentive Plan. If a holder has shares of Class A common stock otherwise issuable upon exercise withheld, or surrenders outstanding shares, to make payment in connection with an award or to cover the withholding tax liability associated an award, the shares surrendered by the holder or withheld by us will not be available for future award grants under the Incentive Plan.

Under the plan, in the event of a change in the number of shares of our Class A common stock as a result of a dividend on shares of Class A common stock payable in shares of Class A common stock, Class A common stock forward split or reverse split, exchange of shares of Class A common stock or other extraordinary or unusual event that results in a change in the shares of Class A common stock as a whole, the compensation committee shall determine whether such change equitably requires an adjustment in the terms of any award in order to prevent dilution or enlargement of the benefits available under the plan, or in the aggregate number of shares reserved for issuance under the plan.

Eligibility

We may grant awards under the Incentive Plan to employees, officers, directors, and consultants of our company or our parent and subsidiary companies and affiliates who are deemed to have rendered, or to be able to render, significant services to us and who are deemed to have contributed, or to have the potential to contribute, to its success. An "incentive stock option" as defined in Section 422 of the Code may be granted under the plan only to a person who, at the time of the grant, is an employee of our company or our parent or subsidiary companies.

Types of Awards

Options. The compensation committee may grant incentive stock options and options not qualifying as incentive options, or "non-qualified options." The compensation committee determines the exercise price per share of Class A common stock purchasable under an incentive or non-qualified stock option, which may not be less than 100% of the fair market value on the day of the grant. However, the exercise price of an incentive stock option granted to a person possessing more than 10% of the total combined voting power of all classes of our stock, or a "10% holder," may not be less than 110% of the fair market value on the date of grant. An incentive stock option may only be granted within 10 years from the effective date of the Incentive Plan. An incentive stock option may only be exercised within ten years from the date of the grant, or within five years in the case of an incentive stock option granted to a 10% holder. The stock options generally will vest over a number of years.

Stock Appreciation Rights. The compensation committee may grant stock appreciation rights to participants who have been, or are being, granted stock options under the plan as a means of allowing the participants to exercise their stock options without the need to pay the exercise price in cash, or the compensation committee may grant them alone and unrelated to an option. A stock appreciation right entitles the holder to receive a number of shares of Class A common stock having a fair market value equal to the excess fair market value of one share of Class A common stock over the exercise price of the stock appreciation right, multiplied by the number of shares subject to the stock appreciation rights.

Restricted Stock. The compensation committee may grant shares of restricted stock. The compensation committee determines, among other things, the number of shares to be awarded, the time or times within which awards of restricted stock may be subject to forfeiture, any applicable performance goals, and all other terms and conditions of the restricted stock awards.

Other Stock-Based Awards. The compensation committee may grant other stock-based awards, subject to limitations under applicable law, that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, shares of Class A common stock, as deemed consistent with the purposes of the plan. These other stock-based awards may be in the form of purchase rights, shares of Class A common stock awarded that are not subject to any restrictions or conditions, convertible or exchangeable debentures or other rights convertible into shares of Class A common stock and awards valued by reference to the value of securities of, or the performance of, specified subsidiaries. These other stock-based awards may include performance shares or options, whose award is tied to specific performance criteria.

Incentive Bonuses. The compensation committee may grant incentive bonus awards, which will confer upon the recipient the opportunity to earn a future payment tied to the level of achievement with respect to one or more performance goals established for a performance period by the compensation committee. The award agreement will establish, among other things, the target and maximum amount payable as an incentive bonus, the performance goals and level of achievement versus the performance goals that shall determine the amount of such payment and the term of the performance period as to which performance shall be measured for determining the amount of any payment.

Performance Awards

The compensation committee may determine at the time an award is granted or at any time thereafter whether such award is intended to qualify as "performance based compensation" within the meaning of Section 162(m) of the Code. Restricted stock awards, other stock-based awards and incentive bonus awards that are intended to qualify as performance based compensation under Section 162(m) of the Code shall be subject to the following provisions, which shall control over any conflicting provision in the Incentive Plan or any Agreement:

- To the extent necessary to comply with the requirements of Section 162(m)(4)(C) of the Code, no later than 90 days following the commencement of any performance period or any designated fiscal period or period of service (or such earlier time as may be required under Section 162(m) of the Code), the compensation committee shall, in writing, (a) designate the recipient to receive such award (b) select the performance criteria applicable to the performance period, (c) establish the performance goals, and amounts of such awards, as applicable, which may be earned for such performance period based on the performance criteria, and (d) specify the relationship between performance criteria and the performance goals and the amounts of such awards, as applicable, to be earned by each covered employee for such performance period.

- Following the completion of each performance period, the compensation committee shall certify in writing whether and the extent to which the applicable performance goals have been achieved for such performance period. In determining the amount earned under such awards, the compensation committee may reduce or eliminate (but not to increase) the amount payable at a given level of performance to take into account additional factors that the compensation committee may deem relevant, including the assessment of individual or corporate performance for the performance period.

- No adjustment to any award may be permitted to the extent that such adjustment would cause such award to fail to so qualify as performance based compensation, unless the compensation committee determines that the award should not so qualify.

Accelerated Vesting and Exercisability

If any one person, or more than one person acting as a group, acquires the ownership of stock of our company that, together with the stock held by such person or group, constitutes more than 50% of the total voting power of the stock of our company, and our board of directors does not authorize or otherwise approve such acquisition, then immediately prior to the closing of such acquisition, the vesting periods of any and all stock options and other awards granted and outstanding under the Incentive Plan shall be accelerated and all such stock options and awards will immediately and entirely vest, and the respective holders thereof will have the immediate right to purchase and/or receive any and all Class A common stock subject to such stock options and awards on the terms set forth in the plan and the respective agreements respecting such stock options and awards. An increase in the percentage of stock owned by any one person, or persons acting as a group, as a result of a transaction in which our company acquires its stock in exchange for property is not treated as an acquisition of stock.

The compensation committee may, in the event of an acquisition by any one person, or more than one person acting as a group, together with acquisitions during the 12-month period ending on the date of the most recent acquisition by such person or persons, of assets from our company that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of our company immediately before such acquisition or acquisitions, or if any one person, or more than one person acting as a group, acquires the ownership of stock of our company that, together with the stock held by such person or group, constitutes more than 50% of the voting power of the stock of our company, which has been approved by our board of directors, (i) accelerate the vesting of any and all stock options and other awards granted and outstanding under the Incentive Plan, or (ii) require a holder of any award granted under the plan to relinquish such award to our company upon the tender by us to the holder of cash in an amount equal to the repurchase value of such award. For this purpose, gross fair market value means the value of our assets, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

Notwithstanding any provisions of the Incentive Plan or any award granted thereunder to the contrary, no acceleration shall occur with respect to any award to the extent such acceleration would cause the plan or an award granted thereunder to fail to comply with Section 409A of the Code

Term and Amendments

Unless terminated by our board, the Incentive Plan shall continue to remain effective until no further awards may be granted and all awards granted under the plan are no longer outstanding. Notwithstanding the foregoing, grants of incentive stock options may be made only until ten years from the effective date of the plan. The board may at any time, and from time to time, amend the plan or any award agreement, but no amendment will be made that would impair the rights of a holder under any agreement entered into pursuant to the plan without the holder’s consent.

SECURITY OWNERSHIP OF MANAGEMENT AND CERTAIN SECURITYHOLDERS

The following table sets forth information regarding the beneficial ownership of our shares of Class A common stock and Class B common stock as of the date of this offering circular and as adjusted to reflect the sale of all of the Shares offered by this offering circular (assuming none of the individuals listed purchase shares in this offering), by:

- each person known by us to be the beneficial owner of more than 5% of our outstanding shares;
- each of our executive officers and directors; and
- all of our executive officers and directors as a group.

Unless otherwise indicated, we believe that all persons named in the table have sole voting and investment power with respect to all shares beneficially owned by them. Additionally, except as otherwise indicated, beneficial ownership reflected in the table has been determined in accordance with Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended.

	Shares Beneficially Owned Prior to Offering					Shares Beneficially Owned After Offering				
	Class A		Class B			Class A		Class B		
Name and Address of Beneficial Owner[1]	Shares	%	Shares	%	% of Total Voting Power Prior to Offering[2]	Shares	%	Shares	%	% of Total Voting Power After Offering[2]
William J. Rouhana, Jr.	157,500[3]	11.2%	7,813,938[4]	96.8%	95.5%	157,500	7.7%	7,813,938[4]	96.8%	94.8%
Amy L. Newmark[5]	73,964[6]	5.7%	—	*	*	73,964	3.8%	—	*	*
Scott W. Seaton	32,160[7]	2.5%	—	*	*	32,160	1.7%	—	*	*
Daniel M. Pess	24,782[8]	2.0%	—	*	*	24,782	1.3%	—	*	*
Peter J. Dekom	2,083	*	—	*	*	2,083	*	—	*	*
Fred M. Cohen	2,083	*	—	*	*	2,083	*	—	*	*
Christina Weiss Lurie	18,753	1.5%	—	*	*	18,753	*	—	*	*
Diana Wilkin	7,083	*	—	*	*	7,083	*	—	*	*
Chicken Soup for the Soul Productions, LLC	—	*	7,654,506	94.8%	93.4%	—	*	7,654,506	94.8%	92.7%
Trema, LLC	157,500[3]	11.2%	159,432	2.0%	2.1%	157,500[5]	7.7%	159,432	2.0%	2.0%
All directors and executive officers as a group (8 individuals)	318,408[9]	21.2%	7,813,938	96.8%	95.7%	318,408	14.8%	7,813,938	96.8%	95.0%

* Less than 1%

(1) Unless otherwise indicated, the business address of each of the individuals is 132 E. Putnam Avenue, Floor 2W, Cos Cob, Connecticut 06807.

(2) Percentage of total voting power represents voting power with respect to all shares of our Class A and Class B common stock, as a single class. The holders of our Class B common stock are entitled to ten votes per share, and holders of our Class A common stock are entitled to one vote per share. For more information about the voting rights of our Class A and Class B common stock, see "*Description of Securities – Common Stock*."

(3) Represents shares issuable upon exercise of Class W warrants held by an affiliate of Mr. Rouhana.

(4) Represents (i) 159,432 shares of Class B common stock beneficially owned by an affiliate of Mr. Rouhana and (ii) all of the shares of Class B common stock owned by CSS Productions. The ultimate parent of CSS Productions is CSS Holdings, which in turn is ultimately controlled by Mr. Rouhana.

(5) Ms. Newmark is the spouse of Mr. Rouhana, but disclaims all beneficial ownership over the shares beneficially owned by him.

(6) Includes 12,500 shares purchasable under options that vested and became exercisable on March 31, 2017. Does not include 87,500 shares purchasable under options that do not vest within 60 days of the date of this offering circular. All of these options were granted under our 2017 Incentive Plan, vest in eight equal quarterly installments beginning on March 31, 2017 and are exercisable at $6.50 per share. Also includes 33,150 shares underlying Class W warrants purchased in the Debt Private Placement and 6,534 shares underlying Class Z warrants issued in connection with the conversion of certain Term Notes.

(7) Includes 12,500 shares purchasable under options that vested and became exercisable on March 31, 2017. Does not include 87,500 shares purchasable under options that do not vest within 60 days of the date of this offering circular. All of these options were granted under our 2017 Incentive Plan, vest in eight equal quarterly installments beginning on March 31, 2017 and are exercisable at $6.50 per share. Also includes 10,625 shares underlying Class W warrants purchased in the Debt Private Placement and 2,085 shares underlying Class Z warrants issued in connection with the conversion of certain Term Notes.

(8) Includes 12,500 shares purchasable under options that vested and became exercisable on March 31, 2017. Does not include 87,500 shares purchasable under options that do not vest within 60 days of the date of this offering circular. All of these options were granted under our 2017 Incentive Plan, vest in eight equal quarterly installments beginning on March 31, 2017 and are exercisable at $6.50 per share. Also includes 7,225 shares underlying Class W warrants purchased in the Debt Private Placement and 1,167 shares underlying Class Z warrants issued in connection with the conversion of certain Term Notes.

(9) Represents all of the shares beneficially owned by the individuals listed above and as set forth in footnotes (3), (4), (6), (7) and (8), above.

William J. Rouhana, Jr., and CSS Productions are our “promoters,” as that term is defined under the Federal securities laws.

CERTAIN TRANSACTIONS

Other than compensation arrangements, we describe below transactions and series of similar transactions, since our inception, to which we were a party or will be a party, in which:

- the amounts involved exceeded or will exceed the lesser of $120,000 or 1% of the average of our total assets at year-end for the last two completed fiscal years; and

- any of our directors, executive officers, or holders of more than 5% of our capital stock, or any member of the immediate family of the foregoing persons, had or will have a direct or indirect material interest.

CSS License Agreement

We entered into the CSS License Agreement in May 2016 pursuant to which we have been granted a perpetual, exclusive, worldwide license to produce and distribute video content using the brand and related content, such as stories published in the *Chicken Soup for the Soul* books. We paid CSS a one-time license fee of $5 million, representing an allocation of the original purchase price of the Brand, comprised of an upfront cash payment of $1.5 million and the concurrent issuance of a $3.5 million principal amount License Note bearing interest at 0.5% per annum. The License Note has been repaid in full. For a further description of the CSS License Agreement, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Affiliates Resources and Obligations – CSS License Agreement.*"

CSS Management Agreement

We entered into the CSS Management Agreement in May 2016 with CSS pursuant to which we are provided with the broad operational expertise of CSS and its subsidiaries and personnel, including the services of our chairman and chief executive officer, Mr. Rouhana, our vice chairman and chief strategy officer, Mr. Seaton, our senior brand advisor and director, Amy Newmark and our chief financial officer, Mr. Pess. The CSS Management Agreement also provides for services, such as accounting, legal, marketing, management, data access and back-office systems, as well as office space and equipment usage. For a further description of the CSS Management Agreement, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Affiliate Resources and Obligations – CSS Management Agreement*."

Distribution Agreement

In September 2016, we entered into the A Plus Distribution Agreement. A Plus develops and distributes high quality, empathetic short-form videos and articles to millions of people worldwide. The A Plus Distribution Agreement has an initial term ending in September 2023. Under the terms of the A Plus Distribution Agreement, we have the exclusive worldwide rights to distribute all video content (in any and all formats) and all editorial content (including articles, photos and still images) created, produced, edited or delivered by A Plus. Under the terms of the Distribution Agreement, we were required to pay A Plus the A Plus Advance of $3 million. As of March 31, 2017, the A Plus Advance has been paid in full by us to A Plus.

Under the terms of the A Plus Distribution Agreement, we receive a net distribution fee equal to 40% of gross revenue generated by the distribution of the A Plus video content, and 15% of gross revenue generated by the distribution of the A Plus editorial content, until the A Plus Advance (as defined and described in *"—Affiliate Resources and Obligations*," below) has been repaid to us in full. After full repayment, the foregoing distribution fee payable to us will be reduced to 30% and 5%, respectively, and A Plus shall receive the remainder ("A Plus Revenue") of such gross revenue. We recoup the A Plus Advance by retaining our fee plus the portion of gross revenue otherwise payable by the Company to A Plus and applying such A Plus Revenue to the recoupment of the A Plus Advance. We will not pay A Plus any A Plus Revenue until such time as the A Plus Advance has been recouped in full by us.

A Plus is a digital media company founded, chaired, and partially owned by actor and investor Ashton Kutcher. Mr. Kutcher owns 23%, third parties own 2%, and our affiliate, Chicken Soup for the Soul Digital, LLC, owns 75%, of A Plus.

Credit Facility

In May 2016, we entered into the Credit Facility with the facility lender, an affiliate of Mr. Rouhana. Under the terms of the Credit Facility, as amended as of December 12, 2016, January 24, 2017 and March 27, 2017, we may borrow, repay and reborrow up to an aggregate of $4.5 million through June 30, 2018. Our payment obligations under the Credit Facility are senior obligations and secured by a first priority security interest in all of our assets (thus having the same priority as the security interest granted by us in connection with the Term Notes). The proceeds of the loans made under the Credit Facility shall be used by us for working capital and general corporate purposes. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources*."

In connection with the Credit Facility, we issued Class W warrants to the facility lender to purchase an aggregate of 157,500 shares of our Class A common stock. The facility lender has been given registration rights with respect to such shares and the securities issuable upon conversion of the principal amount outstanding under the Credit Facility as described herein under "*Description of Securities – Registration Rights*."

Contribution Agreements

In May 2016, pursuant to the terms of the contribution agreement among CSS, CSS Productions and CSS Entertainment ("Contribution Agreement"), all video content assets (the "Subject Assets") owned by CSS, CSS Productions and their CSS subsidiaries were transferred to us in consideration for our issuance to CSS Productions of 8,600,568 shares of our Class B common stock. Since the date of the CSS Contribution Agreement, CSS Production has transferred certain of these shares of Class B common stock to third parties in certain transactions. Concurrently with the consummation of the CSS Contribution Agreement, certain rights to receive payments under certain agreements comprising part of the Subject Assets owned by Trema, a company principally owned and controlled by William J. Rouhana, Jr., our chairman and chief executive officer, were assigned to us under a contribution agreement ("Trema Contribution Agreement") in consideration for our issuance to Trema of 159,432 shares or our Class B common stock. Trema has certain demand and piggyback registration rights with respect to these shares that would be effective after consummation of this offering.

Equity Exchange

In July 2016, we entered into an exchange agreement with a former executive of CSS Productions, in which he exchanged all membership interest in CSS Productions, which had been issued or were issuable to him in the future, for 430,028 shares of our Class B common stock then owned by CSS Productions, which he simultaneously elected to convert into a like number of shares of our Class A common stock. The exchange agreement was related to, and in connection with, the amended employment agreement of the former executive and his separation from CSS Productions.

Consulting Agreement

CSS Productions had a consulting agreement with Low Profile Films, Inc. ("Low Profile"). Low Profile provided executive production services for CSS Productions that included all activities necessary to establish and maintain relationships regarding CSS Productions' proposed feature length film and a possible talk show. Low Profile was to oversee the production to facilitate the public viewing or distribution of same. The owner of Low Profile is the son of our chairman and chief executive officer.

In July 2016, CSS Productions and Low Profile mutually agreed to terminate the production services agreement relating to a potential feature length film to be produced by Alcon Entertainment. For the years ended December 31, 2016 and 2015, CSS Productions paid Low Profile $35,000 and $60,000, respectively, for services provided, which are included in selling, general and administrative expenses in the accompanying consolidated statements of operations.

Promotions License Agreement

During 2016, we entered into a Promotions License Agreement with One Last Thing LLC ("OLT"), under which we paid $100,000 for the right to integrate certain products into a feature film produced by OLT, such amount being recoupable from the gross revenue of such film. OLT is controlled by the son of our chairman and chief executive officer.

Conversion of Term Notes

In June 2017, Scott W. Seaton, our vice chairman, Daniel M. Pess, our chief financial officer, and Amy L. Newmark, a director, participated in the conversion of our Term Notes on the same terms as offered all holders of our Term Notes. These three officers converted an aggregate of $293,500 principal amount of Term Notes in exchange for an aggregate of 32,620 shares of Class A common stock and 9,786 Class Z warrants.

Indemnification Agreements

We have entered into indemnification and reimbursement agreements with each of our executive officers and directors. Pursuant to these agreements, we will indemnify, and advance amounts to, each of our executive officers and to the fullest extent permitted by applicable law, as in effect on the date of the agreement or to such greater extent as applicable law may later permit, in connection with any proceedings brought against such individuals by reason of his or her status as a director, officer, employee, agent or fiduciary of our company, any subsidiary of our company, or any other enterprise which such person is or was serving at our request.

All ongoing and future transactions between us and any of our officers and directors or their respective affiliates will be on terms believed by us to be no less favorable to us than are available from unaffiliated third parties. Such transactions will require prior approval by a majority of our disinterested and independent directors (to the extent we have any) or the members of our board who do not have an interest in the transaction, in either case who had access, at our expense, to our attorneys or independent legal counsel. We will not enter into any such transaction unless our disinterested and independent directors (or, if there are no "independent" directors, our disinterested directors) determine that the terms of such transaction are no less favorable to us than those that would be available to us with respect to such a transaction from unaffiliated third parties.

Purchase of Shares by Director

In May 2017, Diana Wilkin, a member of our board of directors, purchased 5,000 shares of Class A common stock for $37,500, or $7.50 per share. All of these shares are subject to the applicable lock-ups described under "*Description of Securities – Lock-up Agreements*."

Related Party Policy

Our Code of Ethics requires each company to avoid, wherever possible, all related party transactions that could result in actual or potential conflicts of interests, except under guidelines approved by the board of directors. Related party transactions are defined under SEC rules as transactions in which (1) the aggregate amount involved will or may be expected to exceed the lesser of $120,000 or one percent of the average of our total assets at year-end for the last two completed fiscal years, (2) we or any of our subsidiaries is a participant, and (3) any (a) executive officer, director or nominee for election as a director, (b) greater than 5% beneficial owner of our shares of common stock, or (c) immediate family member, of the persons referred to in clauses (a) and (b), has or will have a direct or indirect material interest (other than solely as a result of being a director or a less than 10% beneficial owner of another entity). A conflict of interest situation can arise when a person takes actions or has interests that may make it difficult to perform his or her work objectively and effectively. Conflicts of interest may also arise if a person, or a member of his or her family, receives improper personal benefits as a result of his or her position.

No director may participate in the approval of any transaction in which he is a related party, but that director is required to provide the other members of the board with all material information concerning the transaction. Additionally, we require each of our directors and executive officers to complete a directors' and officers' questionnaire that elicits information about related party transactions.

These procedures are intended to determine whether any such related party transaction impairs the independence of a director or presents a conflict of interest on the part of a director, employee or officer.

DESCRIPTION OF SECURITIES

General

We are authorized to issue 70 million shares of Class A common stock, par value $.0001, 20 million shares of Class B common stock, par value $.0001, and 10 million shares of preferred stock, par value $.0001. As of the date of this offering circular, 1,249,000 shares of our Class A common stock are outstanding, 8,071,955 shares of our Class B common stock are outstanding and no shares of our preferred stock are outstanding.

Common Stock

Voting Rights

Holders of shares of Class A common stock and Class B common stock have substantially identical rights, except that holders of shares of Class A common stock are entitled to one vote per share and holders of shares of Class B common stock are entitled to ten votes per share. Holders of shares of Class A common stock and Class B common stock vote together as a single class on all matters (including the election of directors) submitted to a vote of stockholders, unless otherwise required by law or our charter. See *"–Certain Anti-Takeover Provisions of our Certificate of Incorporation and By-Laws,"* below.

There is no cumulative voting with respect to the election of directors, with the result that the holders of more than 50% of the shares voted for the election of directors can elect all of the directors.

Dividend Rights

Shares of Class A common stock and Class B common stock shall be treated equally, identically and ratably, on a per share basis, with respect to any dividends or distributions as may be declared and paid from time to time by the board of directors out of any assets legally available therefor.

No Preemptive or Similar Rights

Our common stock is not entitled to preemptive rights and is not subject to conversion, redemption or sinking fund provisions.

Right to Receive Liquidation Distributions

Subject to the preferential or other rights of any holders of preferred stock then outstanding, upon our dissolution, liquidation or winding up, whether voluntary or involuntary, holders of Class A common stock and Class B common stock will be entitled to receive ratably all of our assets available for distribution to our stockholders unless disparate or different treatment of the shares of each such class with respect to distributions upon any such liquidation, dissolution or winding up is approved in advance by the affirmative vote (or written consent if action by written consent of stockholders is permitted at such time under our Certificate of Incorporation) of the holders of a majority of the outstanding shares of Class A common stock and Class B common stock, each voting separately as a class.

Merger or Consolidation

In the case of any distribution or payment in respect of the shares of Class A common stock or Class B common stock upon our consolidation or merger with or into any other entity, or in the case of any other transaction having an effect on stockholders substantially similar to that resulting from a consolidation or merger, such distribution or payment shall be made ratably on a per share basis among the holders of the Class A common stock and Class B common stock as a single class; *provided*, *however*, that shares of one such class may receive different or disproportionate distributions or payments in connection with such merger, consolidation or other transaction if (i) the only difference in the per share distribution to the holders of the Class A common stock and Class B common stock is that any securities distributed to the holder of a share Class B common stock have ten times the voting power of any securities distributed to the holder of a share of Class A common stock, or (ii) such merger, consolidation or other transaction is approved by the affirmative vote (or written consent if action by written consent of stockholders is permitted at such time under our Certificate of Incorporation) of the holders of a majority of the outstanding shares of Class A common stock and Class B common stock, each voting separately as a class.

Conversion

The outstanding shares of Class B common stock are convertible at any time as follows: (1) at the option of the holder, a share of Class B common stock may be converted at any time into one share of Class A common stock or (2) upon the election of the holders of a majority of the then outstanding shares of Class B common stock, all outstanding shares of Class B common stock may be converted into shares of Class A common stock. Once converted into Class A common stock, the Class B common stock will not be reissued.

Preferred Stock

Our certificate of incorporation currently authorizes the issuance of 10 million shares of blank check preferred stock. No shares of our preferred stock are being issued in this offering. The blank check preferred stock may be issued in the future by our board of directors, without stockholder approval, with such designation, rights and preferences as it may be determined from time to time. Accordingly, such preferred stock could adversely affect the voting power or other rights of the holders of common stock.

Class W Warrants

Each outstanding Class W warrant entitles the registered holder to purchase one share of our Class A common stock at a price of $7.50 per share, subject to adjustment as discussed below. Each warrant is exercisable at any time through June 30, 2021 at 5:00 p.m., New York City time.

If our Class A common stock is traded, listed or quoted on any U.S. market or electronic exchange, and the closing per-share sales price of the Class A common stock for any twenty (20) trading days during a consecutive thirty (30) trading days period (the "Measurement Period") exceeds $15.00 (subject to adjustment for forward and reverse stock splits, recapitalizations, stock dividends and the like), then we may call for cancellation of all or any portion of the Class W warrants for which a notice of exercise has not yet been delivered to us for consideration equal to $.01 per Class W warrant, in accordance with the provisions of the Class W warrants. Notwithstanding anything to the contrary, we shall not make a call of the Class W warrants prior to January 31, 2018.

The right to exercise will be forfeited unless the Class W warrants are exercised prior to the date specified in the call notice. On and after the call date, a record holder of a warrant will have no further rights except to receive the call price for such holder's warrant upon surrender of such warrant.

The criteria for calling our Class W warrants for consideration have been established at a price which is intended to provide warrant holders a reasonable premium to the initial exercise price and provide a sufficient differential between the then-prevailing share price and the warrant exercise price so that if the share price declines as a result of our call, the call will not cause the share price to drop below the exercise price of the Class W warrants.

If the resale of the Class A common stock issuable upon exercise of the Class W warrants is not covered by an effective registration statement or an exemption from registration (a) at the time of a call by us of the Class W warrants as described above, (b) at any time the Class A common stock is traded, listed or quoted on a U.S. trading market or electronic exchange or (c) after January 31, 2018, the holders of the Class W warrants shall be afforded cashless exercise rights as further described in the Class W warrants. In such event, each holder would pay the exercise price by surrendering the Class W warrants for that number of shares of common stock equal to the quotient obtained by dividing (x) the product of the number of shares of Class A common stock underlying the Class W warrants, multiplied by the difference between the exercise price of the Class W warrants and the "fair market value" (defined below) by (y) the fair market value. The "fair market value" for this purpose will mean the average reported last sale price of the shares of common stock for the ten trading days ending on the trading day prior to the date of exercise.

The exercise price and number of shares of Class A common stock issuable on exercise of the Class W warrants may be adjusted in certain circumstances including in the event of a share dividend, extraordinary dividend or our recapitalization, reorganization, merger or consolidation. However, the Class W warrants will not be adjusted for issuances of shares of any equity or equity based securities at a price below their respective exercise prices.

The Class W warrants may be exercised upon surrender of the warrant certificate on or prior to the expiration date at the offices of the warrant agent, with the exercise form on the reverse side of the warrant certificate completed and executed as indicated, accompanied by full payment of the exercise price, by certified or official bank check or wire transfer payable to us, for the number of Class W warrants being exercised. The warrant holders do not have the rights or privileges of holders of shares of common stock and any voting rights until they exercise their Class W warrants and receive shares of Class A common stock. After the issuance of shares of common stock upon exercise of the Class W warrants, each holder will be entitled to one vote for each share held of record on all matters to be voted on by stockholders.

No fractional shares will be issued upon exercise of the Class W warrants. If, upon exercise of the Class W warrants, a holder would be entitled to receive a fractional interest in a share, we will, upon exercise, round up to the nearest whole number the number of shares of Class A common stock to be issued to the warrant holder.

Class Z Warrants

Each outstanding Class Z warrant entitles the registered holder to purchase one share of our Class A common stock at a price of $12.00 per share, subject to adjustment as discussed below. Each warrant is exercisable at any time through June 30, 2022 at 5:00 p.m., New York City time.

If our Class A common stock is traded, listed or quoted on any U.S. market or electronic exchange, and the closing per-share sales price of the Class A common stock for any twenty (20) trading days during a consecutive thirty (30) trading days period (the “Measurement Period”) exceeds $18.00 (subject to adjustment for forward and reverse stock splits, recapitalizations, stock dividends and the like), then we may call for cancellation of all or any portion of the Class Z warrants for which a notice of exercise has not yet been delivered to us for consideration equal to $.01 per Class Z warrant, in accordance with the provisions of the Class Z warrants. Notwithstanding anything to the contrary, we shall not make a call of the Class Z warrants prior to January 31, 2018.

The right to exercise will be forfeited unless the Class Z warrants are exercised prior to the date specified in the call notice. On and after the call date, a record holder of a warrant will have no further rights except to receive the call price for such holder’s warrant upon surrender of such warrant.

The criteria for calling our Class Z warrants for consideration have been established at a price which is intended to provide warrant holders a reasonable premium to the initial exercise price and provide a sufficient differential between the then-prevailing share price and the warrant exercise price so that if the share price declines as a result of our call, the call will not cause the share price to drop below the exercise price of the Class Z warrants.

If the resale of the Class A common stock issuable upon exercise of the Class Z warrants is not covered by an effective registration statement or an exemption from registration (a) at the time of a call by us of the Class Z warrants as described above, (b) at any time the Class A common stock is traded, listed or quoted on a U.S. trading market or electronic exchange or (c) after January 31, 2018, the holders of the Class Z warrants shall be afforded cashless exercise rights as further described in the Class Z warrants. In such event, each holder would pay the exercise price by surrendering the Class Z warrants for that number of shares of common stock equal to the quotient obtained by dividing (x) the product of the number of shares of Class A common stock underlying the Class Z warrants, multiplied by the difference between the exercise price of the Class Z warrants and the “fair market value” (defined below) by (y) the fair market value. The “fair market value” for this purpose will mean the average reported last sale price of the shares of common stock for the ten trading days ending on the trading day prior to the date of exercise.

The exercise price and number of shares of Class A common stock issuable on exercise of the Class Z warrants may be adjusted in certain circumstances including in the event of a share dividend, extraordinary dividend or our recapitalization, reorganization, merger or consolidation. However, the Class Z warrants will not be adjusted for issuances of shares of any equity or equity based securities at a price below their respective exercise prices.

The Class Z warrants may be exercised upon surrender of the warrant certificate on or prior to the expiration date at the offices of the warrant agent, with the exercise form on the reverse side of the warrant certificate completed and executed as indicated, accompanied by full payment of the exercise price, by certified or official bank check or wire transfer payable to us, for the number of Class Z warrants being exercised. The warrant holders do not have the rights or privileges of holders of shares of common stock and any voting rights until they exercise their Class Z warrants and receive shares of Class A common stock. After the issuance of shares of common stock upon exercise of the Class Z warrants, each holder will be entitled to one vote for each share held of record on all matters to be voted on by stockholders.

No fractional shares will be issued upon exercise of the Class Z warrants. If, upon exercise of the Class Z warrants, a holder would be entitled to receive a fractional interest in a share, we will, upon exercise, round up to the nearest whole number the number of shares of Class A common stock to be issued to the warrant holder.

Term Notes

As of June 20, 2017, we had outstanding approximately $4.1 million principal amount of our Term Notes. The principal of the Term Notes (including all accrued, but unpaid interest thereon) was originally payable by us on the earlier of (a) June 30, 2017 and (b) the third business day following consummation of (i) an initial public offering (including this offering) and (ii) any future equity offering (other than as a result of the exercise of our Class W warrants) resulting in gross proceeds to us of at least $7.0 million (such earlier date, the "Term Notes Original Maturity Date").

In June 2017, we requested that the holders of our Term Notes extend the maturity date thereof to the earlier of (a) July 31, 2017 and (b) the date that is three business days following the consummation of the initial closing of the IPO (such earlier date, the "Term Notes Extended Maturity Date"). As of the date of this offering circular, all holders (100%) of the Term Notes have agreed to the Term Notes Extended Maturity Date. In connection with the extension, we offered all holders of our Term Notes the opportunity to purchase shares of our Class A common stock at $9.00 per share (with three Class Z warrants also being issued to them for each ten shares purchased) through the payment of cash or conversion of principal under their Term Notes. As of the date of this offering circular, holders of $0.9 million aggregate principal amount of the Term Notes, including three of our executive officers, have elected to convert such principal amount into an aggregate of 102,060 shares of Class A common stock and 30,618 Class Z warrants. As of the date of this offering circular, a total of $4.1 million principal amount of the Term Notes remains due on the Term Notes Extended Maturity Date.

The Term Notes bear interest at the rate of 5% per annum. Interest is payable in cash monthly in arrears on the basis of a 365-day year and actual days elapsed.

The Term Notes rank *pari passu* with our existing senior secured debt, including the Credit Facility, and senior to any of our other existing or future indebtedness. The Term Notes are secured by a first priority security interest and lien in all of our tangible and intangible assets.

We may repay the Term Notes at any time prior to their maturity date, at our election and without notice to the holders thereof, by paying the holder 101% of the then outstanding aggregate principal of the Term Notes, together with all interest accrued and unpaid thereon through the date of such payment.

Dividends

We have not paid any cash dividends on our shares of Class A common stock to date. The payment of cash dividends on our shares of Class A common stock in the future will be entirely within the discretion of our board of directors and will be dependent upon our revenue and earnings, if any, capital requirements and general financial condition as well as the limitations on dividends and distributions that exist under the laws and regulations of the State of Delaware. It is the present intention of our board of directors to retain all earnings, if any, for use in our business operations and, accordingly, our board of directors does not anticipate declaring any dividends in the foreseeable future.

Exchange Act Registration

Our Class A common stock is not currently registered under the Securities Exchange Act of 1934, as amended ("Exchange Act"). We will seek to have our Class A common stock registered under Section 12(b) of the Exchange Act promptly following qualification with the Commission of the offering statement of which this offering circular is a part and prior to the trading of our Class A common stock on Nasdaq.

Our Transfer Agent

The transfer agent for our Class A common stock is Continental.

Listing of Our Securities

Prior to this offering, there has been no public market for our common stock. We have applied to have our Class A common stock listed on the Nasdaq Global Market under the symbol CSSE no later than the final closing of this offering. If our Class A common stock is not approved for listing on the Nasdaq Global Market, we expect our Class A common stock will be listed on the Nasdaq Capital Market. We currently meet the financial listing requirements for the Nasdaq Capital Market. Giving effect to the sale of all of the Shares and at least 220,000 Additional Shares in the offering, we expect we will meet the financial listing requirements for the Nasdaq Global Market.

Certain Anti-Takeover Provisions of our Certificate of Incorporation and By-Laws

Special meeting of stockholders

Our bylaws provide that special meetings of our stockholders may be called only by a majority vote of our board of directors, or by our chairman and chief executive officer or by our secretary at the request in writing of stockholders owning a majority of our issued and outstanding capital stock entitled to vote.

Advance notice requirements for stockholder proposals and director nominations

Our bylaws provide that stockholders seeking to bring business before our annual meeting of stockholders, or to nominate candidates for election as directors at our annual meeting of stockholders must provide timely notice of their intent in writing. To be timely, a stockholder's notice will need to be delivered to our principal executive offices not later than the close of business on the 60th day nor earlier than the close of business on the 90th day prior to the scheduled date of the annual meeting of stockholders. In the event that less than 70 days' notice or prior public disclosure of the date of the annual meeting of stockholders is given, a stockholder's notice shall be timely if delivered to our principal executive offices not later than the 10th day following the day on which public announcement of the date of our annual meeting of stockholders is first made or sent by us. Our bylaws also specify certain requirements as to the form and content of a stockholders' meeting. These provisions may preclude our stockholders from bringing matters before our annual meeting of stockholders or from making nominations for directors at our annual meeting of stockholders.

Dual Voting Structure

Our certificate of incorporation provides for two classes of common stock. Holders of shares of Class A common stock and Class B common stock have substantially identical rights, except that holders of shares of Class A common stock are entitled to one vote per share and holders of shares of Class B common stock are entitled to ten votes per share. Holders of shares of Class A common stock and Class B common stock vote together as a single class on all matters (including the election of directors) submitted to a vote of stockholders, unless otherwise required by law. Accordingly, the holders of shares of Class B common stock will exert significant control over our actions.

Removal and Appointment of Directors

Our entire board of directors or any individual director may be removed from office with or without cause by a majority vote of the holders of the outstanding voting power of the shares then entitled to vote at an election of directors. In such case, new directors may be elected by the stockholders then holding a majority of our voting power. Immediately following this offering, our chairman and chief executive officer shall control the substantial majority of our voting power and therefore will be able to unilaterally exercise the foregoing rights.

Class B Approval Required for Charter Amendments

Any amendment to our certificate of incorporation requires the approval of the majority of the outstanding Class B common stock. This approval requirement is separate and in addition to any general stockholder approval that would be required under our certificate of incorporation and law.

Exclusive Forum Selection

Our certificate of incorporation requires, to the fullest extent permitted by law, that derivative actions brought in our name, actions against directors, officers and employees for breach of fiduciary duty and other similar actions may be brought only in the Court of Chancery in the State of Delaware and, if brought outside of Delaware, the stockholder bringing the suit will be deemed to have consented to service of process on such stockholder's counsel. Although we believe this provision benefits our company by providing increased consistency in the application of Delaware law in the types of lawsuits to which it applies, the provision may have the effect of discouraging lawsuits against our and officers.

Registration Rights

We have entered into an agreement with an affiliate of Mr. Rouhana and another stockholder of our company, pursuant to which these stockholders shall have the right to demand, on one occasion commencing one year from the date of this offering, that we register under the Securities Act the resale of the shares of Class A common stock issuable to them upon exchange of their Class B common stock ("Registrable Shares") if and only if the Registrable Shares cannot be freely sold by such holders without volume restrictions under Rule 144. In addition, these stockholders have certain "piggyback" registration rights with respect to certain registration statements filed by us after this offering. We will bear the expenses incurred in connection with the filing of any such registration statement.

We granted certain registration and related rights in connection with our 2016 Equity Private Placement and 2017 Equity Private Placement and Debt Private Placement. If we complete this offering and our Class A common stock is traded on a national stock exchange in the United States (a "Qualified IPO"), the shares of Class A common stock, Class W warrants and Class A common stock underlying the Class W warrants sold in the Equity Offerings and Debt Offering (collectively, the "Subject Securities") shall be entitled to unlimited piggy-back registration rights, subject to underwriter approval, unless a resale exemption otherwise exists for the Subject Securities.

If we have not completed a Qualified IPO by June 30, 2017, or a public trading market has not otherwise then developed for the Subject Securities, we shall take commercially reasonable steps to enable public trading for such securities by filing such forms or documents reasonably necessary to facilitate such public trading.

Repurchases

We may seek to repurchase shares of our outstanding Class A common stock and Class B common stock from time to time in market or private transactions.

Lock-Up Agreements

Agreements with Our Company

Each existing non-management, non-affiliated holder (collectively, the "Unaffiliated Holders") of our Class A common stock and Class B common stock, other than one non-management, non-affiliated holder of our Class B common stock, has entered into a lock-up agreement with us that provides he, she or it will not sell, transfer or otherwise dispose of any of our Class A common stock, Class B common stock, Class W warrants, Class Z warrants or shares underlying the Class W warrants or Class Z warrants (collectively, the "Company Securities") until after the 90th day following the day our Class A common stock commences to trade on Nasdaq; provided that sales of the Selling Stockholder Shares in this offering shall not be subject to this lock-up.

Each of our parent stockholder and its affiliates, directors and executive officers and a former executive officer (collectively, the "Insiders") has entered into an agreement with us ("Company Lock-up") pursuant to which he, she or it has agreed to not sell, transfer or otherwise dispose of any Company Securities for an initial period of 18 months following the day our Class A common stock commences to trade on Nasdaq. After such time, the Company Lock-up will automatically end with respect to 1/24 of each class of the Company Securities owned by such holder on each monthly anniversary date of the expiration of the initial 18-month period.

We may elect to release any holder from its lock-up at any time or from time to time for any reason or no reason with respect to any or all of the Company Securities or any portion thereof. No such release shall be deemed to obligate us to grant any future releases to such holder or any other holder.

Agreements with the Joint Bookrunning Managers

Each of our unaffiliated holders, other than one non-management, non-affiliated holder of our Class B common stock, has entered into a lock-up agreement with the joint bookrunning managers that provides he, she or it will not sell, transfer or otherwise dispose of any Company Securities until after the 90th day following the day our Class A common stock commences to trade on Nasdaq; provided that sales of the Selling Stockholder Shares in this offering shall not be subject to this lock-up.

Each of the Insiders has entered into an agreement with the joint bookrunning managers pursuant to which he, she or it has agreed to not sell, transfer or otherwise dispose of any Company Securities for an initial period of 180 days following the date our Class A common stock commences to Trade on Nasdaq.

The joint bookrunning managers may elect to release any holder from its lock-up at any time or from time to time for any reason or no reason with respect to any or all of the Company Securities or any portion thereof. No such release shall be deemed to obligate the joint bookrunning managers to grant any future releases to such holder or any other holder.

In the event the joint booking running managers elect to release their lock-up with respect to any Company Securities held by any officer or director of our company, they will notify us of the impending release and will announce the impending release through a major news service at least two business days prior to the effective date of the release.

SELLING STOCKHOLDERS

The following table sets forth the name of the selling stockholders, the number of shares of Class A common stock beneficially owned by them prior to this offering, the number of Selling Stockholder Shares being offered pursuant to this offering circular and the number of shares and percentage of outstanding shares of Class A common stock to be beneficially owned by them after this offering, assuming that all of the Selling Stockholder Shares are sold in the offering.

The Selling Stockholder Shares sold in the offering shall be allocated pro rata among the selling stockholders. None of the Selling Stockholders are directors, officers, employees or affiliates of our company. None of the Selling Stockholder Shares were acquired in the 2016 Equity Private Placement or 2017 Equity Private Placement.

We will pay all of the expenses of the offering (other than the selling agents' discounts and commissions of 4% payable with respect to the Selling Stockholder Shares sold in the offering), but will not receive any of the proceeds from the sale of Selling Stockholder Shares in the offering. See *"Plan of Distribution."*

Name	Number of Shares Owned	% of Class A Common Stock Prior to Offering	Number of Shares To Be Sold in Offering	% of Class A Common Stock After to Offering
Quattro Holdings, LLC	64,504	6.3%	64,504	0%
Bertrand Faure	64,503	6.3%	64,503	0%
Trinity Credit Company, LLC	129,010	12.7%	129,010	0%

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, we have 1,249,090 shares of Class A common stock outstanding and 8,071,955 shares of Class B common stock outstanding. All of our Class B common stock is convertible into an equal number of shares of our Class A common stock at any time. The vast majority of our outstanding shares are subject to one or more of the lock-up agreements described in *"Description of Securities – Lock-Up Agreements."* Subject to the applicable lock-up agreements and Rule 144 (including volume restrictions applicable to affiliates of our company), all of these shares will be freely tradeable within 12 months after this offering.

Rule 144

A person who has beneficially owned restricted shares of common stock, preferred stock or Class W or Class Z warrants for at least six months would be entitled to sell their securities provided that (i) such person is not deemed to have been an affiliate of the subject company at the time of, or at any time during the three months preceding, a sale and (ii) the subject company is subject to the Exchange Act periodic reporting requirements for at least three months before the sale. Persons who have beneficially owned restricted shares of common stock for at least six months but who are an affiliate of the subject company at the time of, or any time during the three months preceding, a sale, would be subject to additional restrictions under which such person would be entitled to sell within any three-month period a number of shares that does not exceed the greater of either of the following:

- 1% of the number of shares of our Class A common stock then outstanding, which will equal 18,911 shares of Class A common stock immediately after this offering (or 34,910 shares of Class A common stock immediately after this offering if we sell all of the Shares and Additional Shares); and

- if our Class A common stock is listed on a national securities exchange, the average weekly trading volume of the shares of Class A common stock during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Giving effect to the conversion of all of our Class B common stock into Class A common stock, 1% of the number of shares of our Class A common stock outstanding immediately after this offering would be 99,630 shares (or 115,630 shares of Class A common stock immediately after this offering if we sell all of the Shares and Additional Shares).

Sales under Rule 144 are also limited by manner of sale provisions and notice requirements and to the availability of current public information about the subject company.

PLAN OF DISTRIBUTION

The Shares, Selling Stockholder Shares and Additional Shares are being sold through HCFP/Capital Markets LLC, _____ and _____ which have agreed to act as the joint bookrunning managers for this offering.

This is an offering of 900,000 shares of our Class A common stock comprised of up to (a) 641,983 Shares to be sold by us and (b) 258,017 Selling Stockholder Shares that may be sold by certain of our non-management, non-affiliated existing stockholders. None of our officers, directors, or affiliates is selling any securities in this offering.

We will have the option to sell up to 1,600,000 Additional Shares, if all of the Offering Shares have been sold in the offering. There is no minimum number of Offering Shares that we must sell in order to conduct a closing in this offering.

The joint bookrunning managers are not purchasing any of the Offering Shares or Additional Shares and are not required to sell any specific number or dollar amount of securities, but will instead arrange for the sale of securities to investors on a “best efforts” basis, meaning that they need only use their best efforts to sell the securities. The joint bookrunning managers may sell some of the Offering Shares and Additional Shares through selected dealers.

The offering price of the Offering Shares and Additional Shares was determined by the joint bookrunning managers and us. This determination was done without reference to our book value or asset values or by the application of any customary, established models for valuing companies or securities. Accordingly, the offering price may not be indicative of any amounts you might receive should you seek to sell your shares or should there be a liquidation of our company. In addition, such prices are not necessarily indicative of any prices at which our securities may trade, or any value that might be ascribed to our company after the completion of the offering.

Our officers and directors shall be entitled to purchase Offering Shares in the offering. Any such purchases shall be conducted in compliance with the applicable provisions of Regulation M.

Procedures for Subscribing

We plan to market this offering to potential investors through the joint bookrunning managers This offering will terminate on _____, 2017, subject to extension for up to ninety (90) days with the mutual consent of us and the joint bookrunning managers. We will hold an initial closing on any number of Offering Shares at any time during the Offering Period when we and the joint bookrunning managers determine and thereafter may hold one or more additional closings until we determine to cease having any additional closings during the Offering Period. We will close on proceeds based upon the order in which they are received. No closing will be conducted unless we have been approved for listing on the Nasdaq Global Market or Nasdaq Capital Market, although we will elect to delay listing and trading thereon until after the final closing of the offering. We and the joint bookrunning managers will consider various factors in determining the timing of any additional closings following the initial closing, including the amount of proceeds received at the initial closing and any prior additional closings, and coordination with the commencement of our listing on Nasdaq.

The Company is utilizing an online platform operated by Folio Investments, Inc. ("Folio"), a Financial Industry Regulatory Authority ("FINRA") member and SEC-registered clearing broker-dealer, in connection with the offering. Folio is not affiliated with the Company. Investors who are purchasing their Offering Shares and Additional Shares through their broker which is a selected dealer for this offering can use their account with such broker. We shall pay Folio escrowless closing and book entry fees equal to 0.7% of the gross proceeds from the sale of Offering Shares and Additional Shares through Folio and a platform fee equal to 0.3% of the gross proceeds from the sale of Offering Shares and Additional Shares through Folio.

To purchase Offering Shares and Additional Shares in the offering through the Folio platform, a prospective investor must have a brokerage account with Folio. Using the online Folio platform, prospective investors will be able to access and view offering materials, including the offering circular, and submit subscription requests to purchase Offering Shares and Additional Shares in the offering. When submitting a subscription request, a prospective investor will be required to agree to various terms and conditions by checking boxes and will be required to review and electronically sign any necessary documents.

Prospective investors utilizing the Folio platform must deposit the funds intended for the purchase of Offering Shares and Additional Shares in the offering in their Folio accounts. The funds can be provided by check, wire, Automated Clearing House ("ACH") push, ACH pull, direct deposit, Automated Customer Account Transfer Service ("ACATS") or non-ACATS transfer. The funds that are deposited will remain at Folio in the investors’ accounts pending instructions to release the funds to the Escrow Agent named below when all conditions and contingencies relating to the offering have been met. Until such conditions and contingencies have been met and a closing occurs, the funds are owned and controlled by the prospective investors. The funds in the prospective investors’ Folio accounts are swept into FDIC-insured bank accounts on a daily basis as part of Folio’s cash sweep program until the conditions and contingencies of the offering are satisfied and the offering closes. This process, under which the prospective investors’ funds remain in accounts at Folio until a closing of the offering occurs, complies with Exchange Act Rule 15c2-4 pursuant to a no-action letter provided to Folio by the staff of the Securities and Exchange Commission dated July 15, 2015.

After all conditions and contingencies for a closing have been met, the Company will notify Folio and other brokers holding funds when it will conduct such closing. All such funds will then be transferred, if not previously transferred, to an escrow account with Continental Stock Transfer & Trust Co., Inc. (“Continental” or the “Escrow Agent”) until the earlier of the date of a closing with respect to such proceeds (at which time such proceeds shall be used to complete share purchases in the offering) and the end of the Offering Period (at which time, such proceeds shall be returned to the applicable investors without interest or deduction). Pursuant to Rule 15c2-4, unless there is a closing with respect to escrowed proceeds in the offering, we will not have any access to such proceeds. We may begin accepting investment proceeds into escrow at any time beginning two days after this offering circular has been qualified by the Commission. After a closing, Folio and other brokers will thereafter send trade confirmations to the investors.

We may decide to close the offering early or cancel it, in our sole discretion. If we extend the offering, we will provide that information in an amendment to this offering circular. If we close the offering early or cancel it, we may do so without notice to you, although if we cancel the offering all funds that may have been provided by any investors will be promptly returned without interest or deduction.

Prior to this offering, there has been no public market for our common stock. We have applied to have our Class A common stock listed on the Nasdaq Global Market under the symbol CSSE no later than the final closing of this offering. If our Class A common stock is not approved for listing on the Nasdaq Global Market, we expect our Class A common stock will be listed on the Nasdaq Capital Market. We cannot guarantee that our securities will be approved for listing on Nasdaq. We currently meet the financial listing requirements for the Nasdaq Capital Market. Giving effect to the sale of all of the Shares and at least 220,000 Additional Shares in the offering, we expect we will meet the financial listing requirements for the Nasdaq Global Market.

Discounts, Commissions and Expenses

We will pay the joint bookrunning managers an aggregate discount and commission equal to % of the gross proceeds of the sale of Shares and Additional Shares in the offering sold by the Company and the Selling Stockholders will pay 4% of the gross proceeds on the sale of Selling Stockholder Shares. If the joint bookrunning managers sell any Offering Shares and Additional Shares through selected dealers, they may remit a portion of their fee to such dealers. We have also paid the joint bookrunning managers a retainer of $25,000 and will pay an additional retainer of $25,000 upon qualification of the offering statement.

We will pay the joint bookrunning managers an aggregate non-accountable expense allowance equal to 2% of the gross proceeds of the sale of Offering Shares and Additional Shares in the offering. In addition, we shall be responsible for and pay all expenses relating to the offering, including, without limitation, (a) all filing fees and expenses relating to the registration of the Shares and Additional Shares to be sold in the offering with the SEC and the filing of the offering materials with FINRA, as applicable; (b) all fees and expenses relating to the listing of our shares of Class A common stock on Nasdaq; (c) all fees and expenses relating to the registration or qualification of the Offering Shares (and any Additional Shares); as required under the “blue sky” laws, including the fees of counsel selected by us; (d) all fees payable to Folio (other than discounts and commissions related to Folio in its capacity as a dealer, which shall be paid by the joint bookrunning managers from their commissions); (e) the costs of all mailing and printing of the offering documents; (f) the costs of preparing, printing and delivering certificates representing such securities; (g) fees and expenses of the transfer agent for such shares; (h) our road show expenses; and (i) the fees and expenses of our accountants and the fees and expenses of our legal counsel and other agents and representatives.

Agency Agreement and Related Matters

The agreement between us and the joint bookrunning managers provides that the respective obligations of the parties are subject to certain customary conditions precedent, including the absence of any material adverse changes in our business and the receipt by the joint bookrunning managers of certain customary legal opinions, letters and certificates prior to the completion of the offering.

The joint bookrunning managers are underwriters of this offering within the meaning of Section 2(a)(11) of the Securities Act and any commissions received by them may be deemed to be underwriting compensation. The joint bookrunning managers will be required to comply with the requirements of the Securities Act and the Exchange Act, including, without limitation, Rule 10b-5 and Regulation M under the Exchange Act.

We have agreed to indemnify the joint bookrunning managers against certain liabilities, including liabilities under the Exchange Act. We have also agreed to contribute to payments the joint bookrunning managers may be required to make in respect of such liabilities.

Offer Restrictions Outside the United States

Other than in the United States, no action has been taken by us or the joint bookrunning managers that would permit a public offering of the securities offered by this offering circular in any jurisdiction where action for that purpose is required. The securities offered by this offering circular may not be offered or sold, directly or indirectly, nor may this offering circular or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction outside of the U.S., except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this offering circular comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this offering circular. This offering circular does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this offering circular in any jurisdiction in which such an offer or a solicitation is unlawful.

LEGAL MATTERS

The validity of the securities offered in this offering circular are being passed upon for us by Graubard Miller, New York, New York. Greenberg Traurig, McLean, Virginia, is acting as counsel for the joint bookrunning managers in this offering. Graubard Miller and certain of its partners and family members own equity interests in CSS Holdings, our ultimate parent company, and in CSS Entertainment. Certain partners of Graubard Miller and their affiliates participated in our Debt Placement and 2017 Equity Private Placement. An affiliate of HCFP/Capital Markets owns certain equity interests in CSS Holdings. Certain affiliates of HCFP/Capital Markets participated in our Debt Private Placement, 2016 Equity Private Placement and 2017 Equity Private Placement. Graubard Miller has, from time to time, represented HCFP/Capital Markets and its affiliates in legal matters unrelated to our company or this offering.

EXPERTS

The financial statements of CSS Entertainment and predecessor included in this offering circular and elsewhere in the offering statement of which this offering circular forms a part have been so included in reliance upon the report of Rosenfield and Company, PLLC, independent registered public accountants, upon the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a Regulation A Offering Statement on Form 1-A, which includes exhibits, schedules and amendments, under the Securities Act, with respect to this offering of securities. Although this offering circular, which forms a part of the Form 1-A, contains all material information included in the Form 1-A, parts of the Form 1-A have been omitted as permitted by rules and regulations of the SEC. We refer you to the Form 1-A and its exhibits for further information about us, our securities and this offering. The Form 1-A and its exhibits, as well as each of our other reports filed with the SEC, can be inspected and copied at the SEC's public reference room at 100 F. Street, N.E., Washington, D.C. 20549. The public may obtain information about the operation of the public reference room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains a website at http://www.sec.gov which contains the Form 1-A and other reports, proxy and information statements and information regarding issuers that file electronically with the SEC.

FINANCIAL INFORMATION SECTION
Chicken Soup for the Soul Entertainment, Inc.
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended December 31, 2016 and 2015

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders of
Chicken Soup for the Soul Entertainment, Inc.

We have audited the accompanying consolidated balance sheets of Chicken Soup for the Soul Entertainment Inc. as of December 31, 2016 and 2015, and the related consolidated statements of operations, stockholders' equity, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Chicken Soup for the Soul Entertainment Inc. as of December 31, 2016 and 2015, and the consolidated results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

/s/ ROSENFIELD AND COMPANY, PLLC

Orlando, Florida
May 15, 2017

Chicken Soup for the Soul Entertainment, Inc.
Consolidated Balance Sheets
As of December 31, 2016 and 2015

	2016	2015
ASSETS		
Cash and cash equivalents	$ 507,247	$ 4,078
Accounts receivable, net	151,417	-
Prepaid expenses	216,397	16,198
Intangible asset - video content license	5,000,000	-
Prepaid distribution fees	592,786	-
Due from affiliated companies	1,372,517	2,111,556
Programming costs, net	3,977,553	951,069
Total assets	$ 11,817,917	$ 3,082,901
LIABILITIES AND STOCKHOLDERS' EQUITY/MEMBERS' DEFICIT		
Senior secured notes payable, net of unamortized debt discount of $318,992 and unamortized deferred financing costs of $40,902 as of December 31, 2016	$ 2,610,106	$ -
Senior secured notes payable to related party under revolving line of credit, net of unamortized debt discount of $160,667 and unamortized deferred financing costs of $2,845 as of December 31, 2016	3,316,488	-
Accounts payable and accrued expenses	694,368	23,030
Accrued programming costs	1,061,980	-
Deferred tax liability, net	439,000	-
Deferred revenue	71,429	3,500,000
Total liabilities	8,193,371	3,523,030
Commitments and contingencies		
Members' deficit	-	(440,129)
Stockholders' equity:		
Preferred stock, $.0001 par value, 10,000,000 shares authorized; none issued or outstanding	-	-
Class A Common stock, $.0001 par value, 70,000,000 shares authorized; 893,369 shares issued and outstanding	89	-
Class B Common stock, $.0001 par value, 20,000,000 shares authorized; 8,071,955 shares issued and outstanding	807	-
Additional paid-in capital	4,074,646	-
Accumulated deficit	(450,996)	-
Total stockholders' equity	3,624,546	-
Total liabilities and stockholders' equity/members' deficit	$ 11,817,917	$ 3,082,901

The accompanying notes are an integral part of the consolidated financial statements.

Chicken Soup for the Soul Entertainment, Inc.
Consolidated Statements of Operations
For the Years Ended December 31, 2016 and 2015

	2016	2015
Revenue:		
Television	$ 7,341,918	$ 1,506,818
Online	776,714	-
Total revenue	8,118,632	1,506,818
Cost of revenue	3,155,668	653,795
Gross profit	4,962,964	853,023
Operating expenses:		
Selling, general and administrative (including $1,542,044 and $792,000 of non-cash share-based compensation expense in 2016 and 2015, respectively)	2,370,912	1,327,749
Management and license fees due to affiliate	811,863	278,750
Total operating expenses	3,182,775	1,606,499
Operating income (loss)	1,780,189	(753,476)
Interest income	13	13
Interest expense (including non-cash amortization of debt discount of $383,712 and amortization of deferred financing costs of $40,859 in 2016)	(560,069)	-
Income (loss) before income taxes	1,220,133	(753,463)
Provision for income taxes	439,000	-
Net income (loss)	$ 781,133	$ (753,463)
Net income (loss) per common share:		
Basic net income (loss) per common share	$ 0.09	$ (0.09)
Diluted net income (loss) per common share	$ 0.09	$ (0.09)
Weighted average basic shares outstanding	8,835,930	8,760,000
Weighted average diluted shares outstanding	8,996,636	8,760,000

The accompanying notes are an integral part of the consolidated financial statements.

Chicken Soup for the Soul Entertainment, Inc
Consolidated Statements of Stockholders' Equity/Members' Deficit
For the Years Ended December 31, 2016 and 2015

	Common Stock					Additional			
	Class A			Class B					
	Preferred Stock	Shares	Par Value	Shares	Par Value	Paid-In Capital	Members' Deficit	Accumulated Deficit	Total
Balance, January 1, 2015 **(1)**	$ -	-	$ -	-	$ -	$ -	$ (478,666)	$ -	$ (478,666)
Fair value of Class B membership interest issued to Trema in exchange for contract rights	-	-	-	-	-	-	792,000	-	792,000
Net loss	-	-	-	-	-	-	(753,463)	-	(753,463)
Balance, December 31, 2015	-	-	-	-	-	-	(440,129)	-	(440,129)
Recapitalization as successor to the operations of Chicken Soup for Soul Productions, LLC	-	-	-	8,600,568	860	-	1,232,129	(1,232,129)	860
Shares issued in exchange of Class B membership interest to Trema pursuant to recapitalization	-	-	-	159,432	16	792,000	(792,000)	-	16
Sale of Class A Common Stock, net of stock issuance costs of $197,600	-	178,660	17	-	-	877,234		-	877,251
Fair value of warrants issued with Term Notes	-	-	-	-	-	553,192		-	553,192
Fair value of warrants issued with Credit Facility	-	-	-	-	-	310,179		-	310,179
Former executive officer exchange of Class B shares for Class A shares pursuant to severance agreement	-	430,028	43	(430,028)	(43)	-		-	-
Fair value of Class A shares issued to former executive officer pursuant to severance agreement	-	-	-	-	-	1,436,294		-	1,436,294
Shares issued to directors and others for services rendered	-	26,664	3	-	-	105,747		-	105,750
Conversion of Class B shares to Class A shares upon sale by minority stockholder		258,017	26	(258,017)	(26)	-		-	-
Net income	-	-	-	-	-	-		781,133	781,133
Balance, December 31, 2016	$ -	893,369	$ 89	8,071,955	$ 807	$ 4,074,646	$ -	$ (450,996)	$ 3,624,546

(1) Consists of pre-formation operating expenses of $478,666 for the year ended December 31, 2014. Also includes Class A member interests and Class B member interests with a book value of $0.

The accompanying notes are an integral part of the consolidated financial statements.

Chicken Soup for the Soul Entertainment, Inc.
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2016 and 2015

	2016	2015
Cash flows from Operating Activities:		
Net income	$ 781,133	$ (753,463)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:		
Share-based compensation	1,542,044	792,000
Amortization of programming costs	3,155,668	646,295
Amortization of deferred financing costs	40,859	-
Amortization of original issue discount	383,712	-
Deferred income taxes	439,000	-
Changes in operating assets and liabilities:		
Trade accounts receivable	(151,417)	-
Prepaid expenses and other current assets	(200,199)	(16,198)
Programming costs	(5,120,254)	(1,597,364)
Prepaid distribution fees	(592,786)	-
Accounts payable and accrued expenses	671,338	23,031
Deferred revenues	(3,428,571)	3,500,000
Net cash (used in) provided by operating activities	(2,479,473)	2,594,301
Cash flows from Investing Activities:		
Purchase of video content license from affiliate	(5,000,000)	-
Net cash used in investing activities	(5,000,000)	-
Cash flows from Financing Activities:		
Proceeds from revolving credit facility	4,530,000	-
Repayments of revolving credit facility	(1,050,000)	-
Payment of deferred financing cost	(84,606)	-
Due from affiliated companies	739,039	(2,590,223)
Payment of stock issuance cost	(197,600)	-
Proceeds from notes payable	2,970,000	-
Proceeds from issuance of common stock	1,075,809	-
Net cash provided by (used in) financing activities	7,982,642	(2,590,223)
Net increase in cash and cash equivalents	503,169	4,078
Cash and cash equivalents at beginning of year	4,078	-
Cash and cash equivalents at end of year	$ 507,247	$ 4,078
Supplemental data:		
Interest paid	$ 110,092	$ -
Income taxes paid	$ -	$ -
Non-cash financing activities		
Fair value of warrants issued with notes and revolving credit	$ 863,370	$ -
Fair value of shares issued for Trema rights	$ 792,000	$ -

The accompanying notes are an integral part of the consolidated financial statements.

Note 1 – The Company and Nature of Operations

Chicken Soup for the Soul Entertainment, Inc. (the "Company") is a Delaware corporation formed on May 4, 2016. CSS Productions, LLC ("CSS Productions"), the Company's predecessor and immediate parent company, was formed in December 2014 by Chicken Soup for the Soul, LLC ("CSS"), a publishing and consumer products company, and initiated operations in January 2015. The Company was formed to create a discrete entity focused on video content opportunities using the *Chicken Soup for the Soul* brand (the "Brand"). The Brand is owned and licensed to the Company by CSS. Chicken Soup for the Soul Holdings, LLC ("CSS Holdings"), is the parent company of CSS and the Company's ultimate parent company.

The Company creates and distributes video content under the Brand. The Company has an exclusive, perpetual and worldwide license from CSS to create and distribute video content under the Brand (Notes 6 and 10).

In May 2016, pursuant to the terms of the contribution agreement among CSS, CSS Productions and the Company (the "CSS Contribution Agreement"), all video content assets (the "Subject Assets") owned by CSS, CSS Productions and their CSS subsidiaries were transferred to the Company in consideration for its issuance to CSS Productions of 8,600,568 shares of the Company's Class B common stock. Since the date of the CSS Contribution Agreement, CSS Production has transferred certain of these shares of Class B common stock to third parties in certain transactions (Note 8). Concurrently with the consummation of the CSS Contribution Agreement, certain rights to receive payments under certain agreements comprising part of the Subject Assets owned by Trema, LLC ("Trema"), a company principally owned and controlled by William J. Rouhana, Jr., the Company's chairman and chief executive officer, were assigned to the Company under a contribution agreement (the "Trema Contribution Agreement") in consideration for the Company's issuance to Trema of 159,432 shares or our Class B common stock (Note 8).

Thereafter, CSS Productions' operating activities substantially ceased and the Company continued the business operations of producing and distributing the video content.

Note 2 – Liquidity, Management's Plans and Business Risks

In order to accomplish its business objectives, the Company has raised capital through debt and equity offerings as described in Notes 7 and 8, and continues to raise capital subsequent to December 31, 2016. Funds raised and to be raised through debt and equity offerings, cash generated from operations, and together with the availability of funds under the Secured Revolving Line of Credit ("Credit Facility"), should enable the Company to meet its working capital needs for at least the next twelve months. The Company's ability to fund its longer term cash requirements is subject to multiple risks, many of which are beyond its control. Should additional funding be required, the Company may need to raise additional capital through the sale of equity or debt securities. Additional financing may not be available at all, or may only be available in amounts or on terms that may be unacceptable to the Company. Any failure to obtain additional financing may have a material adverse effect upon the Company's ability to grow, and as such, could result in a substantial reduction in the planned scope of the Company's operations.

Note 3 – Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

(a) The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary. The consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). All intercompany balances and transactions have been eliminated in consolidation.

(b) As described in Note 1, *The Company and Nature of Operations*, CSS Productions began operations during January 2015. CSS first contemplated commercially selling its video content during 2014, prior to the formation of CSS Productions in December 2014. As such, and in accordance with Staff Accounting Bulletin Topic 1 B, opening members' deficit as of January 1, 2015 includes $478,666 of pre-formation allocated expenses for the year ended December 31, 2014. The pre-formation allocated expenses were derived from the financial statements of CSS, based on allocations of costs incurred attributable to the development of the video content business prior to the formation of the Company.

(c) As of December 31, 2016, the Company operates in one business segment, the production and distribution of video content, and currently operates solely in the United States. The Company is an early stage and emerging growth company and, as such, the Company is subject to all of the risks associated with early stage and emerging growth companies.

Use of Estimates

The preparation of financial statements in conformity with GAAP 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 expense during the reporting period. The Company's significant estimates include those related to revenue recognition, accounts receivable allowances, intangible assets, share-based compensation expense, income taxes and programming costs. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with original maturities of three months or less and consist primarily of money market funds. Such investments are stated at cost, which approximates fair value.

Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To increase the comparability of fair value measurements, a three-tier fair value hierarchy, which prioritizes the inputs used in the valuation methodologies, is as follows:

Level 1—Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2—Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3—Valuations based on unobservable inputs reflecting our own assumptions. These valuations require significant judgment and estimates.

At December 31, 2016 and 2015, the fair value of the Company's financial instruments including cash and cash equivalents, accounts receivable, accounts payable and accrued expenses and accrued programming costs, approximated their carrying value due to the short-term nature of these instruments.

Accounts Receivable

Accounts receivable are stated at the amounts management expects to collect. An allowance for doubtful accounts is recorded based on a combination of historical experience, aging analysis and information on specific accounts. Account balances are written off against the allowance after all means of collections have been exhausted and the potential for recovery is considered remote. Accounts are considered past due or delinquent based on contractual terms and how recently payments have been received. At December 31, 2016 and 2015, an allowance for uncollectible accounts was not considered necessary.

Programming Costs

Programming costs include the unamortized costs of completed, in-process, or in-development long-form and short-form video content. For video content, the Company's capitalized costs include all direct production and financing costs, capitalized interest when applicable, and production overhead.

The costs of producing video content are amortized using the individual-film-forecast method. These costs are amortized in the proportion that current period's revenue bears to management's estimate of ultimate revenue expected to be recognized from each production.

For an episodic television series, the period over which ultimate revenue is estimated cannot exceed ten years following the date of delivery of the first episode, or, if still in production, five years from the date of delivery of the most recent episode, if later.

Programming costs are stated at the lower of amortized cost or estimated fair value. The valuation of programming costs is reviewed on a title-by-title basis, when an event or change in circumstances indicates that the fair value may be less than its unamortized cost and the valuation is based on a discounted cash flows ("DCF") methodology with assumptions for cash flows. Key inputs employed in the DCF methodology include estimates of a program's ultimate revenue and costs as well as a discount rate. The discount rate utilized in the DCF is based on the weighted average cost of capital of the Company plus a risk premium representing the risk associated with producing a particular program. The Company performs an annual impairment analysis for unamortized programming costs. An impairment charge is recorded in the amount by which the unamortized costs exceed the estimated fair value. Estimates of future revenue involve measurement uncertainties and it is therefore possible that reductions in the carrying value of programming costs may be required as a consequence of changes in management's future revenue estimates.

Included in cost of revenue in the consolidated statements of operations for 2016 and 2015, is amortization of programming costs totaling $3,155,668 and $646,295, respectively. There was no impairment charge recorded in 2016 and 2015.

Income Taxes

The Company was formed on May 4, 2016 as a Sub-Chapter C corporation for federal and state tax purposes. As such, the Company will file its first tax return for the year ended December 31, 2016. CSS Productions has elected to be treated as a partnership for federal and state income tax purposes and, accordingly, no provision is made for income taxes for the taxable income included in the Company's consolidated results of operations. CSS Productions has not been audited by the taxing authorities since its formation. If taxable income is adjusted as a result of an audit, then CSS Productions may be required to make distributions to satisfy its members' tax obligations. Any such distributions would not be made from, or be the responsibility of, the Company.

The Company records income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred taxes are also recognized for operating losses that are available to offset future taxable income. A valuation allowance is established, when necessary, to reduce deferred tax assets to the amount expected to be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be realized or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company accounts for uncertain tax positions in accordance with the authoritative guidance issued by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 740 *Income Taxes*, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return, should be recorded in the financial statements. Pursuant to the authoritative guidance, the Company may recognize the tax benefit from an uncertain tax position only if it meets the "more likely than not" threshold that the position will be sustained on examination by the taxing authority, based on the technical merits of the position or expiration of statutes. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. In addition, the authoritative guidance addresses de-recognition, classification, interest and penalties on income taxes, accounting in interim periods, and also requires increased disclosures. The Company includes interest and penalties related to its uncertain tax positions as part of income tax expense within its consolidated statement of operations. At December 31, 2016 and 2015, the Company did not have any unrecognized tax benefits or liabilities. See Note 9 *Income Taxes* for additional information.

Long-Lived Assets

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. If the sum of the expected future cash flows, undiscounted and without interest, is less than the carrying amount of the asset, an impairment loss is recognized as the amount by which the carrying amount of the asset exceeds its fair value.

Revenue Recognition

The Company recognizes revenue from the production and distribution of television programs and short-form video content in accordance with Accounting Standards Codification Topic 926: *Entertainment – Films* ("ASC 926") as amended. Revenue is recognized when persuasive evidence of an arrangement exists, the fee is fixed and determinable, delivery has occurred, and collection of the resulting receivable is deemed probable. For episodic television programs, revenue is recognized as each episode becomes available for delivery or becomes available for broadcast, and for short-form online videos, revenue is recognized when the videos are posted to a website for viewing. Revenue from the distribution of short-form online media content is included in online revenue in the accompanying consolidated statements of operations.

Revenue generated under the distribution agreement with A Plus (See Note 10) will be reported on the net basis as the Company earns a commission on the distribution of A Plus' content.

Cash advances are recorded as deferred revenue until all the conditions of revenue recognition have been met.

For the year ended December 31, 2015, the Company received a $75,000 non-refundable deposit pursuant to an option agreement for a feature film, which is included in television revenue in the consolidated statement of operations. The option agreement has expired.

Share-based Payments

The Company accounts for share-based payments in accordance with ASC 718: Share-based compensation, which establishes the accounting for transactions in which an entity exchanges its equity instruments for goods or services. Under the provisions of the authoritative guidance, share-based compensation expense is measured at the grant date, based on the fair value of the award, and is recognized as an expense over the requisite service period, net of estimated forfeitures. Shares issued for services are based upon current selling prices of the Company's Class A common stock or independent valuations. The Company estimates the fair value of share-based instruments, options, etc., using the Black-Scholes option-pricing model. For the year ended December 31, 2016, share-based awards were issued to a former officer of the Company, non-employee directors and individuals for services rendered and were recorded at their fair value. All share-based awards were fulfilled with new shares of Class A common stock.

Advertising Costs

Advertising costs are expensed as incurred. The Company did not incur any advertising costs for the years ending December 31, 2016 and 2015.

Earnings Per Share

Basic earnings or loss per common share is computed based on the weighted average number of shares of all classes of common stock outstanding. Diluted earnings per common share is computed based on the weighted average number of common shares outstanding increased by dilutive common stock equivalents, comprised of Class W Warrants outstanding (the "Warrant Shares").

Basic and diluted net earnings or loss per common share assumes that Class B common stock of the Company issued pursuant to the Contribution Agreement and the resulting recapitalization of the Company is issued and outstanding for all periods presented (as of January 1, 2015). See Notes 1 and 8. As a result, the basic weighted average shares outstanding used in the computation is 8,835,930 and 8,760,000 for the year ended December 31, 2016 and 2015, respectively.

For the year ended December 31, 2016, diluted weighted average shares outstanding gives effect to the Warrant Shares issued between May 2016 and December 2016, as if they were issued and outstanding on January 1, 2016.

In applying the treasury stock method, the Company assumed a share price of $12 per share based on the estimated offering price of its Class A common stock. As a result, 160,706 incremental shares were added to the weighted average basic shares outstanding to arrive at 8,996,636 weighted average diluted shares outstanding for the year ended December 31, 2016. No Class W Warrants were issued and outstanding for the year ended December 31, 2015.

Concentration of Credit Risk

The Company maintains cash balances at its bank. Accounts for each entity are insured by the Federal Deposit Insurance Corporation subject to certain limitations. At various times during the fiscal year, the Company's cash in bank balances exceeded the federally insured limits. The uninsured balance is immaterial.

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash in bank, revenue and accounts receivable. Concentrations of credit risk with respect to accounts receivable and revenue are significant due to the small number of customers comprising the Company's customer base.

For the year ended December 31, 2016, the Company had three customers that accounted for 94% of total revenue (the largest of which accounted for 46%), and for the year ended December 31, 2015, the Company had one customer that accounted for 95% of total revenue. As of December 31, 2016 and 2015, the Company had one customer in each year that accounted for all of its accounts receivable.

JOBS Act Accounting Election

The Company is an "emerging growth company," as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. The Company has irrevocably elected to avail itself of this exemption from new or revised accounting standards, and, therefore, will not be subject to the same new or revised accounting standards as public companies that are not emerging growth companies.

Recently Issued Accounting Pronouncements

(*a*) In May 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)" ("ASU 2014-09"). ASU 2014-09 removes inconsistencies and differences in existing revenue requirements between GAAP and International Financial Reporting Standards ("IFRS") and requires a company to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Once effective, ASU 2014-09 can be applied retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initial adoption recognized at the date of initial application.

In March 2016, the FASB issued ASU 2016-08, "Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)" ("ASU 2016-08"). The amendments in ASU 2016-08 clarify the implementation guidance on principal versus agent considerations. In April 2016, the FASB issued ASU 2016-10, "Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing" ("ASU 2016-10"). The amendments in ASU 2016-10 clarify aspects relating to the identification of performance obligations and improve the operability and understandability of the licensing implementation guidance. In May 2016, the FASB issued ASU 2016-12, "Update 2016-12—Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients" ("ASU 2016-12"). The amendments in ASU 2016-12 address certain issues identified on assessing collectability, presentation of sales taxes, noncash consideration, and completed contracts and contract modifications at transition. The effective date for all ASUs noted above for public companies is annual and interim reporting periods beginning after December 15, 2017. For private companies, the effective date is annual and interim periods beginning after December 15, 2018. The Company is currently evaluating the impact these ASUs will have on its consolidated financial statements.

(b) In January 2016, the FASB issued ASU 2016-01, "Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities" ("ASU 2016-01"). The amendments in ASU 2016-01 address certain aspects of recognition, measurement, presentation and disclosure of financial instruments. ASU 2016-01 is effective for the Company for annual and interim reporting periods beginning after December 15, 2017. The Company is currently evaluating the impact ASU 2016-01 will have on its consolidated financial statements.

(c) In February 2016, the FASB issued ASU 2016-02, "Leases" (Topic 842) ("ASU 2016-02"). The amendments in ASU 2016-02 address certain aspects in lease accounting, with the most significant impact for lessees. The amendments in ASU 2016-02 require lessees to recognize all leases on the balance sheet by recording a right-of-use asset and a lease liability, and lessor accounting has been updated to align with the new requirements for lessees. The new standard also provides changes to the existing sale-leaseback guidance. ASU 2016-02 is effective for the Company for annual and interim reporting periods beginning after December 15, 2019. The Company is currently evaluating the impact ASU 2016-02 will have on its consolidated financial statements.

(d) In March 2016, the FASB issued ASU 2016-09, "Compensation—Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting" ("ASU 2016-09"). The amendments in ASU 2016-09 address several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. ASU 2016-09 is effective for the Company for annual and interim reporting periods beginning after December 15, 2017. The Company is currently evaluating the impact ASU 2016-09 will have on its consolidated financial statements.

Note 4 – Episodic Television Programs

(a) In September 2014, CSS and a charitable foundation (the "Foundation"), on whose advisory board the Company's chief executive officer sits, entered into an agreement under which the Foundation agreed to sponsor a Saturday morning family television show (See Note 10, *Related Party Transactions*). The Foundation is a not-for-profit charity that promotes tolerance, compassion and respect. In October 2015, the first season of *Chicken Soup for the Soul's Hidden Heroes* ("*Hidden Heroes*"), a half-hour hidden-camera family friendly show, premiered on the CBS Television Network ("CBS"). The *Hidden Heroes* slate is comprised of 26 episodes (22 originals and four "best ofs") that aired weekly in its initial season of 52 consecutive weekly time slots ("HH-1"). At December 31, 2016, *Hidden Heroes* is airing its second season on CBS, sponsored by the Foundation ("HH-2"). The Foundation has agreed to fund *Hidden Heroes* for a third, 26-episode/52-week season, with possible commitments for up to two additional seasons thereafter.

In accordance with ASC 926, the Company recognizes revenue for the *Hidden Heroes* series as the episodes become available for delivery and broadcast. For the year ended December 31, 2016, 13 original episodes of HH-1 and 11 original episodes of HH-2 either aired on CBS or the content was available for broadcast. For the year ended December 31, 2015, nine original episodes of HH-1 aired on CBS or the content was available for broadcast.

In December 2014, CSS Productions entered into a co-production and distribution agreement with Litton Entertainment ("Litton") whereby Litton provided all co-production services for HH-1 for a turn-key fee (the "Co-Production Fee"). The Co-Production fee was payable to Litton, based on the completion and delivery of the episodes. In addition, Litton agreed to make available within its Saturday morning programming block on CBS, time slots approved by CSS Productions to air HH-1. In April 2016, Litton exercised its option to produce HH-2 under similar terms and conditions as HH-1. Litton has an option, if the Company agrees, to extend the *Hidden Heroes* series, including spin-off's, for additional seasons.

(b) In September 2015, CSS Productions received corporate sponsorship funding from a company (the "Sponsor"), to develop the Company's second episodic television series entitled *Project Dad, a Chicken Soup for the Soul Original* ("*Project Dad*"). *Project Dad* presents three busy celebrity dads as they put their careers on the "sidelines" and get to know their children like never before.

The *Project Dad* slate is comprised of eight, one-hour episodes that aired weekly on Discovery Communications, LLC's Discovery Life network in November and December 2016. In addition, in January 2017, *Project Dad* began airing on Discovery Communications, LLC's TLC network. The Sponsor of *Project Dad* has agreed to fund a different parenting series, which is expected to air in the fourth quarter of 2017.

In May 2016, the Company's wholly owned subsidiary, BD Productions, LLC, entered into a production services agreement with BD Productions, Inc., a wholly owned subsidiary of DB Goldline Entertainment, Inc. ("BD Inc."), whereby BD Inc. would produce eight one-hour episodes to be included in the *Project Dad* series.

The production services agreement requires periodic payments to BD Inc. based on the production services budget for the show.

Note 5 – Programming Costs

Programming costs, net of amortization, consists of the following:

	December 31, 2016	December 31, 2015
Released, net of accumulated amortization of $3,801,963 and $646,295 in 2016 and 2015, respectively	$ 3,228,440	$ 688,576
In production	100,000	104,614
In development	649,113	157,879
	$ 3,977,553	$ 951,069

The Company expects that approximately 14% or $571,000 of the above programming costs will be amortized during the year ending December 31, 2017. The Company expects that 80% of the unamortized balance for released programming, or $2,583,000, will be amortized during the three years ending December 31, 2019. See Note 11, *Commitments and Contingencies.*

Note 6 – Intangible Asset - Video Content License

The Company has been granted a perpetual, exclusive license from CSS to utilize the Brand and related content, for visual exploitation on a worldwide basis ("Perpetual License"). In granting the Perpetual License, CSS required an initial purchase price of $5,000,000, which approximated its costs to CSS, and was paid by the Company during 2016. The Company has recorded the initial purchase price of the Perpetual License at the estimated cost to CSS in its consolidated balance sheet. See Note 10, *Related Party Transactions*.

Note 7 – Notes Payable and Secured Revolving Line of Credit

Notes Payable

Beginning in July 2016 and through December 31, 2016, the Company sold in a private placement ("Debt Private Placement") $2,970,000 aggregate principal amount of 5% senior secured term notes (the "Term Notes") and Class W warrants to purchase an aggregate of 252,450 shares of Class A common stock (the "Warrants").

The principal of the Term Notes (including all accrued, but unpaid interest thereon) is due on the earlier of (a) June 30, 2017 or (b) the third business day following consummation of (i) an initial public offering of the Company's common stock or (ii) mandatorily repaid at 101% of par value from any future equity offering (other than as a result of the exercise of the Warrants) resulting in gross proceeds of at least $7,000,000.

The Term Notes rank *pari passu* with the Credit Facility and senior to any existing or future indebtedness of the Company. The Term Notes are secured by a first priority security interest and lien in all tangible and intangible assets of the Company, subject to an intercreditor agreement with respect to the Credit Facility.

The Warrants are exercisable at $7.50 per share at any time prior to June 30, 2021 and are accounted for as equity warrants. The Warrants are callable under certain circumstances, but in no event prior to January 31, 2018.

The Term Notes and the Warrants are accounted for in accordance with Accounting Standards Codification Topic 470: *Debt* ("ASC 470") which provides, among other things, that the fair value is allocated between the debt and the related warrants. The fair value of the Warrants issued was determined to be $679,894 using the Black-Scholes option-pricing model and the relative fair value of the warrants was recorded as a discount to the Term Notes with a corresponding credit to additional paid-in capital. In determining the fair value the following assumptions were used from the date of issuance of the Warrants:

- a term range of 4.56 years to 4.98 years,
- a risk free interest rate range of .97% to 1.90%.
- expected volatility of 60%, and
- no expected dividend yield.

For the year ended December 31, 2016, amortization of the debt discount of $234,201, amortization of deferred financing costs of $37,304, and cash interest expense paid on the Term Notes of $50,727 is included in interest expense in the accompanying consolidated statement of operations.

Officers of the Company and of CSS, and their family members, have participated in the Debt Private Placements on the same terms and conditions as other investors (see Note 10, "*Related Party Transactions*". In addition, the Company continued to sell the Debt Private Placement subsequent to December 31, 2016 (see Note 12, "*Subsequent Events*").

Secured Revolving Line of Credit

On May 12, 2016, the Company entered into the Credit Facility with an entity controlled by its chief executive officer (the "Lender"). Under the original terms of the Credit Facility, the Company could borrow up to an aggregate of $3,000,000, which was increased to $3,500,000 on December 12, 2016 pursuant to an amendment ("Amendment 1"). Payment obligations under the Credit Facility are senior and secured by a first priority security interest in all assets of the Company subject to the intercreditor agreement with the Term Noteholders.

Advances made under the Credit Facility can be used for working capital and general corporate purposes, and were used in part, for payments due to CSS pursuant to the license agreement (Note 10). Borrowings under the Credit Facility bear interest at 5% per annum and an annual fee equal to 0.75% of the unused portion of the Credit Facility, payable monthly in arrears in cash. Principal obligations (and all accrued but unpaid interest thereon) was due on the earlier of (a) June 30, 2017 or (b) the third business day following consummation of (i) an initial public offering of the Company's common stock and (ii) any future debt or equity offering resulting in gross proceeds to the Company of at least $7,000,000 ("Maturity Date").

On January 24, 2017, the Maturity Date criteria was extended to June 30, 2018 by amendment ("Amendment 2") to the Credit Facility and the requirement for repayment upon the initial public offering of the Company's common stock or an equity offering resulting in gross proceeds to the Company of at least $7,000,000, was eliminated. The Credit Facility was further increased by amendment to $4,500,000 on March 27, 2017 ("Amendment 3"). See Note 12, "*Subsequent Events.*"

If payment obligations under the Credit Facility are still outstanding at the Maturity Date, or, if prior to the Maturity Date there is an event of default as prescribed by the Credit Facility, then, at the option of the Company, (a) all principal and interest may be exchanged into shares of Class A common stock of the Company on the same terms as the Company's most recently completed equity financing, provided, that under no circumstances shall the pre-money valuation used for this exchange be less than $52,560,000, (b) the Maturity Date of the Credit Facility may be extended by mutual agreement of the parties, and (c) all principal and interest will be paid in full. In connection with the Credit Facility, on May 12, 2016, the Company issued Class W warrants (the "Warrants") to the Lender to purchase an aggregate of 105,000 shares of the Company's Class A common stock at an exercise price of $7.50 per share.

On December 12, 2016, pursuant to Amendment 1, which increased the amount of the Credit Facility to $3,500,000, the Company issued an additional 17,500 Warrants to the Lender. On March 27, 2017, pursuant to Amendment 3, which increased the amount of the Credit Facility to $4,500,000, the Company issued an additional 35,000 Warrants to the Lender.

All Warrants issued to the Lender expire on May 12, 2021 and are accounted for as equity warrants.

The Credit Facility and the related Warrants are accounted for in accordance with ASC 470 which provides, among other things, that the fair value is allocated between the debt and the related warrants. The fair value of the Warrants issued during 2016 was determined to be $340,375 using the Black-Scholes option-pricing model and the relative fair value of the warrants was recorded as a discount to the Credit Facility with a corresponding credit to additional paid-in capital. In determining the fair value the following assumptions were used from the date of issuance of the Warrants:

- a term range of 4.55 years to 5.00 years,
- a risk free interest rate range of 1.22% to 1.90%.
- expected volatility of 60%, and
- no expected dividend yield.

For the year ended December 31, 2016, amortization of the debt discount of $149,511, amortization of deferred financing costs of $3,555 and cash interest expense paid on the Credit Facility of $81,703 is included in interest expense in the accompanying consolidated statement of operations. As of December 31, 2016, the balance payable by the Company under the Credit Facility was $3,480,000.

Note 8 – Stockholders' Equity and Members' Deficit

(a) **Equity Structure**

The Company is authorized to issue 70,000,000 shares of Class A common stock, par value $.0001 ("Class A Stock"), 20,000,000 shares of Class B common stock, par value $.0001 ("Class B Stock"), and 10,000,000 shares of preferred stock, par value $.0001. As of December 31, 2016, the Company has 893,369 shares of Class A Stock outstanding, 8,071,955 shares of Class B Stock outstanding and no shares of preferred stock outstanding. A general description of these securities is as follows:

Common Stock

Holders of Class A Stock and Class B Stock have identical voting rights, except that holders of Class A Stock are entitled to one vote per share and holders of Class B Stock are entitled to ten votes per share. Class A Stock and Class B Stock vote together as a single class on all matters (including the election of directors) submitted to a vote of stockholders, unless otherwise required by law or our charter documents. There is no cumulative voting with respect to the election of directors, with the result that the holders of more than 50% of the shares voted for the election of directors can elect all of the directors.

Holders of Class A Stock and Class B Stock shall be treated equally, identically and ratably, on a per share basis, with respect to any dividends or distributions as may be declared and paid from time to time by the board of directors out of any assets legally available thereof. Holders of common stock of the Company are not entitled to preemptive rights and are not subject to conversion, redemption or sinking fund provisions.

Subject to preferential or other rights of any holders of preferred stock then outstanding, upon the dissolution, liquidation or winding up of the Company, whether voluntary or involuntary, holders of Class A Stock and Class B Stock will be entitled to receive ratably all assets of the Company available for distribution to its stockholders unless disparate or different treatment of the shares with respect to distributions upon any such liquidation, dissolution or winding up is approved in advance by the affirmative vote (or written consent if action by written consent of stockholders is permitted at such time under the Company's Certificate of Incorporation) of the holders of a majority of the outstanding Class A Stock and Class B Stock, each voting separately as a class.

In the case of a merger or consolidation that results in any distribution or payment in respect of the shares of Class A Stock or Class B Stock upon such consolidation or merger with or into any other entity, or in the case of any other transaction having an effect on stockholders substantially similar to that resulting from a consolidation or merger, such distribution or payment shall be made ratably on a per share basis among the holders of Class A Stock and Class B Stock as a single class; provided, however, that shares of one such class may receive different or disproportionate distributions or payments in connection with such merger, consolidation or other transaction if (i) the only difference in the per share distribution to the holders of the Class A Stock and Class B Stock is that any securities distributed to the holder of a share of Class B Stock have ten times the voting power of any securities distributed to the holder of a share of Class A Stock, or (ii) such merger, consolidation or other transaction is approved by the affirmative vote (or written consent if action by written consent of stockholders is permitted at such time under the Company's Certificate of Incorporation) of the holders of a majority of the outstanding shares of Class A Stock and Class B Stock, each voting separately as a class.

The outstanding shares of Class B Stock are convertible at any time as follows: (1) at the option of the holder, a share of Class B Stock may be converted at any time into one share of Class A Stock or (2) upon the election of the holders of a majority of the then outstanding shares of Class B Stock, all outstanding shares of Class B Stock may be converted into shares of Class A Stock. Once converted into Class A Stock, the Class B Stock will not be reissued.

Preferred Stock

The certificate of incorporation of the Company currently authorizes the issuance of 10,000,000 shares of blank check preferred stock. The blank check preferred stock may be issued in the future by the Company's board of directors, without stockholder approval, with such designation, rights and preferences as it may be determined from time to time. Accordingly, such preferred stock could adversely affect the voting power or other rights of the holders of common stock.

Class W Warrants

As of December 31, 2016, the Company has a total of 428,548 Class W warrants (the "Warrants") outstanding. Each Warrant entitles the registered holder to purchase one share of Class A Stock at a price of $7.50 per share, subject to adjustment as discussed below. Each Warrant is exercisable at any time through June 30, 2021 at 5:00 p.m., New York City time.

If the Company's Class A Stock is traded, listed or quoted on any U.S. market or electronic exchange, and the closing per-share sales price of the Class A Stock for any twenty (20) trading days during a consecutive thirty (30) trading days period (the "Measurement Period") exceeds $15.00 (subject to adjustment for forward and reverse stock splits, recapitalizations, stock dividends and the like), then the Company may call for cancellation of all or any portion of the Warrants for which a notice of exercise has not yet been delivered for consideration equal to $.01 per Warrant, in accordance with the provisions of the Warrants. Notwithstanding anything to the contrary, we shall not make a call of the Warrants prior to January 31, 2018.

If the resale of the Class A Stock issuable upon exercise of the Warrants is not covered by an effective registration statement or an exemption from registration (a) at the time of a call by the Company of the Warrants as described above, (b) at any time the Class A Stock is traded, listed or quoted on a U.S. trading market or electronic exchange or (c) after January 31, 2018, the holders of the Warrants shall be afforded cashless exercise rights as further described in the Warrant agreement. In such event, each holder would pay the exercise price by surrendering the Warrants for that number of shares of common stock equal to the quotient obtained by dividing (x) the product of the number of shares of Class A Stock underlying the Warrants, multiplied by the difference between the exercise price of the Warrants and the "fair market value" (defined below) by (y) the fair market value. The "fair market value" for this purpose will mean the average reported last sale price of the shares of common stock for the ten trading days ending on the trading day prior to the date of exercise.

The right to exercise will be forfeited unless the Warrants are exercised prior to the date specified in the notice of redemption. On and after the redemption date, a record holder of a Warrant will have no further rights except to receive the redemption price for such Warrant upon surrender thereof.

The redemption criteria for the Warrants has been established at a price which is intended to provide holders a reasonable premium to the initial exercise price and provide a sufficient differential between the then-prevailing share price and the warrant exercise price so that if the share price declines as a result of a redemption call, the redemption will not cause the share price to drop below the exercise price of the Warrants.

The exercise price and number of shares of Class A Stock issuable on exercise of the Warrants may be adjusted in certain circumstances including in the event of a share dividend, extraordinary dividend or our recapitalization, reorganization, merger or consolidation. However, the Warrants will not be adjusted for issuances of shares of Class A Stock at a price below their respective exercise prices. Holders of the Warrants do not have the rights or privileges of holders of shares of common stock or any voting rights until they exercise the Warrants and receive shares of Class A Stock. After the issuance of shares of common stock upon exercise of the Warrants, each holder will be entitled to one vote for each share held of record on all matters to be voted on by stockholders. No fractional shares will be issued upon exercise of the Warrants. If, upon exercise of the Warrants, a holder would be entitled to receive a fractional interest in a share, we will, upon exercise, round up to the nearest whole number the number of shares of Class A Stock to be issued to the holder.

(b) **Equity Private Placements**

Beginning in June 2016 and through November, 2016, the Company sold in a private placement (the "2016 Equity Private Placement") a total of 17,096 units with aggregate proceeds of $1,025,760, consisting of an aggregate of 170,960 shares of Class A common stock and Warrants to purchase an aggregate of 51,288 shares of Class A common stock. The purchase price of each unit was $60 and each unit consisted of 10 shares of Class A common stock and 3 Warrants exercisable at $7.50 each. The Warrants are exercisable at any time prior to June 30, 2021 and are accounted for as equity warrants. The Warrants are callable under certain circumstances, but in no event prior to January 31, 2018.

Beginning in November 2016 and through December 31, 2016, the Company sold in a private placement (the "2017 Equity Private Placement") a total of 770 units with aggregate proceeds of $50,050 consisting of an aggregate of 7,700 shares of Class A common stock and Warrants to purchase an aggregate of 2,310 shares of Class A common stock. The purchase price of each unit was $65 and each unit consisted of 10 shares of Class A common stock and 3 Warrants exercisable at $7.50 each. The Warrants are exercisable at any time prior to June 30, 2021 and are accounted for as equity warrants. The Warrants are callable under certain circumstances, but in no event prior to January 31, 2018. The 2017 Equity Private Placement activity continued through March 2017 (See Note 12, "Subsequent Events").

Family members of officers of the Company and of CSS have participated in the 2016 Equity Private Placement and the 2017 Equity Private Placement on the same terms and conditions as other investors (see Note 10, "*Related Party Transactions*". In addition, the Company continued to sell the 2017 Equity Private Placement subsequent to December 31, 2016 (see Note 12, "*Subsequent Events*").

(c) **Contribution Agreements**

As described in Note 1, on May 12, 2016, pursuant to the terms of the Contribution Agreement, all of the Subject Assets owned by CSS, CSS Productions and CSS affiliates were transferred to the Company in consideration for the issuance to CSS Productions of 8,600,568 shares of Class B common stock. Since the date of the CSS Contribution Agreement, CSS Productions has transferred certain of these shares of Class B common stock to third parties in certain transactions.

Concurrently with the consummation of the CSS Contribution Agreement, certain rights to receive payments under certain agreements comprising part of the Subject Assets owned by Trema, a company principally owned and controlled by William J. Rouhana, Jr., the Company's chairman and chief executive officer, were assigned to the Company under the Trema Contribution Agreement.

In October 2015, Trema acquired certain rights held by a third party relating to the Subject Assets. Among the rights acquired by Trema, was the right to receive contractual payments from CSS or its affiliates for a period of time. The contractual cash payments were based on a fixed percentage of revenue less direct operating expenses resulting from television and film activities of CSS. As a result, CSS Productions exchanged 1.82% of Class B membership interests to Trema in full satisfaction of its projected liability for the contractual payments (the "Class B Exchange"). As of December 31, 2015, the Class B membership interests included in the Class B Exchange was determined to have a fair value of $792,000, based on an independent valuation of CSS Productions. As a result, the Company recorded share-based compensation expense during the year ended December 31, 2015 of $792,000, which is included in selling, general and administrative expense in the accompanying consolidated statement of operations.

Concurrently with the consummation of the CSS Contribution Agreement, the rights held by Trema to the Subject Assets were assigned to the Company in consideration for the issuance of 159,432 shares of Class B common stock valued at $792,000. Such Class B common stock has certain demand and piggyback registration rights with respect to these shares that would be effective only after an initial public offering of common stock by the Company.

(d) **Members' Deficit and Equity Exchange**

As described in Note 3, CSS Productions was formed in December 2014 and began operations in January 2015. During the period September 2014 through January 2015, CSS hired an individual to assist in developing a plan for the future of its television and film business, and based on that plan, to become a co-founder of CSS Productions (the "Co-Founder"). The related costs of the Co-Founder have been included in the costs allocated by CSS to pre-formation expenses and are included in opening members' deficit as of January 1, 2015.

On February 13, 2015, CSS Productions and CSS entered into an agreement with the Co-Founder whereby he became an executive officer ("EO") of CSS Productions. On that date, CSS Productions issued a Class B membership award (the "Founder Award") to the EO that contained provisions that required the EO to return certain amounts of the Founder Award if he left the Company prior to the completion of five years with CSS Productions. The Founder Award, if it had become fully earned, would have represented an aggregate of 10% profits interest in the CSS Productions, subject to future dilution along with CSS Productions.

Management determined that the Founder Award issued to the EO had minimal value when issued as the business plan had not been developed, CSS Productions had not as yet obtained the right to exploit the video content, and no material revenue had been recorded.

In July 2016, the EO and CSS Productions agreed that the EO's last day of employment would be July 31, 2016. As a result, the EO and the Company agreed that the EO would receive 50% of the Founder Award as severance even though he had not vested in any portion of the profits interest. Further, CSS agreed to exchange the 50% retained for Class B membership interests that CSS owned in CSS Productions.

Effective July 31, 2016, the Company entered into an exchange agreement with the EO, in which he exchanged all membership interests in CSS Productions which had been issued to him by CSS, for 430,028 shares of the Company's Class B common stock then owned by CSS Productions. The EO simultaneously elected to convert the Class B common stock into a like number of shares of the Company's Class A common stock. There are certain piggyback registrations rights with respect to these shares that would be effective only after an initial public offering of common stock by the Company. The fair value of the shares was determined to be $1,436,294 based on an independent valuation of the Company's shares and is included in selling, general and administrative expense in the statement of operations for the year ended December 31, 2016, with a corresponding credit to additional paid-in capital.

On September 30, 2015, CSS made a charitable donation of 6% of the membership interests it owned in CSS Productions to the Foundation. After this donation, CSS owned 94% of the Class A membership interests in CSS Productions. The Company's chairman and chief executive officer is a member of the Foundation's advisory board.

Note 9 – Income Taxes

The provision for income taxes consists of the following:

	December 31,	
	2016	2015
Current tax provision:		
Federal	$ -	$ -
State	-	-
	-	-
Deferred tax provision:		
Federal	355,000	-
State	84,000	-
	439,000	-
Total provision for income taxes	$ 439,000	$ -

The components of deferred income tax assets and liabilities are as follows:

	December 31, 2016	December 31, 2015
Deferred tax assets:		
Other liabilities	$ 36,000	$ -
Net operating loss carryover	481,000	-
Total deferred tax assets	517,000	-
Deferred tax liabilities:		
Programming costs	886,000	-
Other assets	70,000	-
Total deferred tax liabilities	956,000	-
Net deferred tax liabilities	$ 439,000	$ -

The difference between the provision for income taxes computed at the federal statutory rate and the actual income tax provision is as follows:

	December 31, 2016	December 31, 2015
Tax at federal statutory rate	34.0%	0.0%
State taxes, net of federal benefit	7.0%	0.0%
Tax on pre-incorporation income of predecessor	-14.5%	0.0%
Others, net	9.6%	0.0%
	36.1%	0.0%

The Company has net operating losses of approximately $1,049,000 that expire in 2036. The ultimate realization of the net operating losses is dependent upon future taxable income, if any, of the Company and may be limited in any one period by alternative minimum tax rules.

Internal Revenue Code Section 382 imposes limitations on the use of net operating loss carryovers when the stock ownership of one or more 5% stockholders (stockholders owning 5% or more of the Company's outstanding capital stock) has increased by more than 50 percentage points. Public trading of company stock poses a risk of an ownership change beyond the control of the Company that could trigger a limitation of the use of the loss carryover.

Note 10 – Related Party Transactions

***(a)* Affiliate Resources and Obligations**

For the year ended December 31, 2015, CSS Productions and CSS were parties to a management services agreement and a license agreement. During 2015, CSS Productions paid CSS 4% and 1%, respectively, pursuant to the management services and license agreement, based on actual cash revenue collected. For the year ended December 31, 2015, CSS paid $278,750 to CSS Productions.

In May 2016, the Company entered into agreements with CSS and affiliated companies that provide the Company with access to important assets and resources as described below (the "2016 Agreements"). The 2016 Agreements include a management services agreement and a license agreement. A summary of the 2016 Agreements is as follows:

Management Services Agreement

The Company is a party to a Management Services Agreement with CSS (the "Management Agreement"). Under the terms of the Management Agreement, the Company is provided with the operational expertise of the CSS companies' personnel, including its chief executive officer.

The Management Agreement also provides that the Company receives other services, including accounting, legal, marketing, management, data access and back office systems, and requires CSS to provide office space and equipment usage.

Under the terms of the Management Agreement, commencing with the fiscal quarter ended March 31, 2016, the Company shall pay a quarterly fee to CSS equal to 5% of the gross revenue as reported under GAAP for each fiscal quarter. If the Company or its successor, then reports under the Securities Exchange Act of 1934, as amended ("Exchange Act"), the quarterly fee will be based on gross revenue as reported in the applicable public filing under the Exchange Act for each fiscal quarter. For the year ended December 31, 2016, CSS was paid $405,932 by the Company.

Each quarterly amount due shall be paid on or prior to the later of the 45th day after the end of such quarter, or the 10th day after the filing of the applicable Exchange Act report for such quarter.

In addition, for any sponsorship that is arranged by CSS for the Company's video content or that contains a multi-element transaction for which the Company receives a portion of such revenue and CSS receives the remaining revenue (for example, a transaction that relates to both video content and CSS's printed products), the Company shall pay a sales commission to CSS equal to 20% of the portion of such revenue earned. Each sales commission shall be paid within 30 days of the end of the month in which received. If CSS actually collects the Company's portion of such fee, CSS will remit the revenue due to the Company after deducting the sales commission. There were no sales commissions paid to CSS during the year ended December 31, 2016.

The term of the Management Agreement is five years, with automatic one-year renewals thereafter unless either party elects to terminate by delivering written notice at least 90 days prior to the end of the then current term. The Management Agreement is terminable earlier by either party by reason of certain prescribed and uncured defaults by the other party. The Management Agreement will automatically terminate in the event of the Company's bankruptcy or a bankruptcy of CSS or if the Company no longer has licensed rights from CSS under the License Agreement described below.

License Agreement

The Company is a party to a trademark and intellectual property license agreement with CSS (the "License Agreement"). Under the terms of the License Agreement, the Company has been granted a perpetual, exclusive license to utilize the Brand and related content, such as stories published in the *Chicken Soup for the Soul* books, for visual exploitation worldwide, subject only to the rights relating to scripted audio and visual content previously granted by CSS to Alcon Entertainment LLC ("Alcon"). The rights previously granted to Alcon have expired.

In consideration of the License Agreement, in May 2016 the Company paid to CSS a one-time license fee of $5,000,000, comprised of a $1,500,000 cash payment and the concurrent issuance to CSS of the CSS License Note, having a principal amount of $3,500,000 and bearing interest at 0.5% per annum (the "Note"). The Note provided that it could be prepaid at any time in the discretion of the Company. The Note was due on the earlier of (a) five business days after the date of written demand by CSS and (b) the third business day following the closing date of an initial public offering of the common stock of the Company. The Note was repaid in full by September 16, 2016. Included in interest expense in the accompanying consolidated statement of operations for the year ended December 31, 2016, is $3,069 of interest paid to CSS while the Note was outstanding.

Under the terms of the License Agreement, commencing with the fiscal quarter ended March 31, 2016, the Company also pays an incremental recurring license fee to CSS equal to 4% of gross revenue as reported under GAAP for each fiscal quarter. If the Company or its successor then reports under the Exchange Act, the quarterly fee will be based on gross revenue as reported in the applicable public filing under the Exchange Act for each fiscal quarter. Each quarterly amount shall be paid on or prior to the later of the 45th day after the end of such quarter, or the 10th day after the filing of the applicable Exchange Act report for such quarter.

In addition, CSS shall provide marketing support for the Company's productions through its email distribution, blogs and other marketing and public relations resources. Commencing with the fiscal quarter ended March 31, 2016, the Company shall pay a quarterly fee to CSS equal to 1% of gross revenue as reported under GAAP for each fiscal quarter for such support. For the year ended December 31, 2016, CSS was paid $405,932 by the Company.

If the Company or its successor then reports under the Exchange Act, the quarterly fee will be based on gross revenue as reported in the applicable public filing under the Exchange Act for each such fiscal quarter. Each quarterly amount shall be paid on or prior to the later of the 45th day after the end of such quarter, or the 10th day after the filing of the applicable Exchange Act report for such quarter.

(b) **Distribution Agreement with A Plus**

In September 2016, a wholly-owned subsidiary of CSS acquired a majority of the issued and outstanding common stock of A Sharp, Inc., d/b/a A Plus ("A Plus"). A Plus develops and distributes high quality, empathetic short-form videos and articles to millions of people worldwide. A Plus is a digital media company founded, chaired, and partially owned by actor and investor Ashton Kutcher. Mr. Kutcher owns 23%, third parties own 2%, and the CSS subsidiary owns 75% of A Plus.

In September 2016, the Company entered into a distribution agreement with A Plus (the "A Plus Distribution Agreement"). The A Plus Distribution Agreement has an initial term ending in September 2023. Under the terms of the A Plus Distribution Agreement, the Company has the exclusive worldwide rights to distribute all video content (in any and all formats) and all editorial content (including articles, photos and still images) created, produced, edited or delivered by A Plus.

Under the terms of the A Plus Distribution Agreement, the Company was obligated to pay A Plus an advance of $3,000,000 by March 31, 2017 (the "A Plus Advance").

The Company is entitled to retain a net distribution fee of 30% (40% while any portion of the A Plus Advance remains outstanding) of gross revenue generated by the distribution of A Plus video content and 5% (15% while any portion of the A Plus Advance remains outstanding) of gross revenue generated by the distribution of A Plus editorial content. The Company recoups the A Plus Advance by retaining the portion of gross revenue otherwise payable by the Company to A Plus under the A Plus Distribution Agreement and applying same to the recoupment of the A Plus Advance. The Company will not pay A Plus its portion of gross revenue until such time as the A Plus Advance has been recouped in full. As of December 31, 2016, the Company had paid $592,786 of the A Plus Advance required by the A Plus Distribution Agreement. As of March 31, 2017, the A Plus Advance has been paid in full.

Online revenue in the Company's consolidated statement of operations for the year ended December 31, 2016, includes $398,142 of net distribution fees earned by the Company under the A Plus Distribution Agreement.

(c) **Debt Private Placement and Equity Private Placements**

Officers of the Company and of CSS, and their family members ("Related Parties"), have made purchases under the Debt Private Placement, the 2016 Equity Private Placement, and the 2017 Equity Private Placement on the same terms and conditions as offered to other investors. As of December 31, 2016, Related Parties have purchased $1,340,000 under the Debt Private Placement and $200,040 under the 2016 Equity Private Placement.

***(d)* Consulting Agreement**

CSS Productions had a consulting agreement with Low Profile Films, Inc. ("Low Profile"). Low Profile provided executive production services for the Company that included all activities necessary to establish and maintain relationships regarding CSS Productions proposed feature length film, a possible talk show and, Low Profile was to oversee the production to facilitate the public viewing or distribution of same. The owner of Low Profile is the son of the Company's chairman and chief executive officer.

The Company's agreement with Alcon for a feature length film expired on July 15, 2016 and as a result, the Company and Low Profile mutually agreed to terminate the executive production services agreement as of July 15, 2016. For the years ended December 31, 2016 and 2015, the Company paid Low Profile $35,000 and $60,000, respectively, for services provided, which are included in selling, general and administrative expenses in the accompanying consolidated statements of operations.

***(e)* Promotions License Agreement**

During 2016, the Company entered into a Promotions License Agreement with One Last Thing ("OLT") under which the Company paid $100,000 for the right to integrate certain products into a feature film produced by OLT, such amount being recoupable from the gross revenue of such film. The company is controlled by the son of the Company's chairman and chief executive officer. The payment of $100,000 is included in programming costs in the accompanying consolidated balance sheet as of December 31, 2016.

***(f)* Sponsorship by the Foundation**

CSS and the Company have several agreements with the Foundation, on whose advisory board the Company's chief executive officer sits. One such agreement includes sponsorship by the Foundation for a Saturday morning family television show. See Note 4 for a description of the agreement. For the years ended December 31, 2016 and 2015, the Company recognized revenue of $3,734,884 and $1,431,818, respectively, from this sponsorship.

Note 11 – Commitments and Contingencies

As of December 31, 2016, the Company has commitments to make cash payments to unrelated third parties for programming costs during 2017 totaling approximately $2,218,000.

In the normal course of business, from time-to-time, the Company may be subject to claims in legal proceedings. The Company does not believe it is currently a party to any pending legal actions. Legal proceedings are subject-to inherent uncertainties, and an unfavorable outcome could include monetary damages, and in such event, could result in a material adverse impact on the Company's business, financial position, results of operations, or cash flows.

Note 12 – Subsequent Events

***(a)* Subject Offering of CSS Entertainment Class A Common Stock**

The Company is offering to sell newly issued shares of its Class A common stock at a per share price of $12 per share ("Subject Offering"), which excludes shares that may be sold by certain of its existing stockholders as the Company will not receive any of the net proceeds of those shares sold by existing stockholders. The Company has the option to sell additional newly issued shares in its sole discretion. There is no minimum number of shares that must be sold in order to conduct a closing of the Subject Offering.

Prior to the Subject Offering, there has been no public market for the Company's common stock. The Company expects that its Class A common stock will be quoted for trading on the Nasdaq Capital Market, or Nasdaq, under the symbol CSSE. The Company cannot assure that its Class A common stock will be approved for listing on Nasdaq. The Subject Offering is a Regulation A+ Tier 2 offering.

***(b)* Continued Sales of the Debt Private Placement and the 2017 Equity Private Placement**

From January 1, 2017 through May 5, 2017, the Company has sold in the Debt Private Placement, an additional $2,030,000 aggregate principal amount Term Notes and issued Warrants to purchase an aggregate of 172,550 shares of Class A common stock, on the same terms and conditions as previously sold.

From January 1, 2017 through May 5, 2017, the Company has sold in the 2017 Equity Private Placement, an additional 14,241 units with aggregate proceeds of $925,660, consisting of an aggregate of 142,412 shares of Class A common stock and Warrants to purchase an aggregate of 42,724 shares of Class A common stock, on the same terms and conditions as previously sold.

Officers of the Company and of CSS, and their family members, have participated in the above placements on the same terms and conditions as other investors.

(c) **Amendment to Credit Facility**
On January 24, 2017, the Credit Facility was amended to extend the Maturity Date from June 30, 2017 to June 30, 2018, and the requirement for repayment of the Credit Facility upon the initial public offering of the Company's common stock or an equity offering resulting in gross proceeds to the Company of at least $7,000,000, was eliminated. The Credit Facility was further increased to $4,500,000 on March 27, 2017 pursuant to Amendment 3.

(d) **2017 Equity Incentive Plan**
Effective January 1, 2017, the Company's board of directors and stockholders adopted the 2017 Equity Incentive Plan (the "Plan"). The Plan provides for the issuance of up to one million common stock equivalents subject to the terms and conditions of the Plan.

Between January 1, 2017 and March 31, 2017, pursuant to the Plan, the Company granted five-year options to purchase up to a total of 455,000 shares of Class A common stock which are exercisable at $6.50 to $7.50 per share (the "Options"). The Options vest quarterly over terms ranging from two years to three years.

The Company will account for the Options in accordance with the authoritative guidance issued by the FASB on share-based compensation, in which an entity exchanges its equity instruments for goods or services. Under the provisions of the authoritative guidance, share-based compensation expense is measured at the grant date of the Options, based on their fair value, and is recognized as an expense over the requisite employee service period (generally the vesting period), net of estimated forfeitures.

PART III - EXHIBITS

Index to Exhibits.

Exhibit No.	Description
1.1	Form of Joint Bookrunning ManagerAgreement
2.1	Certificate of Incorporation of CSS Entertainment**
2.2	By-laws of CSS Entertainment**
3.1	Specimen CSS Entertainment Class A Common Stock Certificate**
6.1	Trademark and Intellectual Property License Agreement between CSS Entertainment and CSS Entertainment for the Soul, LLC**
6.2	Management Services Agreement between CSS Entertainment and Chicken Soup for the Soul, LLC**
6.3	Contribution Agreement between CSS Entertainment and Chicken Soup for the Soul, LLC and Chicken Soup for the Soul Productions, LLC**
6.4	Contribution Agreement between CSS Entertainment and Trema, LLC**
6.5	Form of Indemnification Agreement**
6.6	Form of 2017 Incentive Equity Plan**
6.7	Form of Escrow Agreement by and among the Company, the Joint Bookrunning Managers and the Escrow Agent
6.8	Stock Custody Agreement by and among the Company, the Selling Stockholders and the Continental Stock Transfer & Trust Co, Inc.**
6.9	Access Services and Custody Agreement between the Company and Folio
6.10	Form of Lock-up Agreement between Insiders and our Company**
6.11	Form of Lock-up Agreement between Insiders and Joint Bookrunning Managers**
6.12	Form of Lock-up Agreement between Non-Insiders and our Company**
6.13	Form of Lock-up Agreement between Non-Insiders and Joint Bookrunning Managers**
6.14	Credit Facility From Trema, LLC to our Company, as amended
6.15	Form of Class W warrants issued in Trema Credit Facility
11.1	Consent of Rosenfield and Company, PLLC
12.1	Legal opinion of Graubard Miller as to the legality of the securities being qualified**
13.1	Testing the Waters Material
15.1	Draft offering statement previously submitted pursuant to Rule 252(d) (incorporated by reference to the copy thereof previously made public pursuant to Rule 301 of Regulation S-T)**
15.2	Draft amended offering statement previously submitted pursuant to Rule 252(d) (incorporated by reference to the copy thereof previously made public pursuant to Rule 301 of Regulation S-T)**
15.3	Correspondence by or on behalf CSS Entertainment previously submitted pursuant to Rule 252(d)**

** Previously filed

SIGNATURES

Pursuant to the requirements of Regulation A, the issuer certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form 1-A and has duly caused this offering statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Cos Cob, State of Connecticut, on June 27, 2017.

CHICKEN SOUP FOR THE SOUL ENTERTAINMENT, INC.

By: /s/ William J. Rouhana, Jr.
William J. Rouhana, Jr.
Chairman and Chief Executive Officer
(Principal Executive Officer)

By: /s/ Daniel M. Pess
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Pursuant to the requirements of the Securities Act of 1933, this Form 1-A has been signed by the following persons in the capacities and on the dates indicated.

Name	Position	Date
/s/ William J. Rouhana, Jr. William J. Rouhana, Jr.	Chairman and Chief Executive Officer	June 27, 2017
/s/ Scott W. Seaton Scott W. Seaton	Vice Chairman and Director	June 27, 2017
/s/ Daniel M. Pess Daniel M. Pess	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer	June 27, 2017
/s/ * Amy Newmark	Director	June 27, 2017
/s/ * Peter Dekom	Director	June 27, 2017
/s/ * Fred Cohen	Director	June 27, 2017
/s/ * Christina Weiss Lurie	Director	June 27, 2017
/s/ * Diana Wilkin	Director	June 27, 2017

* By Power of Attorney

Exhibit 1.1

JOINT BOOKRUNNING MANAGER AGREEMENT

[ ], 2017

HCFP/Capital Markets LLC
420 Lexington Avenue, Suite 300
New York, NY 10170
Attn: Robert J. Gibson

[_____]

[_____]

Gentlemen:

Introduction. This agreement (this "Agreement") constitutes the agreement between Chicken Soup for the Soul Entertainment, Inc., a Delaware corporation (the "Company"), the stockholders of the Company named in Schedule I hereof ('Selling Stockholders"), HCFP/Capital Markets LLC ("HCFP"), _____ (" _____") and _____ (" _____"), pursuant to which HCFP, _____ and _____ shall serve as joint bookrunning managers ("Managers") for the Company and the Selling Stockholders in connection with the proposed Offering (as defined below) to investors ("Investors") under Tier 2 of Regulation A under the Securities Act of 1933, as amended ("Securities Act"), of up to an aggregate of $30,000,000, or 2,500,000 shares of the Company's Class A Common Stock ("Shares"), of which up to 641,983 Shares are initially being sold by the Company ("Company Shares") and up to 258,071 Shares are being sold by the Selling Stockholders ("Selling Stockholder Shares"). To the extent less than 900,000 Shares are sold in the Offering, the aggregate number of Shares sold in the Offering will be allocated pro rata between the Company Shares and Selling Stockholder Shares and the Selling Stockholder Shares will be allocated pro rata among the Selling Stockholders. In the event all of such 900,000 Shares are sold, the Managers shall have the right to sell up to an additional 1,600,000 Shares in the Offering. As between HCFP, _____ and _____, HCFP shall be the sole representative of the Managers ("Representative") and all actions of the Representative hereunder shall be binding upon Benchmark and Weild. The Company and the Selling Stockholders hereby confirm their agreement with the Managers as follows:

Section 1. Agreement to Act as Managers.

(a) On the basis of the representations, warranties and agreements of the Company and the Selling Stockholders herein contained, and subject to all the terms and conditions of this Agreement, the Managers shall be the exclusive Managers in connection with the offering and sale by the Company and the Selling Stockholders of the Shares pursuant to the Company's Offering Statement (as defined below), with the terms of such offering (the "Offering") to be subject to market conditions and negotiations between the Company and the Managers. The Managers will act on a commercially reasonable best efforts basis and the Company and the Selling Stockholders agree and acknowledge that there is no guarantee of the successful sale of the Shares, or any portion thereof, in the prospective Offering. Under no circumstances will the Managers or any of their Affiliates (as defined below) be obligated to underwrite or purchase any of the Shares for their own account or otherwise provide any financing. The Managers shall act solely as the Company's and the Selling Stockholders' agents and not as principals. The Managers shall have no authority to bind the Company or the Selling Stockholders with respect to any prospective offer to purchase Shares and the Company shall have the sole right to accept offers to purchase Company Shares and may reject any such offer, in whole or in part. The Managers may rely on soliciting dealers who are members of the Financial Industry Regulatory Authority ("FINRA") to participate in placing a portion of the Offering. The Managers may also retain other brokers or dealers to act as sub-managers or selected dealers on their behalf in connection with the Offering. Subject to the terms and conditions hereof, payment of the purchase price for, and delivery of, the Shares shall be made at one or, at the discretion of the Representative and the Company, more closings (each, a "Closing" and the date on which a Closing occurs, a "Closing Date"). As compensation for services rendered, the Company and the Selling Stockholders shall pay to the Managers the fees and expenses set forth below:

(i) Retainer Fees: Two retainer fees (the "Retainer Fees") of $25,000 each with the first of such fees already having been paid and the second to be paid upon qualification of the Offering Statement (as defined below).

(ii) Commission: On each Closing Date, ___% of the gross proceeds received by the Company from the sale of the Shares at each Closing and ___% of the gross proceeds received by the Selling Stockholders at each Closing (the "Selling Stockholder Commission"), which such commission will be allocated by the Managers among the Managers and the members of the selling syndicate and soliciting dealers in their sole discretion.

(iii) Expenses: On each Closing Date and subject to compliance with FINRA Rule 5110(f)(2)(B), the Company agrees to pay the Representative a non-accountable expense fee equal to 2.0% ("Expense Fee") of the gross proceeds received by the Company and the Selling Stockholders from the sale of the Shares at each Closing which such Expense Fee will be allocated by the Managers among the Managers and the members of the selling syndicate and soliciting dealers in their sole discretion; provided, however, that such expense fee in no way limits or impairs the indemnification and contribution provisions of this Agreement. In addition, the Company shall reimburse each Agent for fees and expenses which are customarily the responsibility of the Company to pay in securities offerings, including, without limitation, management background report fees, custody fees and third party investment platform fees if such fees are paid by an Agent. In no event will the Managers incur a reimbursable cost in excess of $2,500 without the consent of the Company.

(iv) Expenses if no Closing: In the event following the date of qualification of the offering statement ("Qualification Date") that there is no Closing, subject to compliance with FINRA Rules 5110(f)(2)(D), the Company agrees to pay the Managers up to $50,000 towards application of expenses that the Managers actually incurred in connection with the Offering; provided, however, that such expense cap in no way limits or impairs the indemnification and contribution provisions of this Agreement.

Other than the payment of any Selling Stockholder Commission, the Selling Stockholders shall not be liable to pay any other fees, commissions or expenses set forth in this Section 1(a).

(b) The term of the Managers' exclusive engagement will be until the completion of the Offering. Notwithstanding anything to the contrary contained herein, the provisions concerning confidentiality, indemnification and contribution contained herein and the Company's and the Selling Stockholders' obligations contained in the indemnification provisions will survive any expiration or termination of this Agreement, and the Company's obligation to pay fees actually earned and payable and to reimburse expenses actually incurred and reimbursable pursuant to Section 1 hereof and which are permitted to be reimbursed under FINRA Rule 5110(f)(2)(D), will survive any expiration or termination of this Agreement. Nothing in this Agreement shall be construed to limit the ability of any Agent or its Affiliates to pursue, investigate, analyze, invest in, or engage in investment banking, financial advisory or any other business relationship with Persons (as defined below) other than the Company and the Selling Stockholders. As used herein (i) "Persons" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind and (ii) "Affiliate" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person as such terms are used in and construed under Rule 405 under the Securities Act of 1933, as amended (the "Securities Act").

(c) The Managers and the Company agree to utilize the Folio Investments, Inc. ("Folio") platform to enable purchasers who are not purchasing through a broker which is an agent or a dealer to purchase Shares in the Offering. As of the date hereof, the Company has entered into an agreement with Folio and agrees that all of the fees due under such agreement shall not constitute any of the non-accountable expense payment to the Managers. The Company agrees that Folio may also become a dealer for this Offering.

Section 2. Representations, Warranties and Covenants of the Company. The Company hereby represents, warrants and covenants to the Managers, as of the date hereof, and as of each Closing Date, as follows:

(a) Filings. In connection with the offering herein contemplated, on May 16, 2017, the Company filed with the Securities and Exchange Commission (the "Commission") an offering statement on Form 1-A (Registration File No. 024-10704 under the Securities Act and the rules and regulations (the "Rules and Regulations") of the Commission promulgated thereunder filed Amendment No. 1 thereto with the Commission on June 1, 2017, filed Amendment No. 2 on June 21, 2017 and filed Amendment No. 3 on June __, 2017. At the time of such filings, the Company met the requirements for an offering statement of a Tier 2 offering under Regulation A of the Securities Act. The Company will file with the Commission under the Securities Act, a final Offering Circular included in such Offering Statement (as defined below) relating to the offering of the Shares and the plan of distribution thereof and has advised the Managers of all further information (financial and other) with respect to the Company required to be set forth therein. Such Offering Statement, including the exhibits thereto, as amended at the date of this Agreement and as the same may be hereafter amended from time to time, is hereinafter called the "Offering Statement"; such Offering Circular in the form in which it appears in the Offering Statement as amended at the date of this Agreement and as hereinafter amended is called the "Offering Circular"; and any supplement to the Offering Circular filed after qualification of the Offering Statement is hereafter referred to as a "Circular Supplement". All references in this Agreement to financial statements and schedules and other information that is "contained," "included," "described," "referenced," "set forth" or "stated" in the Offering Statement, the Offering Circular or the Circular Supplement (and all other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information that is or is deemed to be incorporated by reference in the Offering Statement or any Circular Supplement, as the case may be.

(b) Assurances. The Offering Statement (and any further documents to be filed with the Commission) contains all exhibits and schedules as required by the Securities Act. Each of the Offering Statement and any post-qualification amendment thereto, at the time it became qualified, complied in all material respects with the Securities Act and the applicable Rules and Regulations and did not and, as amended or supplemented, if applicable, will not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading (provided, however, that the preceding representations and warranties contained in this sentence shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by the Managers expressly for use therein (the "Agent Information")). The Offering Statement, the Offering Circular, and any Circular Supplement, each as of its respective date, comply in all material respects with the Securities Act and the applicable Rules and Regulations. Each of the Offering Circular and the Circular Supplement, as amended or supplemented, did not and will not contain as of the date thereof any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading (provided, however, that the preceding representations and warranties contained in this sentence shall not apply to any Agent Information). All post-qualification amendments to the Offering Statement reflecting facts or events arising after the date thereof which represent, individually or in the aggregate, a fundamental change in the information set forth therein will have been so filed with the Commission. There are no documents required to be filed with the Commission in connection with the transaction contemplated hereby that (x) have not been filed as required pursuant to the Securities Act or (y) will not be filed within the requisite time period. There are no contracts or other documents required to be described in the Offering Circular, any Circular Supplement, or to be filed as exhibits or schedules to the Offering Statement, that have not been described or filed as required.

(c) Offering Materials. The Company has delivered, or will as promptly as practicable deliver, to the Managers complete conformed copies of the Offering Statement and of each consent and certificate of experts filed as a part thereof, and conformed copies of the Offering Statement (without exhibits) and any Circular Supplement, as amended or supplemented, in such quantities and at such places as the Managers reasonably request. Neither the Company nor any of its directors and officers has distributed and none of them will distribute, prior to a Closing Date, any offering material in connection with the offering and sale of the Shares other than the Offering Circular, any Circular Supplement, and any other materials permitted by the Securities Act, including any testing the waters communications under Regulation A.

(d) Subsidiaries. The Company has no subsidiaries.

(e) Organization and Qualification. The Company is an entity duly incorporated or otherwise organized, validly existing and in good standing (where applicable) under the laws of the jurisdiction of its incorporation or organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. The Company is not in violation or default of any of the provisions of its certificate of incorporation, bylaws or other organizational or charter documents. The Company is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not reasonably be expected to result in: (i) a material adverse effect on the legality, validity or enforceability of this Agreement or any other agreement entered into between the Company and the Investors, (ii) a material adverse effect on the results of operations, assets, business, prospects or condition (financial or otherwise) of the Company or (iii) a material adverse effect on the Company's ability to perform in any material respect on a timely basis its obligations under this Agreement or the transactions contemplated under the Offering Statement (any of (i), (ii) or (iii), a "Material Adverse Effect") and no action, claim, suit, investigation or proceeding (including, without limitation, an informal investigation or partial proceeding, such as a deposition), whether commenced or threatened ("Proceeding") has been instituted in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

(f) Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Agreement and the Offering Statement and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement by the Company and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Company and no further action is required by the Company, the Company's Board of Directors (the "Board of Directors ") or the Company's shareholders in connection therewith other than in connection with the Required Approvals (as defined below). This Agreement has been duly executed by the Company and, when delivered in accordance with the terms hereof, will constitute the valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(g) No Conflicts. The execution, delivery and performance by the Company of this Agreement and the transactions contemplated hereby do not and will not (i) conflict with or violate any provision of the Company's certificate of incorporation, bylaws or other organizational or charter documents, or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any Lien upon any of the properties or assets of the Company, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing a Company debt or otherwise) or other understanding to which the Company is a party or by which any property or asset of the Company is bound or affected, or (iii) subject to the Required Approvals, conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company is subject (including federal and state Shares laws and regulations), or by which any property or asset of the Company is bound or affected; except in the case of each of clauses (ii) and (iii), such as could not reasonably be expected to result in a Material Adverse Effect.

(h) Filings, Consents and Approvals. The Company is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority or other Person in connection with the execution, delivery and performance by the Company of this Agreement and the transactions contemplated hereby, other than: (i) the filing with the Commission of the Offering Statement and any Circular Supplement, (ii) application(s) to the NASDAQ Global Market or Capital Market (the "Trading Market") for the listing of the Shares for trading thereon in the time and manner required thereby and (iii) such filings as are required to be made under applicable state securities laws (collectively, the "Required Approvals").

(i) Issuance of the Shares. The Shares are duly authorized and, when issued and paid for in accordance with this Agreement and the Offering Circular, will be duly and validly issued, fully paid and non-assessable, free and clear of all Liens imposed by the Company. The Company has reserved from its duly authorized capital stock the maximum number of shares of Common Stock issuable pursuant to the Offering Circular.

(j) Capitalization. The capitalization of the Company is as set forth in the Offering Circular. The Company has not issued any capital stock since the date of filing of its latest periodic report pursuant to Section 13(a) or 15(d) of the Shares Exchange Act of 1934, as amended (the "Exchange Act") or, in the event that the Company is not required to file periodic reports pursuant to Section 13(a) or 15(d) of the Exchange Act, the Company has not issued any capital stock since the date of filing of the Offering Circular other than pursuant to the exercise of employee stock options under the Company's stock option plans, the issuance of shares of Common Stock to employees pursuant to the Company's employee stock purchase plans and pursuant to the conversion and exercise of securities of the Company which would entitle the holder thereof to acquire at any time any Common Stock, including, without limitation, any debt, preferred stock, rights, options, warrants or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock ("Common Stock Equivalents") outstanding as of the date of the filing of the Offering Circular or any Circular Supplement. No Person has any right of first refusal, preemptive right, right of participation, or any similar right to participate in the transactions contemplated by this Agreement and the transactions contemplated pursuant to the Offering Statement. Except as a result of the purchase and sale of the Shares and except for stock options issued pursuant to the Company's stock option plans or as described in the offering Circular, including with respect to the Company's Class W and Class Z warrants and its Trema Credit facility promissory note, there are no outstanding options, warrants, scrip rights to subscribe to, calls or commitments of any character whatsoever relating to, or shares, rights or obligations convertible into or exercisable or exchangeable for, or giving any Person any right to subscribe for or acquire, any shares of Common Stock, or contracts, commitments, understandings or arrangements by which the Company is or may become bound to issue additional shares of Common Stock or Common Stock Equivalents. The issuance and sale of the Shares will not obligate the Company to issue shares of Common Stock or other shares to any Person (other than the Investors) and will not result in a right of any holder of shares to adjust the exercise, conversion, exchange or reset price under any of such shares. All of the outstanding shares of capital stock of the Company are validly issued, fully paid and nonassessable, have been issued in compliance with all federal and state Shares laws, and none of such outstanding shares was issued in violation of any preemptive rights or similar rights to subscribe for or purchase Shares. No further approval or authorization of any shareholder, the Board of Directors or others is required for the issuance and sale of the Shares. There are no shareholders agreements, voting agreements or other similar agreements with respect to the Company's capital stock to which the Company is a party or, to the knowledge of the Company, between or among any of the Company's shareholders.

(k) Financial Statements, Material Changes; Undisclosed Events, Liabilities or Developments. The audited financial statements of the Company including related schedules, disclosures and notes included or referenced in the Offering Circular fairly present in all material respects the financial condition of the Company as of the dates indicated and the results of operations and cash flows for the periods specified. The unaudited financial statements (including the related notes and disclosures) included or referenced in the Offering Circular comply as to form and in all material respects to the applicable accounting requirements of Regulation A and Regulation S-X under the Securities Act. Such unaudited financial statements fairly present in all material respects the financial position, results of operations and other information purported to be shown therein at the respective dates and for the respective periods indicated. Since the date of the latest audited financial statements included within the Offering Statement (i) there has been no event, occurrence or development that has had or that could reasonably be expected to result in a Material Adverse Effect, (ii) the Company has not incurred any liabilities (contingent or otherwise) other than (A) trade payables and accrued expenses incurred in the ordinary course of business consistent with past practice and (B) liabilities not required to be reflected in the Company's financial statements pursuant to GAAP or disclosed in filings made with the Commission, (iii) the Company has not altered its method of accounting, (iv) the Company has not declared or made any dividend or distribution of cash or other property to its shareholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its capital stock and (v) the Company has not issued any equity securities to any officer, director or Affiliate, except pursuant to existing Company stock option plans. The Company does not have pending before the Commission any request for confidential treatment of information. Except for the issuance of the Shares contemplated by the Offering Circular or disclosed in any Circular Supplement, no event, liability, fact, circumstance, occurrence or development has occurred or exists or is reasonably expected to occur or exist with respect to the Company or its business, prospects, properties, operations, assets or financial condition that would be required to be disclosed by the Company under applicable securities laws at the time this representation is made or deemed made that has not been publicly disclosed at least one Trading Day prior to the date that this representation is made.

(l) Litigation. There is no action, suit, inquiry, notice of violation, proceeding or investigation pending or, to the knowledge of the Company, threatened against or affecting the Company or any of its properties before or by any court, arbitrator, governmental or administrative agency or regulatory authority (federal, state, county, local or foreign) (collectively, an "Action") which (i) adversely affects or challenges the legality, validity or enforceability of any of this Agreement and the transactions contemplated pursuant to the Offering Statement or the Shares or (ii) could, if there were an unfavorable decision, reasonably be expected to result in a Material Adverse Effect. Neither the Company nor any director or officer thereof, is or has within the last 10 years been the subject of any Action involving a claim of violation of or liability under federal or state securities laws or a claim of breach of fiduciary duty. Neither the Company, any predecessor of the Company, any executive officer or other officer of the Company nor any beneficial holder of 20% or more of the Company's outstanding voting securities is subject to the disqualification provisions of Rule 262 under the Securities Act. There has not been, and to the knowledge of the Company, there is not pending or contemplated, any investigation by the Commission involving the Company or any current or former director or officer of the Company. To the Company's knowledge, the Commission has not issued any stop order or other order suspending the qualification of any Offering Statement filed by the Company under the Exchange Act or the Securities Act.

(m) Labor Relations. No material labor dispute exists or, to the knowledge of the Company, is imminent with respect to any of the employees of the Company, which could reasonably be expected to result in a Material Adverse Effect. None of the Company's employees is a member of a union that relates to such employee's relationship with the Company, and the Company is not a party to a collective bargaining agreement, and the Company believes that its relationships with its employees are good. No executive officer, to the knowledge of the Company, is, or is now expected to be, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement or non-competition agreement, or any other contract or agreement or any restrictive covenant in favor of any third party, and the continued employment of each such executive officer does not subject the Company to any liability with respect to any of the foregoing matters. The Company is in compliance with all U.S. federal, state, local and foreign laws and regulations relating to employment and employment practices, terms and conditions of employment and wages and hours, except where the failure to be in compliance could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(n) Compliance. The Company: (i) is not in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company under), nor has the Company received notice of a claim that it is in default under or that it is in violation of, any indenture, loan or credit agreement or any other agreement or instrument to which it is a party or by which it or any of its properties is bound (whether or not such default or violation has been waived), (ii) is not in violation of any judgment, decree or order of any court, arbitrator or governmental body or (iii) is not or has not been in violation of any statute, rule, ordinance or regulation of any governmental authority, including without limitation all foreign, federal, state and local laws relating to taxes, environmental protection, occupational health and safety, product quality and safety and employment and labor matters, except in each case as could not reasonably be expected to result in a Material Adverse Effect.

(o) Regulatory Permits. The Company possesses all certificates, authorizations and permits issued by the appropriate federal, state, local or foreign regulatory authorities necessary to conduct its business as described in the Offering Circular, except where the failure to possess such permits could not reasonably be expected to result in a Material Adverse Effect ("Material Permits"), and the Company has not received any notice of proceedings relating to the revocation or modification of any Material Permit.

(p) Title to Assets. The Company has good and marketable title in fee simple to all real property owned by it and good and marketable title in all personal property owned by it that is material to the business of the Company, in each case free and clear of all Liens, except for Liens disclosed in the Offering Circular, Liens as do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company and Liens for the payment of federal, state or other taxes, the payment of which is neither delinquent nor subject to penalties. Any real property and facilities held under lease by the Company are held by it under valid, subsisting and enforceable leases with which the Company is in compliance.

(q) Patents and Trademarks. The Company has, or has rights to use, all patents, patent applications, trademarks, trademark applications, service marks, trade names, trade secrets, inventions, copyrights, licenses and other intellectual property rights and similar rights necessary or material for use in connection with their respective businesses as described in the Offering Circular and which the failure to so have could have a Material Adverse Effect (collectively, the "Intellectual Property Rights"). The Company has not received a notice (written or otherwise) that any of, the Intellectual Property Rights has expired, terminated or been abandoned, or is expected to expire or terminate or be abandoned, within two (2) years from the date of this Agreement. The Company has not received, since the date of the latest audited financial statements included within the Offering Circular, a notice (written or otherwise) of a claim or otherwise has any knowledge that the Intellectual Property Rights violate or infringe upon the rights of any Person, except as would not have a Material Adverse Effect. To the knowledge of the Company, all such Intellectual Property Rights are enforceable and there is no existing infringement by another Person of any of the Intellectual Property Rights. The Company has taken reasonable security measures to protect the secrecy, confidentiality and value of all of their intellectual properties, except where failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(r) Insurance. The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the business in which the Company is engaged, including, but not limited to, directors and officers insurance coverage. The Company has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a significant increase in cost.

(s) Transactions With Affiliates and Employees. Except as set forth in the Offering Circular, none of the officers or directors of the Company and, to the knowledge of the Company, none of the employees of the Company is presently a party to any transaction with the Company (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any officer, director or such employee or, to the knowledge of the Company, any entity in which any officer, director, or any such employee has a substantial interest or is an officer, director, trustee or partner, in each case in excess of $120,000 other than for (i) payment of salary or consulting fees for services rendered, (ii) reimbursement for expenses incurred on behalf of the Company and (iii) other employee benefits, including stock option agreements under any stock option plan of the Company.

(t) Sarbanes-Oxley; Internal Accounting Controls. Except as set forth in the Offering Circular: (I) the Company is in compliance in all material respects with any and all applicable requirements of the Sarbanes-Oxley Act of 2002 that are effective as of the date hereof, and any and all applicable rules and regulations promulgated by the Commission thereunder that are effective as of the date hereof and as of each Closing Date; (II) the Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and (III) the Company has established disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and designed such disclosure controls and procedures to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms.

(u) Certain Fees. Except as set forth herein and in the Offering Circular, no brokerage or finder's fees or commissions are or will be payable by the Company to any broker, financial advisor or consultant, finder, placement agent, investment banker, bank or other Person with respect to the transactions contemplated by this Agreement and the transactions contemplated pursuant to the Offering Circular. The Investors shall have no obligation with respect to any fees or with respect to any claims made by or on behalf of other Persons for fees of a type contemplated in this Section 2(u) that may be due in connection with the transactions contemplated by this Agreement and the transactions contemplated pursuant to the Offering Circular.

(v) Investment Company. The Company is not, and is not an Affiliate of, and immediately after receipt of payment for the Shares, will not be or be an Affiliate of, an "investment company" within the meaning of the Investment Company Act of 1940, as amended. The Company shall conduct its business in a manner so that it will not become an "investment company" subject to registration under the Investment Company Act of 1940, as amended.

(w) Registration Rights. Except as set forth in the Offering Circular, no Person has any right to cause the Company to effect the registration under the Securities Act of any Shares of the Company.

(x) Listing and Maintenance Requirements. The Common Stock is registered pursuant to Section 12(b) or 12(g) of the Exchange Act, and the Company has taken no action designed to, or which to its knowledge is likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act nor has the Company received any notification that the Commission is contemplating terminating such registration.

(y) Disclosure. Except with respect to the material terms and conditions of the transactions contemplated by this Agreement and the transactions contemplated pursuant to the Offering Statement, the Company confirms that neither it nor any other Person acting on its behalf has provided any of the Investors or their agents or counsel with any information that it believes constitutes or might constitute material, non-public information which is not otherwise disclosed in the Offering Statement or any free writing prospectus. The Company understands and confirms that the Investors will rely on the foregoing representation in effecting transactions in Shares of the Company. All of the disclosure furnished by or on behalf of the Company to the Investors regarding the Company, its business and the transactions contemplated hereby is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The press releases disseminated by the Company during the twelve months preceding the date of this Agreement taken as a whole do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made and when made, not misleading.

(z) No Integrated Offering. Neither the Company, nor any of its Affiliates, nor any Person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would, to its knowledge, cause this offering of the Shares to be integrated with prior offerings by the Company.

(aa) Solvency. The Company does not intend to incur debts beyond its ability to pay such debts as they mature (taking into account the timing and amounts of cash to be payable on or in respect of its debt). The Company has no knowledge of any facts or circumstances which lead it to believe that it will file for reorganization or liquidation under the bankruptcy or reorganization laws of any jurisdiction within one year from the final Closing Date. The Offering Circular sets forth as of December 31, 2016 and December 31, 2015 all outstanding secured and unsecured Indebtedness of the Company or for which the Company has commitments. For the purposes of this Agreement, "Indebtedness" means (x) any liabilities for borrowed money or amounts owed in excess of $50,000 (other than trade accounts payable incurred in the ordinary course of business), (y) all guaranties, endorsements and other contingent obligations in respect of indebtedness of others, whether or not the same are or should be reflected in the Company's balance sheet (or the notes thereto), except guaranties by endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business; and (z) the present value of any lease payments in excess of $50,000 due under leases required to be capitalized in accordance with GAAP. The Company is not in default with respect to any Indebtedness.

(bb) Tax Status. Except for matters that would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, the Company (i) has made or filed all United States federal and state income and all foreign income and franchise tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations and (iii) has set aside on its books provision reasonably adequate for the payment of all material taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of the Company know of no basis for any such claim.

(cc) Foreign Corrupt Practices. Neither the Company, nor to the knowledge of the Company, any agent or other person acting on behalf of the Company, has (i) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company (or made by any person acting on its behalf of which the Company is aware) which is in violation of law, or (iv) violated in any material respect any provision of the Foreign Corrupt Practices Act of 1977, as amended.

(dd) Accountants. The Company's accounting firm is set forth in the Offering Circular. To the knowledge and belief of the Company, such accounting firm (i) is a registered public accounting firm as required by the Exchange Act and (ii) has expressed its opinion with respect to the financial statements of the Company for the year ended December 31, 2016.

(ee) Regulation M Compliance. The Company has not, and to its knowledge no one acting on its behalf has, (i) taken, directly or indirectly, any action designed to cause or to result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Shares, (ii) sold, bid for, purchased, or, paid any compensation for soliciting purchases of, any of the Shares, or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other Shares of the Company, other than, in the case of clauses (ii) and (iii), compensation paid to the Managers in connection with the placement of the Shares.

(ff) Office of Foreign Assets Control. Neither the Company nor, to the Company's knowledge, any director, officer, agent, employee or affiliate of the Company is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC").

(gg) U.S. Real Property Holding Corporation. The Company is not and has never been a U.S. real property holding corporation within the meaning of Section 897 of the Internal Revenue Code of 1986, as amended.

(hh) Bank Holding Company Act. The Company is not subject to the Bank Holding Company Act of 1956, as amended (the "BHCA") and to regulation by the Board of Governors of the Federal Reserve System (the "Federal Reserve"). The Company does not own or control, directly or indirectly, five percent (5%) or more of the outstanding shares of any class of voting securities or twenty-five percent (25%) or more of the total equity of a bank or any entity that is subject to the BHCA and to regulation by the Federal Reserve. The Company does not exercise a controlling influence over the management or policies of a bank or any entity that is subject to the BHCA and to regulation by the Federal Reserve.

(ii) Certificates. Any certificate signed by an officer of the Company and delivered to any of the Managers or to counsel for any of the Managers shall be deemed to be a representation and warranty by the Company to the Managers as to the matters set forth therein.

(jj) Reliance. The Company acknowledges that the Managers will rely upon the accuracy and truthfulness of the foregoing representations and warranties and hereby consents to such reliance.

(kk) Forward-Looking Statements. No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) contained in either the Offering Statement, the Offering Circular or any Circular Supplement has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(ll) Statistical or Market-Related Data. Any statistical, industry-related and market-related data included or incorporated by reference in the Offering Statement or any Circular Supplement, are based on or derived from sources that the Company reasonably and in good faith believes to be reliable and accurate, and such data agree with the sources from which they are derived.

(mm) FINRA Affiliations. Except as set forth on Schedule 2(mm), there are no affiliations with any FINRA member firm among the Company's officers, directors or, to the knowledge of the Company, except as set forth on Schedule 2(mm), any five percent (5%) or greater shareholder of the Company.

Section 3. Representations and Warranties of Selling Stockholders. Each of the Selling Stockholders individually and not jointly represents and warrants to, and agrees with the Managers and the Company that:

(a) Consents. All consents, approvals, authorizations and orders necessary for the execution and delivery by such Selling Stockholder of this Agreement, the Custody Agreement and POA hereinafter referred to, and for the sale and delivery of the Shares to be sold by such Selling Stockholder hereunder, have been obtained; and such Selling Stockholder has full right, power and authority to enter into this Agreement, the Custody Agreement and POA and to sell, assign, transfer and deliver the Shares to be sold by such Selling Stockholder hereunder.

(b) No Conflict. The sale of the Shares to be sold by such Selling Stockholder hereunder and the compliance by such Selling Stockholder with this Agreement, the Custody Agreement and POA and the consummation of the transactions herein and therein contemplated will not (A) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any statute, indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which such Selling Stockholder is a party or by which such Selling Stockholder is bound or to which any of the property or assets of such Selling Stockholder is subject, (B) result in any violation of the provisions of the Selling Stockholders' organizational or charter documents, or (C) result in the violation of any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over such Selling Stockholder or any of its subsidiaries or any property or assets of such Selling Stockholder, except for such conflicts, breaches, violations defaults, in the case of clause (A) as would not reasonably be expected to impair in any material respect the ability of such Selling Stockholder to perform its obligations under this Agreement, the Custody Agreement and POA; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental body or agency is required for the performance by such Selling Stockholder of its obligations under this Agreement, the Custody Agreement and POA and the consummation by such Selling Stockholder of the transactions contemplated by this Agreement, the Custody Agreement and POA in connection with the Shares to be sold by such Selling Stockholder hereunder, except the registration under the Act of the Shares, and such consents, approvals, authorizations, orders, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Shares by the Managers.

(c) Title. Such Selling Stockholder has, and immediately prior to each Closing at which Shares of such Selling Stockholder are being sold such Selling Stockholder will have, good and valid title to the Shares to be sold by such Selling Stockholder hereunder at such Time of Delivery, free and clear of all Liens; and, upon delivery of such Shares and payment therefor pursuant hereto, good and valid title to such Shares, free and clear of all Liens, will pass to the Managers.

(d) No Manipulation. Such Selling Stockholder will not take, directly or indirectly, any action that is designed to or that has constituted or might reasonably be expected to cause or result in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(e) Information. To the extent that any statements or omissions made in the Offering Statement any Circular Supplement thereto are made in reliance upon and in conformity with written information furnished to the Company by such Selling Stockholder expressly for use therein, such Offering Statement or any Circular Supplement will, when they become qualified or are filed with the Commission, as the case may be, conform in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder and not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, it being understood and agreed that the only such information furnished by such Selling Stockholder consists of (A) the legal name, address and the number of shares of Common Stock owned by such Selling Stockholder and (B) the other information with respect to such Selling Stockholder (excluding percentages) which appear in the table (and corresponding footnotes) under the caption "Selling Stockholders" (with respect to each Selling Stockholder, the "Selling Stockholder Information").

(f) Tax Compliance. In order to document the Managers' compliance with the reporting and withholding provisions of the Tax Equity and Fiscal Responsibility Act of 1982 with respect to the transactions herein contemplated, such Selling Stockholder will deliver to the Representative a properly completed and executed United States Treasury Department Form W-9 (or other applicable form or statement specified by Treasury Department regulations in lieu thereof).

(g) Custody. Certificates in negotiable form representing all of the Shares to be sold by such Selling Stockholder hereunder have been placed in custody under a Custody Agreement and Power of Attorney, in the forms heretofore furnished to you (the "Custody Agreement" and "POA")), duly executed and delivered by such Selling Stockholder to Continental Stock Transfer & Trust Company, as custodian (the "Custodian").

Section 4 . Delivery and Payment. Each Closing shall occur at the offices of the Representative (or at such other place as shall be agreed upon by the Representative and the Company).

Until any Closing, upon any Agent's receipt of any and all checks, drafts, and money orders received from prospective purchasers of the Shares, the Agent shall deliver same to Continental Stock Transfer & Trust Company, acting as escrow agent for the Offering, for deposit in a segregated escrow account by noon of the next business day following the receipt, together with a written account of each purchaser which sets forth, among other things, the name and address of the purchaser, the number of Shares purchased and the amount paid therefor. Any checks received which are made payable to any party other than "CST&T CSSE Escrow Account" shall be returned to the purchaser who submitted the check and not accepted.

Subject to the terms and conditions hereof, and except as may otherwise be agreed or arranged between the parties, at the Closing payment of the purchase price for the Shares sold on a Closing Date shall be made by Federal Funds wire transfer, against delivery of such Shares, and such Shares shall be registered in such name or names and shall be in such denominations, as an Agent may request at least one business day before the time of purchase (as defined below).

Except as may otherwise be agreed or arranged between the parties, deliveries of the documents with respect to the purchase of the Shares, if any, shall be made at the offices of HCFP. All actions taken at a Closing shall be deemed to have occurred simultaneously.

Section 5. Covenants and Agreements of the Company. The Company further covenants and agrees with the Managers as follows:

(a) Offering Statement Matters. The Company will advise the Representative promptly after it receives notice thereof of the time when any amendment to the Offering Statement has been filed or becomes qualified or any amendment to the Offering Statement and any Circular Supplement have been filed and will furnish the Managers with copies thereof. The Company will file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 14 or 15(d) of the Exchange Act subsequent to the date of any Circular Supplement and for so long as the delivery of an Offering Circular is required in connection with the Offering. The Company will advise the Representative, promptly after it receives notice thereof (i) of any request by the Commission to amend the Offering Statement or to amend any Circular Supplement or for additional information, and (ii) of the issuance by the Commission of any stop order suspending the qualification of the Offering Statement or any post-qualification amendment thereto or any order preventing or suspending the use of the Offering Statement or any amendment or supplement thereto or any post-qualification amendment to the Offering Statement, of the suspension of the qualification of the Shares for offering or sale in any jurisdiction, of the institution or threatened institution of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Offering Statement or any Circular Supplement or for additional information. The Company shall use its best efforts to prevent the issuance of any such stop order or prevention or suspension of such use. If the Commission shall enter any such stop order or order or notice of prevention or suspension at any time, the Company will use its best efforts to obtain the lifting of such order at the earliest possible moment, or will file a new Offering Statement and use its best efforts to have such new Offering Statement declared qualified as soon as practicable.

(b) Blue Sky Compliance. The Company will cooperate with the Representative in endeavoring to qualify the Shares for sale under the securities laws of such jurisdictions (United States and foreign) as the Representative may reasonably request and will make such applications, file such documents, and furnish such information as may be reasonably required for that purpose, provided the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction where it is not now so qualified or required to file such a consent, and provided further that the Company shall not be required to produce any new disclosure document other than a Circular Supplement. The Company will, from time to time, prepare and file such statements, reports and other documents as are or may be required to continue such qualifications in effect for so long a period as the Representative may reasonably request for distribution of the Shares. The Company will advise the Representative promptly of the suspension of the qualification or registration of (or any such exemption relating to) the Shares for offering, sale or trading in any jurisdiction or any initiation or threat of any proceeding for any such purpose, and in the event of the issuance of any order suspending such qualification, registration or exemption, the Company shall use its best efforts to obtain the withdrawal thereof at the earliest possible moment.

(c) Amendments and Supplements to Offering Statement, any Circular Supplement and Other Matters. The Company will comply with the Securities Act and the Exchange Act, and the rules and regulations of the Commission thereunder, so as to permit the completion of the distribution of the Shares as contemplated in this Agreement and any Offering Circular. If during the period in which an offering circular is required by law to be delivered in connection with the distribution of Shares contemplated by the Offering Circular (the "Circular Delivery Period"), any event shall occur as a result of which, in the judgment of the Company or in the opinion of any of the Managers or counsel for any of the Managers, it becomes necessary to amend or supplement the Offering Circular in order to make the statements therein, in the light of the circumstances under which they were made, as the case may be, not misleading, or if it is necessary at any time to amend or supplement any Circular Supplement to comply with any law, the Company will promptly prepare and file with the Commission, and furnish at its own expense to the Managers and to dealers, an appropriate amendment to the Offering Statement or supplement to the Offering Statement or any Circular Supplement that is necessary in order to make the statements therein as so amended or supplemented, in the light of the circumstances under which they were made, as the case may be, not misleading, or so that the Offering Statement or any Circular Supplement, as so amended or supplemented, will comply with law. Before amending the Offering Statement or supplementing any Offering Circular in connection with the Offering, the Company will furnish the Managers with a copy of such proposed amendment or supplement and will not file any such amendment or supplement to which the Managers reasonably object.

(d) Copies of any Amendments and Supplements. The Company will furnish an Agent, without charge, during the period beginning on the date hereof and ending on the final Closing Date of the Offering, as many copies of any Offering Circular and any amendments and supplements thereto as any Agent may reasonably request.

(e) Transfer Agent. The Company will maintain, at its expense, a registrar and transfer agent for the Common Stock.

(f) Earnings Statement. As soon as practicable and in accordance with applicable requirements under the Securities Act, but in any event not later than 18 months after the last Closing Date, the Company will make generally available to its security holders and to the Managers an earnings statement, covering a period of at least 12 consecutive months beginning after the last Closing Date, that satisfies the provisions of Section 11(a) and Rule 158 under the Securities Act.

(g) Periodic Reporting Obligations. During the Offering Circular Delivery Period, the Company will duly file, on a timely basis, with the Commission all reports and documents required to be filed under the Exchange Act within the time periods and in the manner required by the Exchange Act.

(h) Additional Documents. The Company will enter into any subscription, purchase or other customary agreements as the Managers deem reasonably necessary or appropriate to consummate the Offering, all of which will be in form and substance reasonably acceptable to the Company and the Managers. The Company agrees that the Managers may rely upon, and each is a third party beneficiary of, the representations and warranties set forth in any such purchase, subscription or other agreement with Investors in the Offering.

(i) No Manipulation of Price. The Company will not take, directly or indirectly, any action designed to cause or result in, or that has constituted or might reasonably be expected to constitute, the stabilization or manipulation of the price of any Shares of the Company.

(j) Acknowledgment. The Company acknowledges that any advice given by any of the Managers to the Company is solely for the benefit and use of the Board of Directors of the Company and may not be used, reproduced, disseminated, quoted or referred to, without such Agent's prior written consent.

Section 6. Conditions of the Obligations of the Managers. The obligations of the Managers hereunder shall be subject to the accuracy of the representations and warranties on the part of the Company set forth in Section 2 hereof and of the Selling Stockholders set forth in Section 3 hereto, in all cases as of the date hereof and as of a Closing Date as though then made, to the timely performance by the Company of its covenants and other obligations hereunder on and as of such dates, and to each of the following additional conditions:

(a) Accountants' Comfort Letter. On the date hereof, the Representative shall have received, and the Company shall have caused to be delivered to the Representative, a letter from Rosenfield & Company, PLLC, the independent registered public accounting firm of the Company ("Rosenfield"), addressed to the Representative, dated as of the date hereof, in form and substance satisfactory to the Representative. The letter shall not disclose any change in the condition (financial or other), earnings, operations, business or prospects of the Company from that set forth in the Offering Circular or the applicable Circular Supplement, which, in the Representative's sole judgment, is material and adverse and that makes it, in the Representative's sole judgment, impracticable or inadvisable to proceed with the Offering of the Shares as contemplated by such Offering Statement any Circular Supplement.

(b) Compliance with Registration Requirements; No Stop Order; No Objection from the FINRA. The Offering Statement and any Circular Supplement shall have been duly filed with the Commission, as appropriate; no stop order suspending the qualification of the Offering Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; no order preventing or suspending the use of any Offering Circular shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; no order having the effect of ceasing or suspending the distribution of the Shares or any other securities of the Company shall have been issued by any securities commission, securities regulatory authority or stock exchange and no proceedings for that purpose shall have been instituted or shall be pending or, to the knowledge of the Company, contemplated by any securities commission, securities regulatory authority or stock exchange; all requests for additional information on the part of the Commission shall have been complied with; and the FINRA shall have raised no objection to the fairness and reasonableness of the placement terms and arrangements.

(c) Corporate Proceedings. All corporate proceedings and other legal matters in connection with this Agreement, the Offering Statement and any Circular Supplement, and the registration, sale and delivery of the Shares, shall have been completed or resolved in a manner reasonably satisfactory to each Agent's counsel, and such counsel shall have been furnished with such papers and information as it may reasonably have requested to enable such counsels to pass upon the matters referred to in this Section 6.

(d) No Material Adverse Change. Subsequent to the execution and delivery of this Agreement and prior to any Closing Date, there shall not have occurred any Material Adverse Effect.

(e) Opinion of Counsel for the Company. The Representative shall have received on each Closing Date the favorable opinion of legal counsel to the Company, dated as of such Closing Date, including, without limitation, a negative assurance letter, addressed to the Representative in form and substance reasonably satisfactory to the Representative.

(f) Officers' Certificate. The Representative shall have received on each Closing Date a certificate of the Company, dated as of such Closing Date, signed by the Chief Executive Officer and Chief Financial Officer of the Company, to the effect that the signers of such certificate have reviewed the Offering Statement, any Circular Supplement, and this Agreement and to the further effect that:

(i) The representations and warranties of the Company in this Agreement are true and correct, as if made on and as of such Closing Date, and the Company has, in all material respects, complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to such Closing Date;

(ii) No stop order suspending the qualification of the Offering Statement or the use of the Offering Circular or any Circular Supplement has been issued and no proceedings for that purpose have been instituted or are pending or, to the Company's knowledge, threatened under the Securities Act; no order having the effect of ceasing or suspending the distribution of the Shares or any other Shares of the Company has been issued by any Shares commission, Shares regulatory authority or stock exchange in the United States and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company, contemplated by any Shares commission, Shares regulatory authority or stock exchange in the United States;

(iii) When the Offering Statement became qualified, at the time of sale, and at all times subsequent thereto up to the delivery of such certificate, the Offering Statement, when it became qualified, contained all material information required to be included therein by the Securities Act and the applicable rules and regulations of the Commission thereunder, as the case may be, and in all material respects conformed to the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder, as the case may be, and the Offering Statement, did not and does not include any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (provided, however, that the preceding representations and warranties contained in this paragraph (iii) shall not apply to any statements or omissions made in reliance upon and in conformity with the Agent Information) and, since the Qualification Date, there has occurred no event required by the Securities Act and the rules and regulations of the Commission thereunder to be set forth in the Offering Statement which has not been so set forth; and

(iv) Subsequent to the respective dates as of which information is given in the Offering Statement and any Circular Supplement, there has not been: (a) any Material Adverse Effect; (b) any transaction that is material to the Company except transactions entered into in the ordinary course of business; (c) any obligation, direct or contingent, that is material to the Company, incurred by the Company, except obligations incurred in the ordinary course of business; (d) any material change in the capital stock (except changes thereto resulting from the exercise of outstanding stock options or warrants) or outstanding indebtedness of the Company; (e) any dividend or distribution of any kind declared, paid or made on the capital stock of the Company; or (f) any loss or damage (whether or not insured) to the property of the Company which has been sustained or will have been sustained which has a Material Adverse Effect.

(g) Bring-down Comfort Letter. On each subsequent Closing Date, the Managers shall have received from Rosenfield or such other independent registered public accounting firm engaged by the Company at such time, a letter dated as of such Closing Date, in form and substance satisfactory to the Managers, to the effect that they reaffirm the statements made in the letter furnished pursuant to subsection (a) of this Section 6, except that the specified date referred to therein for the carrying out of procedures shall be no more than three business days prior to such Closing Date.

(h) Stock Exchange Listing. The Shares shall be registered under the Exchange Act effective at the date of qualification, shall be approved for listing on the principal Trading Market by the initial Closing and shall be listed on or about the final Closing and tradable promptly thereafter on a date established by the Representative, and the Company shall not have taken any action designed to terminate, or likely to have the effect of terminating, the registration of the Shares under the Exchange Act or delisting or suspending from trading the Shares from the principal Trading Market, nor shall the Company have received any information suggesting that the Commission or the principal Trading Market is contemplating terminating such registration or listing.

(i) Lock-Up Agreements. On or before the initial Closing Date, the Representative shall have received executed lock-up agreements (in form and substance acceptable to the Representative in its sole discretion) from the holders identified in the Offering Statement that accurately reflect the lock-up provisions set forth in the Offering Statement applicable to such holders based on their status.

(j) Additional Documents. On or before each Closing Date, the Representative and counsel for the Representative shall have received such information and documents as they may reasonably require for the purposes of enabling them to pass upon the issuance and sale of the Shares as contemplated herein, or in order to evidence the accuracy of any of the representations and warranties, or the satisfaction of any of the conditions or agreements, herein contained. If any condition specified in this Section 6 is not satisfied when and as required to be satisfied, this Agreement may be terminated by the Representative by notice to the Company at any time on or prior to such Closing Date, which termination shall be without liability on the part of any party to any other party, except that Section 7 (Payment of Company Expenses), Section 8 (Indemnification and Contribution) and Section 10 (Representations and Indemnities to Survive Delivery) shall at all times be effective and shall survive such termination.

Section 7. Payment of Company Expenses. In addition to the Expense Fee, the Company agrees to pay all costs, fees and expenses incurred by the Company and the Selling Stockholders in connection with the performance of its obligations hereunder and in connection with the transactions contemplated hereby, including, without limitation: (i) all expenses incident to the issuance, delivery and qualification of the Shares (including all printing and engraving costs); (ii) all fees and expenses of the registrar and transfer agent of the Common Stock; (iii) all necessary issue, transfer and other stamp taxes in connection with the issuance and sale of the Shares; (iv) all fees and expenses of the Company's counsel, independent public or certified public accountants and other advisors; (v) all costs and expenses incurred in connection with the preparation, printing, filing, shipping and distribution of the Offering Statement (including financial statements, exhibits, schedules, consents and certificates of experts), the Offering Circular and each Circular Supplement, and all amendments and supplements thereto, and this Agreement; (vi) all filing fees, reasonable attorneys' fees and expenses incurred by the Company in connection with qualifying or registering (or obtaining exemptions from the qualification or registration of) all or any part of the Shares for offer and sale under the state securities or blue sky laws or the securities laws of any other country, and, if reasonably requested by any of the Managers, preparing and printing a "Blue Sky Survey," an "International Blue Sky Survey" or other memorandum, and any supplements thereto, advising the Representative of such qualifications, registrations and exemptions; (vii) if applicable, the filing fees incident to the review and approval the FINRA of any Agent's participation in the offering and distribution of the Shares; (viii) the fees and expenses associated with including the Shares on the Trading Market; (ix) all costs and expenses incurred by the Company in connection with any "roadshows" including the travel and accommodation of the Company's employees on the "roadshow," if any, and (x) all other fees, costs and expenses referred to in Part II of the Offering Statement. In no event shall the Company be obligated to pay, or pay, any expenses incurred by the Managers, it being understood that the Expense Fee is to include reimbursement to the Managers for all expenses they incur, provided, however, such expense incurred by the Managers is not an expense otherwise payable by the Company. In addition, in no event will the Selling Stockholders be liable to pay any of the fees or expenses set forth in this Section 7.

Section 8. Indemnification and Contribution.

(a) The Company agrees to indemnify the Managers in accordance with the provisions of Schedule A hereto, which is incorporated by reference herein and made a part hereof.

(b) Each of the Selling Stockholders severally and not jointly up to the number of Shares to be sold by such Selling Stockholder hereunder agrees to indemnify and hold harmless the Managers, their affiliates, directors and officers and each person, if any, who controls an Agent within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all loss, liability, claim, damage and expense described in Schedule A hereto, in each case only insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to such Selling Stockholder constituting Selling Stockholder Information furnished by such Selling Stockholder for inclusion in the Offering Statement or any Circular Supplement or any amendment or supplement thereto; provided, however, that the provisions of this Section 8 shall not require any such Selling Stockholder with respect to the indemnity provided under this subsection (b) or otherwise with respect to this Section 8 to indemnify or hold harmless the Managers in excess of the net proceeds received by such Selling Stockholder from the Shares sold by such Selling Stockholder pursuant to this Offering.

(c) Each Agent agrees to indemnify and hold harmless the Company, its directors, officers, employees, agents, and counsel, and each person, if any, who control the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act against any and all loss, liability, claim, damage and expense described in the foregoing indemnity from the Company to the Managers, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Offering Statement or any Circular Supplement or any amendment or supplement thereto or in any application, in reliance upon, and in strict conformity with, the Agent Information. In case any action shall be brought against the Company or any other person so indemnified based on the Offering Statement or any Circular Supplement or any amendment or supplement thereto or any application, and in respect of which indemnity may be sought against any Agent, such Agent shall have the rights and duties given to the Company, and the Company and each other person so indemnified shall have the rights and duties given to the several Agent by the provisions provided in Schedule A.

Section 9. Representations and Warranties of the Managers. Each of the Managers hereby represents, warrants and covenants to the Company and the Selling Stockholders, as of the date hereof, and as of each Closing Date, as follows:

(a) Agent is a member in good standing of FINRA or a registered representative thereof and is a broker-dealer registered as such under the Exchange Act. Each Agent is in compliance with all material rules and regulations applicable to it generally and applicable to its participation in the Offering.

(b) Agent has requisite power and authority to execute, deliver and perform this Agreement and consummate the transactions contemplated hereby.

(c) This Agreement has been duly authorized, executed, and delivered by each Agent and is the legal, valid, and binding obligation of each Selling, enforceable against each Agent in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, or other laws affecting the rights of creditors generally.

(d) Agent will not intentionally take any action that it reasonably believes would cause the Offering to violate the provision of the Securities Act, the Exchange Act or the respective rules and regulations promulgated thereunder.

Section 10. **Representations and Indemnities to Survive Delivery**. The respective indemnities, agreements, representations, warranties and other statements of the Company or any person controlling the Company, of its officers, of the Selling Stockholders and of the Managers set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of the Managers, the Selling Stockholders, the Company, or any of its or their partners, officers or directors or any controlling person, as the case may be, and will survive delivery of and payment for the Shares sold hereunder and any termination of this Agreement until the earlier of the expiration of any applicable statute of limitations and the seventh anniversary of the final Closing Date, at which time the representations, warranties and agreements shall terminate and be of no further force and effect. A successor to either of the Managers, to the Selling Stockholders, or to the Company, its directors or officers or any person controlling the Company, shall be entitled to the benefits of the indemnity, contribution and reimbursement agreements contained in this Agreement.

Section 11. **Notices**. All communications hereunder shall be in writing and shall be mailed, hand delivered or telecopied and confirmed to the parties hereto as follows:

If to the Managers, to the addresses set forth above.

With a copy to:

Greenberg Traurig, LLP
1750 Tysons Boulevard
McLean, VA 22102
Attention: Mark J. Wishner, Esq.

If to the Company:

Chicken Soup for the Soul Entertainment, Inc.

With a copy to:

Graubard Miller
405 Lexington Avenue
New York, New York 10174
Attention: David Alan Miller, Esq. and Brain L. Ross, Esq.

If to any Selling Stockholder:

To the address set forth in Schedule I hereto.

Any party hereto may change the address for receipt of communications by giving written notice to the others.

Section 12. **Successors**. This Agreement will inure to the benefit of and be binding upon the parties hereto, and to the benefit of the employees, officers and directors and controlling persons referred to in Section 8 hereof, and to their respective successors, and personal representative, and no other person will have any right or obligation hereunder.

Section 13. **Partial Unenforceability**. The invalidity or unenforceability of any section, paragraph or provision of this Agreement shall not affect the validity or enforceability of any other section, paragraph or provision hereof. If any Section, paragraph or provision of this Agreement is for any reason determined to be invalid or unenforceable, there shall be deemed to be made such minor changes (and only such minor changes) as are necessary to make it valid and enforceable.

Section 14. Governing Law Provisions. This Agreement shall be deemed to have been made and delivered in New York City and both this Agreement and the transactions contemplated hereby shall be governed as to validity, interpretation, construction, effect and in all other respects by the internal laws of the State of New York, without regard to the conflict of laws principles thereof. Each of the Managers, the Selling Stockholders and the Company: (i) agrees that any legal suit, action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby shall be instituted exclusively in New York Supreme Court, County of New York, or in the United States District Court for the Southern District of New York, (ii) waives any objection which it may now or hereafter have to the venue of any such suit, action or proceeding, and (iii) irrevocably consents to the jurisdiction of the New York Supreme Court, County of New York, and the United States District Court for the Southern District of New York in any such suit, action or proceeding. Each of the Managers, the Selling Stockholders and the Company further agrees to accept and acknowledge service of any and all process which may be served in any such suit, action or proceeding in the New York Supreme Court, County of New York, or in the United States District Court for the Southern District of New York and agrees that service of process upon the Company mailed by certified mail to the Company's address shall be deemed in every respect effective service of process upon the Company, in any such suit, action or proceeding, and service of process upon the Managers mailed by certified mail to the Agent address shall be deemed in every respect effective service process upon such Managers, in any such suit, action or proceeding. Notwithstanding any provision of this Agreement to the contrary, the Company and the Selling Stockholders agree that none of the Managers, any of their affiliates, any of the officers, directors, employees, agents and representatives of the Managers or any of their respective affiliates and each other person, if any, controlling any of the Managers or any of their respective affiliates (each a "Relevant Person"), shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Company and the Selling Stockholders arising out of the processing of orders for Shares in respect of which the Managers have not engaged in selling efforts, except for any loss, claim, damage, liability, deficiencies, actions, suits, proceedings, costs or legal or other expenses that are finally judicially determined to have resulted from the bad faith or gross negligence of such Relevant Person.

Section 15. General Provisions.

(a) This Agreement constitutes the entire agreement of the parties to this Agreement and supersedes all prior written or oral and all contemporaneous oral agreements, understandings and negotiations with respect to the subject matter hereof. This Agreement may be executed in two or more counterparts, each one of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement may not be amended or modified unless in writing by all of the parties hereto, and no condition herein (express or implied) may be waived unless waived in writing by each party whom the condition is meant to benefit. Section headings herein are for the convenience of the parties only and shall not affect the construction or interpretation of this Agreement.

(b) The Company and the Selling Stockholders acknowledge that in connection with the Offering of the Shares: (i) the Managers have acted at arm's length, are not agents of, and owe no fiduciary duties to the Company, the Selling Stockholders or any other person, (ii) the Managers owe the Company and the Selling Stockholders only those duties and obligations set forth in this Agreement and (iii) the Managers may have interests that differ from those of the Company and the Selling Stockholders. The Company and the Selling Stockholders waive, to the full extent permitted by applicable law, any claims they may have against any of the Managers arising from an alleged breach of fiduciary duty in connection with the offering of the Shares.

[*The remainder of this page has been intentionally left blank.*]

If the foregoing is in accordance with your understanding of our agreement, please sign below whereupon this instrument, along with all counterparts hereof, shall become a binding agreement in accordance with its terms.

Very truly yours,

Chicken Soup for the Soul Entertainment, Inc.

By: _____
Name:
Title:

By: _____
Name:
Title:

As Attorney-in-Fact acting on behalf of each of the Selling Stockholders named in Schedule I of this Agreement.

The foregoing Joint Bookrunning Manager Agreement is hereby confirmed and accepted as of the date first above written.

HCFP/Capital Markets

By: _____
Name:
Title:

[_____]

By: _____
Name:
Title:

[_____]

By: _____
Name:
Title:

SCHEDULE A – INDEMNIFICATION

The Company hereby agrees to indemnify and hold the Managers, their officers, directors, principals, employees, affiliates, and shareholders, and their respective successors and assigns, harmless from and against any and all loss, claim, damage, liability, deficiencies, actions, suits, proceedings, costs and legal expenses or expense whatsoever (including, but not limited to, reasonable legal fees and other expenses and reasonable disbursements incurred in connection with investigating, preparing to defend or defending any action, suit or proceeding, including any inquiry or investigation, commenced or threatened, or any claim whatsoever, or in appearing or preparing for appearance as witness in any proceeding, including any pretrial proceeding such as a deposition) (collectively, "Losses") arising out of, based upon, or in any way related or attributed to, any breach of a representation, warranty or covenant by the Company contained in this Agreement.

If an Agent receives written notice of the commencement of any legal action, suit or proceeding with respect to which the Company is or may be obligated to provide indemnification pursuant to this Schedule A , then such Agent, shall, within thirty (30) days of the receipt of such written notice, give the Company written notice thereof (a "Claim Notice"). Failure to give such Claim Notice within such thirty (30) day period shall not constitute a waiver by the Agent, of its respective right to indemnity hereunder with respect to such action, suit or proceeding. Upon receipt by the Company of a Claim Notice from an Agent with respect to any claim for indemnification which is based upon a claim made by a third party ("Third Party Claim"), the Company may assume the defense of the Third Party Claim with counsel of its own choosing, as described below. The Agent shall cooperate in the defense of the Third Party Claim and shall furnish such records, information and testimony and attend all such conferences, discovery proceedings, hearings, trial and appeals as may be reasonably required in connection therewith. The Agent shall have the right to employ its own counsel in any such action, which shall be at the Company's expense if (i) the Company and the Agent shall have mutually agreed in writing to the retention of such counsel, (ii) the Company shall have failed in a timely manner to assume the defense and employ counsel or experts reasonably satisfactory to the Agent in such litigation or proceeding or (iii) the named parties to any such litigation or proceeding (including any impleaded parties) include the Company and the Agent and representation of the Company and the Agent by the same counsel or experts would, in the reasonable opinion of the Agent be inappropriate due to actual or potential differing interests between the Company and the Agent, as applicable. The Company shall not satisfy or settle any Third Party Claim for which indemnification has been sought and is available hereunder, without the prior written consent of the Agent, which consent shall not be delayed and which shall not be required if the Agent, is granted a general release in connection therewith. The indemnification provisions hereunder shall survive the termination or expiration of this Agreement.

The Company further agrees, upon demand by the Agent, to promptly reimburse the Agent for, or pay, any reasonable fees, expenses or disbursements as to which the Agent has been indemnified herein with such reimbursement to be made currently as such fees, expenses or disbursements are incurred by the Agent. Notwithstanding the provisions of the aforementioned indemnification, any such reimbursement or payment by the Company of fees, expenses, or disbursements incurred by the Agent shall be repaid by the Agent in the event of any proceeding in which a final judgment (after all appeals or the expiration of time to appeal) is entered in a court of competent jurisdiction against or the Agent based solely upon its gross negligence or intentional misconduct in the performance of its duties hereunder, and provided further, that the Company shall not be required to make reimbursement or payment for any settlement effected without the Company's prior written consent (which consent shall not be unreasonably withheld or delayed).

If for any reason the foregoing indemnification is unavailable or is insufficient to hold any of the Agent harmless, the Company agrees to contribute the amount paid or payable by any Agent in such proportion as to reflect not only the relative benefits received by the Company, on the one hand, and the applicable Agent, on the other hand, but also the relative fault of the Company and any of the Agent as well as any relevant equitable considerations. In no event shall any Agent contribute in excess of the fees actually received by it pursuant to the terms of this Agreement.

For purposes of this Agreement, each officer, director, shareholder, and employee or affiliate of any Agent and each person, if any, who controls Agent (or any affiliate) within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act, shall have the same rights as Agent with respect to matters of indemnification by the Company hereunder.

Notwithstanding any provision of this Agreement to the contrary, the Company agrees that none of the Agent, any of its affiliates, any of its officers, directors, employees, agents and representatives or any of their respective affiliates and each other person, if any, controlling the Agent or any of its affiliates (each a "Relevant Person"), shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Company arising out of the processing of orders for Shares in respect of which the Agent has not engaged in selling efforts, except for any loss, claim, damage, liability, deficiencies, actions, suits, proceedings, costs or legal or other expenses that are finally judicially determined to have resulted from the bad faith or gross negligence of such Relevant Person.

SCHEDULE I – SELLING STOCKHOLDERS

Name	Number of Shares Owned	Number of Shares to Be Sold in Offering
Quattro Holdings, LLC	64,504	64,504
Bertrand Faure	64,503	64,503
Trinity Credit Company, LLC	129,010	129,010

Exhibit 6.7

ESCROW AGREEMENT

AGREEMENT made this __ day of _____, 2017, by and among Chicken Soup for the Soul Entertainment, Inc. (the "Issuer"), the representative of the Joint Bookrunning Agents ("Joint Bookrunning Manager") whose name and address appears on the Information Sheet (as defined herein) attached to this Agreement, and Continental Stock Transfer & Trust Company, 1 State Street, 30th Floor, New York, New York 10004 (the "Escrow Agent").

W I T N E S S E T H:

WHEREAS, the Issuer has filed with the Securities and Exchange Commission (the "Commission") an offeirng statement (the "Offering Statement") covering a proposed public offering of its securities as described on the Information Sheet;

WHEREAS, the Joint Bookrunning Agents propose to offer the Securities, as agents for the Issuer and Selling Stockholders named in the Offering Statement, for sale to the public on a "best efforts, any or all" basis with respect to the Maximum Securities Amount and Maximum Dollar Amount and at the price per share all as set forth, on the Information Sheet;

WHEREAS the Issuer and the Joint Bookrunning Agents propose to establish an escrow account (the "Escrow Account"), to which subscription monies which are received by the Escrow Agent from the Joint Bookrunning Agents and other selling agents and dealers (collectively, the "Selling Agents") in connection with such public offering are to be credited, and the Escrow Agent is willing to establish the Escrow Account and the terms are subject to the conditions hereinafter set forth; and

WHEREAS, the Escrow Agent has an agreement with JP Morgan Chase to establish a special bank account (the "Bank Account") into which the subscription monies, which are received by the Escrow Agent from the Selling Agents and credited to the Escrow Account, are to be deposited;

NOW, THEREFORE in consideration of the premises and mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Information Sheet. Each capitalized term not otherwise defined in this Agreement shall have the meaning set forth for such term on the information sheet which is attached to this Agreement and is incorporated by reference herein and made a pact hereof (the "Information Sheet").

2. Establishment of the Bank Account.

2.1 The Escrow Agent shall establish a non-interest bank account at the branch of JP Morgan Chase selected by the Escrow Agent, and bearing the designation set forth on the Information Sheet (heretofore defined as the "Bank Account"). The purpose of the Bank Account is for (a) the deposit of all subscription monies (checks, or wire transfers) which are received by the Selling Agents from prospective purchasers of the Securities and are delivered by the Selling Agents to the Escrow Agent, (b) the holding of amounts of subscription monies which are collected through the banking system, and (c) the disbursement of collected funds, all as described herein.

2.2 On or before the date of the initial deposit in the Bank Account pursuant to this Agreement, the Joint Bookrunning Manager shall notify the Escrow Agent in writing of the Qualification Date of the Offering Statement (the "Qualification Date"), and the Escrow Agent shall not be required to accept any amounts for credit to the Escrow Account or for deposit in the Bank Account prior to its receipt of such notification.

2.3 The Offering Period, which shall be deemed to commence on the Qualification Date, shall consist of the number of calendar days or business days set forth on the Information Sheet, including the extension described therein; provided, however that if such extension is initiated, the Escrow Agent shall be provided with written notice of such extension no later than one (1) business day after the date on which such extension is initiated. The last day of the Offering Period, as may be extended, is referred to herein as the "Termination Date". After the Termination Date, the Selling Agents shall not deposit, and the Escrow Agent shall not accept, any additional amounts representing payments by prospective purchasers.

3. Deposits to the Bank Account.

3.1 The Selling Agents shall promptly deliver to the Escrow Agent all monies which they receive from prospective purchasers of the Securities, which monies shall be in the form of checks or wire transfers. Upon the Escrow Agent's receipt of such monies, they shall be credited to the Escrow Account. All checks delivered to the Escrow Agent shall be made payable to "CST&T CHICKEN SOUP FOR THE SOUL ENTERTAINMENT Escrow Account." Any check payable other than to the Escrow Agent as required hereby shall be returned to the prospective purchaser, or if the Escrow Agent has insufficient information to do so, then to the applicable Selling Agent (together with any Subscription Information, as defined below or other documents delivered therewith) by noon of the next business day following receipt of such check by the Escrow Agent, and such check shall be deemed not to have been delivered to the Escrow Agent pursuant to the terms of this Agreement.

3.2 Promptly after receiving subscription monies as described in Section 3.1, the Escrow Agent shall deposit the same into the Bank Account. Amounts of monies so deposited are hereinafter referred to as "Escrow Amounts." The Escrow Agent shall cause the Bank to process all Escrow Amounts for collection through the banking system. Simultaneously with each deposit to the Escrow Account, the applicable Selling Agent (or the Issuer, if such deposit is made by the Issuer) shall inform the Escrow Agent in writing of the name, address, and the tax identification number of the purchaser, the amount of Securities subscribed for by such purchase, and the aggregate dollar amount of such subscription (collectively, the "Subscription Information").

3.3 The Escrow Agent shall not be required to accept in the Escrow Account any amounts representing payments by prospective purchasers, whether by check or wire, except during the Escrow Agent's regular business hours. The Selling Agents shall maintain the name, address, tax identification number and the number of shares and other know your customer compliance.

3.4 Only those Escrow Amounts, which have been deposited in the Bank Account and which have cleared the banking system and have been collected by the Escrow Agent, are herein referred to as the "Fund".

3.5 Pursuant to Rule 15c2-4, until the Fund is disbursed in accordance with Article 4 hereof, the Issuer will not have any access to the proceeds held in the Fund. Only upon instructions from both the Issuer and the Joint Bookrunning Manager that a closing of the proposed offering will take place in accordance with Article 4 hereof will the Escrow Agent disburse any portion of the Fund to the Issuer for its use.

3.6 If the proposed offering is terminated before the Termination Date, the Escrow Agent shall, upon instructions in writing signed by both the Issuer and the Joint Bookrunning Manager, refund to the applicable investors (or the corresponding Selling Agent) any portion of the Fund prior to disbursement of the Fund to the Issuer in accordance with Article 4 hereof.

4. Disbursement from the Bank Account.

4.1 If at any time up to the close of regular banking hours on the Termination Date, the Escrow Agent receives subscription monies, the Escrow Agent shall promptly notify the Issuer and the Joint Bookrunning Manager of such fact in writing. The Escrow Agent shall promptly disburse the Fund, by drawing checks on the Bank Account in accordance with instructions in writing signed by both the Issuer and the Joint Bookrunning Manager as to the disbursement of the Fund, promptly after it receives such instructions and funds have cleared.

4.2 Upon disbursement of the Fund pursuant to the terms of this Article 4, the Escrow Agent shall be relieved of all further obligations and released from all liability under this Agreement. It is expressly agreed and understood that in no event shall the aggregate amount of payments made by the Escrow Agent exceed the amount of the Fund.

5. Rights, Duties and Responsibilities of Escrow Agent. It is understood and agreed that the duties of the Escrow Agent are purely ministerial in nature, and that:

5.1 The Escrow Agent shall notify the Joint Bookrunning Manager, on a daily basis, of the Escrow Amounts which have been deposited in the Bank Account and of the amounts, constituting the Fund, which have cleared the banking system and have been collected by the Escrow Agent.

5.2 The Escrow Agent shall not be responsible for or be required to enforce any of the terms or conditions of the agency agremeent between the Issuer and the Joint Bookrunning Manager or any other agreement between the Issuer and the Joint Bookrunning Manager nor shall the Escrow Agent be responsible for the performance by the Issuer or the Joint Bookrunning Manager of their respective obligations under this Agreement.

5.3 The Escrow Agent shall not be required to accept from any Selling Agent (or the Issuer) any Subscription Information pertaining to prospective purchasers unless such Subscription Information is accompanied by checks, or wire transfers meeting the requirements of Section 3.1, nor shall the Escrow Agent be required to keep records of any information with respect to payments deposited by any Selling Agent (or the Issuer) except as to the amount of such payments; however, the Escrow Agent shall notify the Joint Bookrunning Manager within a reasonable time of any discrepancy between the amount set forth in any Subscription Information and the amount delivered to the Escrow Agent therewith. Such amount need not be accepted for deposit in the Escrow Account until such discrepancy has been resolved.

5.4 The Escrow Agent shall be under no duty or responsibility to enforce collection of any check delivered to it hereunder. The Escrow Agent, within a reasonable time, shall return to the applicable Selling Agent any check received which is dishonored, together with the Subscription Information, if any, which accompanied such check.

5.5 The Escrow Agent shall be entitled to rely upon the accuracy, act in reliance upon the contents, and assume the genuineness of any notice, instruction, certificate**,** signature, instrument or other document which is given to the Escrow Agent pursuant to this Agreement without the necessity of the Escrow Agent verifying the truth or accuracy thereof. The Escrow Agent shall not be obligated to make any inquiry as to the authority, capacity, existence or identity or any person purporting to give any such notice or instructions or to execute any such certificate, instrument or other document.

5.6 If the Escrow Agent is uncertain as to its duties or rights hereunder or shall receive instructions with respect to the Bank Account, the Escrow Amounts or the Fund which, in its sole determination, are in conflict either with other, instructions received by it or with any provision of this Agreement, it shall be entitled to hold the Escrow Amounts, the Fund, or a portion thereof, in the Bank Account pending the resolution of such uncertainty to the Escrow Agent's sole satisfaction, by final judgment of a court or courts of competent jurisdiction or otherwise; or the Escrow Agent, at its sole option, may deposit the Fund (and any other Escrow Amounts that thereafter become part of the Fund) with the Clerk of a court of competent jurisdiction in a proceeding to which all parties in interest are joined. Upon the deposit by the Escrow Agent of the Fund with the Clerk of any court, the Escrow Agent shall be relieved of all further obligations and released from all liability hereunder.

5.7 The Escrow Agent shall not be liable for any action taken or omitted hereunder, or for the misconduct of any employee, agent or attorney appointed by it, except in the case of willful misconduct or gross negligence. The Escrow Agent shall be entitled to consult with counsel of its own choosing and shall not be liable for any action taken, suffered or omitted by it in accordance with the advice of such counsel.

5.8 The Escrow Agent shall have no responsibility at any time to ascertain whether or not any security interest exists in the Escrow Amounts, the Fund or any part thereof or to file any statement under the Uniform Commercial Code with respect to the Fund or any part thereof.

6. Amendment; Resignation. This Agreement may be altered or amended only with the written consent of the Issuer, the Joint Bookrunning Manager and the Escrow Agent. The Escrow Agent may resign for any reason upon three (3) business days' written notice to the Issuer and the Joint Bookrunning Manager. Should the Escrow Agent resign as herein provided**,** it shall not be required to accept any deposit, make any disbursement or otherwise dispose of the Escrow Amounts or the Fund, but its only duty shall be to hold the Escrow Amounts until they clear the banking system and the Fund for a period of not more than five (5) business days following the effective date of such resignation, at which time (a) if a successor escrow agent shall have been appointed and written notice thereof (including the name and address of such successor escrow agent) shall have been given to the resigning Escrow Agent by the Issuer, the Joint Bookrunning Manager and such successor escrow agent, then the resigning Escrow Agent shall pay over to the successor escrow agent the Fund, less any portion thereof previously paid out in accordance with this Agreement; or (b) if the resigning Escrow Agent shall not have received written notice signed by the Issuer, the Joint Bookrunning Manager and a successor escrow agent, then the resigning Escrow Agent shall promptly refund the amount in the Fund to each prospective purchaser without interest thereon or deduction therefrom, and the resigning Escrow Agent shall promptly notify the Issuer and the Joint Bookrunning Manager in writing of its liquidation and distribution of the Fund; whereupon, in either case, the Escrow Agent shall be relieved of all further obligations and released from all liability under this Agreement. Without limiting the provisions of Section 8 hereof, the resigning Escrow Agent shall be entitled to be reimbursed by the Issuer and the Joint Bookrunning Manager for any expenses incurred in connection with its resignation, transfer of the Fund to a successor escrow agent or distribution of the Fund pursuant to this Section 6.

7. Representations and Warranties. The Issuer and the Joint Bookrunning Manager hereby jointly and severally represent and warrant to the Escrow Agent that:

7.1 No party other than the parties hereto and the prospective purchasers (and the applicable Selling Agents) have, or shall have, any lien, claim or security interest in the Escrow Amounts or the Fund or any part thereof.

7.2 No financing statement under the Uniform Commercial Code is on file in any jurisdiction claiming a security interest in or describing (whether specifically or Generally) the Escrow Amounts or the Fund or any part thereof.

7.3 The Subscription information submitted with each deposit shall, at the time of submission and at the time of disbursement of the Fund, be deemed a representation and warranty that such deposit represents a bona fide payment by the purchaser described therein for the amount of securities in such described as Subscription Information.

7.4 All of the information contained in the Information Sheet is, as of the date hereof, and will be, at the time of any disbursement of the Fund, true and correct.

7.5 Reasonable controls have been established and required due diligence performed to comply with "Know Your Customer" regulations, USA Patriot Act, Office of the Foreign Asset Control (OFAC) regulations and the Bank Secrecy Act.

8. Fees and Expenses. The Escrow Agent shall be entitled to the Escrow Agent Fees set forth on the Information Sheet, payable as and when stated therein. In addition, the Issuer and the Joint Bookrunning Manager jointly and severally agree to reimburse the Escrow Agent for any reasonable expenses incurred in connection with this Agreement, including, but not limited to, reasonable counsel fees. Upon receipt of any subscription monies, the Escrow Agent shall have a lien upon the Fund to the extent of its fees for services as Escrow Agent.

9. Indemnification and Contribution.

9.1 The Issuer and the Joint Bookrunning Manager (collectively referred to as the "Indemnitors") jointly and severally agree to indemnify the Escrow Agent and its officers, directors, employees, agents and shareholders (collectively referred to as the " Indemnitees") against, and hold them harmless of and from, any and all loss, liability, cost, damage and expense, including without limitation, reasonable counsel fees, which the Indemnitees may suffer or incur by reason of any action, claim or proceeding brought against the Indemnitees arising out of or relating in any way to this Agreement or any transaction to which this Agreement relates, unless such action, claim or proceeding is the result of the willful misconduct or gross negligence of the Indemnitees.

9.2 If the indemnification provided for in Section 9.1 is applicable, but for any reason is held to be unavailable, the Indemnitors shall contribute such amounts as are just and equitable to pay, or to reimburse the Indemnitees for, the aggregate of any and all losses, liabilities, costs, damages and expenses, including counsel fees, actually incurred by the Indemnitees as a result of or in connection with, and any amount paid in settlement of, any action, claim or proceeding arising out of or relating in any way to any actions or omissions of the Indemnitors.

9.3 The provisions of this Article 9 shall survive any termination of this Agreement, whether by disbursement of the Fund, resignation of the Escrow Agent or otherwise.

10. Governing Law and Assignment. This Agreement shall be construed in accordance with and governed by the internal law of the State of New York and shall be binding upon the parties hereto and their respective successors and assigns; provided, however, that any assignment or transfer by any party of its rights under this Agreement or with respect to the Escrow Amounts or the Fund shall be void as against the Escrow Agent unless (a) written notice thereof shall be given to the Escrow Agent; and (b) the Escrow Agent shall have consented in writing to such assignment or transfer.

11. Notices. All notices required to be given in connection with this Agreement shall be sent by registered or certified mail, return receipt requested, or by hand delivery with receipt acknowledged, or by the Express Mail service offered by the United States Post Office, and addressed, if to the Issuer or the Joint Bookrunning Manager, at their respective addresses set forth on the Information Sheet, and if to the Escrow Agent, at its address set forth above, to the attention of the Trust Department.

12. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

13. Execution in Several Counterparts. This Agreement may be executed in several counterparts or by separate instruments, and all of such counterparts and instruments shall constitute one agreement, binding on all of the parties hereto.

14. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings (written or oral) of the parties in connection therewith.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

CHICKEN SOUP FOR THE SOUL ENTERMENTMENT INC.

By: _____
Name:
Title:

CONTINENTAL STOCK TRANSFER & TRUST COMPANY

By: _____
Name
Title:

HCFP/CAPITAL MARKETS LLC

By: _____
Name:
Titie:

EXHIBIT A

ESCROW AGREEMENT INFORMATION SHEET

1. The Issuer
Name: Chicken Soup for the Soul Entertainment, Inc.
Address: 132 E. Putnam Avenue, Floor 2, Cos Cob, Connecticut 06807

Tax Identification Number: 81-2560811

2. Representative of the Joint Bookrunning Managers
Name: HCFP/Capital Markets LLC
Address: 420 Lexington Avenue, Suite 300, New York, New York 10170

3. The Securities
Description of the Securities to be offered: The offering consists of 900,000 shares of the Issuer's Class A common stock comprised of (a) up to 641,983 newly issued shares of Class A common stock ("Shares") and (b) up to an aggregate of 258,017 of outstanding shares of Class A common stock that may be sold by certain stockholders ("Selling Stockholder Shares" and together with the Shares, the "Offering Shares"). The purchase price per share shall be $12.00 or such other amount as determined by the Issuer and the Joint Bookrunning Manager.

To the extent less than 900,000 of the Offering Shares are sold in the offering, the Offering Shares sold in the offering will be allocated pro rata between the Shares and Selling Stockholder Shares. To the extent 900,000 or more of the Offering Shares are sold in the offering, all of the Selling Stockholder Shares will be sold in the offering. In the event all of the Offering Shares are sold, the Issuer may, in its discretion, sell up to 1,600,000 additional newly issued shares ("Additional Shares") in the offering.

4. Maximum Amounts and Conditions Required for Disbursement of the Escrow Account
Aggregate dollar amount which must be collected before the Escrow Account may be disbursed to the Issuer and Selling Stockholders: $1.00;
Maximum amount: $30,000,000

5. Plan of Distribution of the Securities
The offering will terminate on _____, 2017, subject to extension for up to ninety (90) days with the mutual consent of the Issuer and the Joint Bookrunning Manager (the offering period, as extended, being referred to as the "Offering Period" and the last day of the Offering Period, as may be extended, being referred to as the "Termination Date"). The Issuer may hold an initial closing on any number of Offering Shares at any time during the Offering Period and through and including the Termination Date and thereafter may hold one or more additional closings during the Offering Period. No closing will be conducted unless the Issuer has been approved for listing on the Nasdaq Global Market or Nasdaq Capital Market (in either case, "Nasdaq"). The issuer will delay listing and trading on Nasdaq until the earlier of the final closing of the offering and the end of the Offering Period.

6. Title of Escrow Account
"CST&T AAF CHICKEN SOUP FOR THE SOUL ENTERTAINMENT"

7. Escrow Agent Fees

$3,250.00: $1250.00 payable at signing of the Escrow Agreement from the Issuer, plus $2,000.00 on or prior to the initial Closing. ($250.00 fee for online “view only” access to the bank account is included). $500 is payable for document review services related to each amendment to the Escrow Agreement. In addition, a fee of $500.00 is payable for each additional closing after the initial closing. Should the Escrow Agent continue for more than one year, the Escrow Agent shall receive a fee of $600.00 per month, or any portion thereof, payable in advance on the first business day of the month.

ACCESS SERVICES AND CUSTODY AGREEMENT

This Access Services and Custody Agreement (this "Agreement") is effective this 21st day of June, 2017 (the "Effective Date") by and between Chicken Soup for the Soul Entertainment, Inc., a Delaware corporation ("Issuer"), and Folio Investments, Inc. ("Folio"), a Virginia corporation. Issuer and Folio are hereby referred to collectively as the "Parties" or individually as a "Party".

RECITALS

A. WHEREAS, Folio is a registered clearing broker-dealer that, among other things, custodies SEC public reporting and non-public reporting, exchange listed and unlisted security interests, facilitates the offering of securities and holds customer funds;

B. WHEREAS, Issuer has issued, or intends to issue, certain securities in connection with an offering conducted under Regulation A promulgated under the Securities Act of 1933, as amended (the "Act"), as further described on Schedule A ("Securities");

C. WHEREAS, Issuer wishes to engage Folio, and Folio wishes to accept such engagement, to provide access to Folio's investor platform and closing and custody services for Securities held by purchasers participating in the offering through the Folio platform and to perform related services with respect thereto.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and conditions set forth herein, and intending to be legally bound, the Parties hereto agree as follows:

1 DEFINITIONS

1.1 "Action" shall have the meaning set forth in Section 7.2 of this Agreement.

1.2 "ACH" means Automated Clearing House.

1.3 "Affiliate" means any person that is directly or indirectly, through one or more intermediaries, Controlling, Controlled by, or under common Control with, one of the parties hereto. For purposes of this definition, "Control" shall mean possessing, directly or indirectly, the power to direct or cause the direction of the management, policies and operations of a person, whether through ownership of voting securities, by contract or otherwise.

1.4 "Books and Records" shall have the meaning set forth in Schedule B-1 attached to this Agreement.

1.5 "Branding" means trademarks, service marks, domain names, logos, links, navigation and other indicators of origin.

1.6 "Content" means any or all text, images, video, audio, graphics, and other data, products, materials, services, text, pointers, technology, code, language, functions and software, including Branding.

1.7 "Exchange Act" means the Securities Exchange Act of 1934, as amended.

1.8 "Fees" shall have the meaning set forth in Section 3.1 of this Agreement.

1.9 "FINRA" means the Financial Industry Regulatory Authority, Inc. or any successor thereto.

1.10 "Folio Branding" means all Branding (other than from Issuer) used by Folio and includes any Branding provided by Folio to Issuer for use on the Issuer Site.

1.11 "Folio Content" means the Content owned by, licensed for use by, or otherwise permitted to be used by Folio in any manner, which for the avoidance of doubt shall in no event include Issuer Content.

1.12 "Folio Customer" means a person that has executed a customer account agreement with Folio and maintains a brokerage account with Folio, whether or not they have purchased the Securities.

1.13 "Folio Indemnified Parties" shall have the meaning set forth in Section 7.2 of this Agreement.

1.14 "Folio Name" means, and includes, the name of Folio or any of its Affiliates, or the name of any member, stockholder, partner, manager or employee of Folio or any of its Affiliates, or any trade name, trademark, logo, service mark, symbol or any abbreviation, contraction or simulation thereof owned or used by Folio or any of its Affiliates.

1.15 "Folio Site" means those internet sites, including but not limited to www.folioinvesting.com, www.folioclient.com and www.folioinstitutional.com, maintained by Folio for the purpose of offering its services.

1.16 "Investor(s)" means a Folio Customer who holds the Securities in a brokerage account with Folio, excluding the Issuer.

1.17 "Issuer Branding" means all Branding (other than from Folio) used by Issuer and includes any Branding provided by Issuer to Folio for use on the Folio Site.

1.18 "Issuer Content" means the Content owned by, licensed for use by, or otherwise permitted to be used by Issuer in any manner, which for the avoidance of doubt shall in no event include Folio Content.

1.19 "Issuer Indemnified Parties" shall have the meaning set forth in Section 7.3 of this Agreement.

1.20 "Issuer Site" means those internet sites as set forth on Schedule A maintained by the Issuer or an Affiliate of the Issuer for the purpose of offering the Securities.

1.21 "Law" or "Legal Requirement" means any statute, law, ordinance, rule or regulation, or any order, judgment, or plan, of any court, arbitrator, department, agency, authority, instrumentality or other body, whether federal, state, municipal, foreign, self-regulatory or other that governs the activities of either of the Parties.

1.22 "Losses" shall have the meaning set forth in Section 7.2 of this Agreement.

1.23 "Offering" means the offering, pursuant to a registration statement under the Securities Act or an exemption therefrom, of Securities to Investors.

1.24 "Folio Platform" means such technology owned, operated or made available by Folio or an Affiliate of Folio for Issuer's use in making the Securities available in a direct Offering.

1.25 "Security(ies)" shall have the meaning set forth in the recitals.

1.26 "SEC" means the U.S. Securities and Exchange Commission.

1.27 "Securities Act" means the Securities Act of 1933, as amended.

1.28 "Services" shall have the meaning set forth in Section 2.1 and 2.2 of this Agreement.

1.29 "Term" shall have the meaning set forth in Section 8.1 of this Agreement.

2 PLATFORM ACCESS AND CUSTODIAL SERVICES

2.1 Platform Access Services. Folio shall establish an access page and related pages for the Offering on the Folio Site through which Folio Customers (including those accessing the Folio Site through the Issuer's own sites and opening accounts with Folio) can participate in the Offering as further detailed on Schedule B-1. Folio shall make the Offering Statement used in the Offering available to Folio Customers through the Folio Site and shall collect all necessary documentation from Folio Customers participating in the Offering. Folio shall collect investment funds to purchase Securities from all Folio Customers participating in the Offering. At the direction of Issuer, Folio shall wire all of such funds for Securities in its possession to the escrow account being maintained at Continental Stock Transfer & Trust Co (or such other escrow agent maintaining the escrow account for the Offering) immediately prior to any closing of the Offering. Folio shall communicate and work with the joint bookrunning managers of the Offering and the aforementioned escrow agent in the provision of Folio's services hereunder.

2.2 Closing Services. Folio shall provide its offering closing services, and perform related services, as described by the provisions of Schedule B-1.

2.3 Custodial and Related Services. Folio shall hold, as nominee custodian, the Securities and perform related services with respect to the Issuer to the extent explicitly required by specific provisions contained in Schedule B-1 of this Agreement and shall not be responsible for any duties or obligations not allocated to Folio pursuant to this Agreement, which services shall be contingent upon Issuer meeting its obligations as outlined herein and in Schedule B-2, and as limited by Schedule C of this Agreement (the "Services"). Folio may also, in its sole discretion, take such actions as it reasonably deems necessary to perform due diligence or investigation with respect to the Issuer and/or any Offering at any time and from time to time.

2.4 Modifications to Folio Systems, Platforms and Operations. Folio upgrades and enhances its platform and amends, modifies and changes its operations and procedures on a consistent basis. Folio reserves the right, therefore, in its sole discretion, to change or modify the Folio Platform at any time and from time to time; provided such changes or modifications shall not materially adversely affect Folio's ability to perform its services prescribed hereby.

2.5 No Discretionary Authority. Unless and only to the extent specifically described in any separate agreement between Folio and the Issuer: (a) Folio shall, at all times, act solely in a passive, non-discretionary capacity with respect to the Issuer and each Investor and each brokerage account with Folio maintained by Issuer or each Investor and shall not be responsible or liable for any investment decisions or recommendations with respect to the purchase or disposition of any Security or other assets; (b) Folio shall not be responsible for questioning, investigating, analyzing, monitoring, or otherwise evaluating any of the investment decisions of any Investor or reviewing the prudence, merits, viability or suitability of any investment decision made by any Investor, including the decision to purchase or hold the Securities or such other investment decisions or direction that may be provided by any individual or entity with authority over the relevant Investor; and (c) Folio shall not be responsible for directing investments or determining whether any investment by an Investor or any person or entity with authority to make investment decisions on Investor's behalf is acceptable under applicable Law.

2.6 Book Entry Securities. The Securities will be book entry securities on Folio's Books and Records and held for the benefit of the Investors. Folio will maintain, as part of the Services, information as to amounts paid with respect to the Securities by the individual Investors. Accordingly, Folio agrees to accurately maintain its Books and Records and to provide Issuer information from its Books and Records as reasonably requested by Issuer. Issuer shall maintain on its books and records the amount paid by Investors with respect to the Securities, which may be in aggregate if permitted by Law and include an omnibus position in the Securities at Folio, held and maintained for the benefit of the Investors. Issuer will notify Folio immediately if the amount owed or paid with respect to the Securities to Investors or the position held on Issuer's books and records is different from the amount that Folio reports to Issuer. Folio shall communicate with and work and cooperate with Continental or such other entity then serving as the transfer agent for the Issuer's securities in connection with each closing of the offering.

3 FEES

3.1 Fees. The fees payable by the Issuer to Folio are specified in Schedule D to this Agreement (collectively, "Fees"). Folio is authorized to debit the Fees automatically from the proceeds of each closing of the offering at the time of such closing from Issuer's account with Folio.

3.2 Required Fee Changes. Folio reserves the right to increase, amend or change the Fees as a result of: (a) changes in Law; (b) increased costs or fees charged by vendors or third party service providers, including service providers that are Affiliates of Folio, that in Folio's sole reasonable judgment require Folio to incur new or increased costs to provide the Services; or (c) changes in the Services that result in the performance of additional, duplicative or amended activities by Folio under this Agreement, which, in Folio's sole reasonable judgment cause Folio to incur new or increased costs.

3.3 Discretionary Fee Changes. Folio needs to, and does, reserve the right to increase, amend or change the Fees as a result of changes in the business environment, internal procedural changes, its determination to increase the profitability of providing the Services, or other matters foreseen or unforeseen.

3.4 Fee Change Procedure. Before increasing, amending or changing any Fees as described in this Section 3, Folio will inform Issuer of the nature and details of such change and will provide Issuer with an opportunity to provide its views concerning the proposed change. After providing a reasonable opportunity for Issuer to provide its views, but in no event more than ten (10) days, Folio will inform Issuer of any such increase, amendment or change to the Fees increase it has decided to adopt. Prior to debiting the Issuer's account for Fees that have changed pursuant to this Section 3, Folio promptly will provide Issuer with an amended Schedule D or such other documentation necessary to describe the Fee changes, along with an explanation of any changes. Any amendments or updates to the Fees in Schedule D or otherwise shall become effective thirty (30) days after the date of such notice.

4 NAMES, BRANDS, WEBSITES AND CONTENT

4.1 Use of Folio Name, Folio Brand and Folio Content. Issuer shall not, and shall cause its representatives not to, without the prior written consent of Folio: (a) use in advertising, publicity, or otherwise any Folio Name, Brand or Content, or (b) represent, directly or indirectly, that Issuer, any Affiliate of Issuer, or any representative of Issuer or the Securities have been approved, endorsed, or recommended by Folio or any of its Affiliates; *provided, however*, that Issuer shall be entitled to use the Folio Name and describe this Agreement in the Offering Statement and on its website in connection with a link to Folio for prospective purchasers. In addition, all use of the Folio Name, Branding or Content and all descriptive materials about the Services used by the Issuer on the Issuer Site or elsewhere, must be reviewed and approved by Folio, as to appearance, substance and placement, prior to use by Issuer. Folio may also require a "jump" or other interstitial page in connection with any links or references to Folio or any of its websites or otherwise if deemed necessary by Folio to ensure clear demarcation between any websites or content of Folio and any websites or content of Issuer. Issuer understands that any breach hereof may also cause a breach of Law, and Issuer will be liable hereunder for any failure to obtain such prior approval or otherwise comply with these provisions.

4.2 Use of Issuer Name, Issuer Brand and Issuer Content. Folio shall not, and shall cause its representatives not to, without the prior written consent of Issuer: (a) use in advertising, publicity, or otherwise any Issuer Name, Brand or Content or (b) represent, directly or indirectly, that Folio has been endorsed or recommended by Issuer. In addition, all use of the Issuer Name, Branding or Content on the Folio Site must be reviewed and approved by Issuer, as to appearance, substance and placement, prior to use by Folio. Issuer may also require a "jump" or other interstitial page in connection with any links or references to Issuer or any of its websites or otherwise to ensure clear demarcation between any websites or content of Issuer and any websites or content of Folio. Folio understands that any breach hereof may also cause a breach of Law, and Folio will be liable hereunder for any failure to obtain such prior approval or otherwise comply with these provisions.

4.3 No Responsibility for Issuer Site or Issuer Content. Folio is not preparing, endorsing, adopting, reviewing or approving in any way the Issuer Site or Issuer Content or any offering material, including any offering memorandum, or any other materials of any kind prepared by Issuer or on behalf of Issuer (even if prepared by Folio on behalf of Issuer) wherever it may appear, except to the extent that the Issuer Site, Issuer Content or other material specifically references Folio, and then only to the limited extent of such reference.

4.4 No Responsibility for Folio Site or Folio Content. Issuer is not preparing, endorsing, adopting, reviewing or approving in any way the Folio Site or Folio Content, except to the extent that the Issuer Content appears on the Folio Site.

4.5 No License of Intellectual Property. No license or grant of any intellectual property of any nature whatsoever, including any Branding or Content, or any data, business method, patents or applications thereof or similar material shall be deemed granted, licensed or otherwise from either Party (or any Affiliate thereof) to the other (or any Affiliate thereof) under this Agreement.

5 CONFIDENTIAL INFORMATION

5.1 Either Party or any Affiliate thereof may disclose to the other or an Affiliate thereof (the recipient being the "Receiving Party") certain technical or other business information that is not generally available to the public, the specific terms of this Agreement, and/or personal information relating to any person (specifically including in the case of Folio, information relating to a Folio Customer). All such information is referred to herein as "Confidential Information". Notwithstanding the foregoing, the Books and Records as they pertain to the Securities (and with the permission of the Investors with respect to any personally identifying information), will be made available to Issuer, and shall be Confidential Information as to Folio, and may only be used by Issuer in accordance with Law or as otherwise authorized by the Folio Customer to whom the information pertains by affirmative or negative consent, as permitted.

5.2 The Receiving Party agrees to use Confidential Information solely in conjunction with its performance under this Agreement, in conducting an Offering, and or as otherwise authorized by the Folio Customer to whom the information pertains by affirmative or negative consent, as permitted, and not to disclose or otherwise use such information in any other fashion and to maintain such information with at least the standard of care it uses to protect its own Confidential Information, but in no event less than a reasonable standard of care.

5.3 The Receiving Party will not be required to keep confidential such Confidential Information to the extent that it: (a) becomes generally available without fault on its part; (b) is already rightfully in the Receiving Party's possession prior to its receipt from the disclosing Party; (c) is independently developed by the Receiving Party; (d) is rightfully obtained by the Receiving Party from third parties; or (e) is otherwise required to be disclosed by law or judicial process.

5.4 Information related to this Agreement shall be deemed Confidential Information, but in the event either Party wishes to disclose such information, such Party shall seek the prior written consent of the other, and such consent shall not be unreasonably withheld.

5.5 Unless required by Law, including but not limited to regulatory or judicial requests for information (whether formal or informal), or to assert its rights under this Agreement, and except for disclosure on a "need to know basis" to its own employees, and its legal, investment and financial advisers, other professional advisers or others as authorized by the Folio Customer to whom the information pertains by affirmative or negative consent, as permitted, on a confidential basis (in each case pursuant to written agreements with each such person requiring it to maintain such information as confidential to the same extent as if it were a party to this Agreement), each Party agrees not to disclose the Confidential Information without the prior written consent of the other Party, which consent shall not be unreasonably withheld.

5.6 This Section 5 shall survive for a period of three (3) years beyond termination of this Agreement, except with respect to Confidential Information that is personal or identifying information regarding or relating to a Folio Customer, in which case this Section 5 shall be indefinite, unless in the case of Issuer such disclosure is authorized by the relevant Folio Customer in connection with the Securities and in the case of Folio, is otherwise permitted by Law.

6 REPRESENTATIONS, WARRANTIES AND COVENANTS

6.1 Mutual Representations and Warranties. Each Party represents and warrants to the other Party that:

a. it is duly organized and validly existing under the laws of the jurisdiction of its establishment;

b. it has the full power and authority to enter into this Agreement and to perform its obligations under this Agreement;

c. it has obtained all material consents and approvals and taken all actions necessary for it to validly enter into and give effect to this Agreement and to engage in the activities contemplated and perform its obligations under this Agreement;

d. this Agreement will, when executed, constitute lawful, valid and binding obligations on it, enforceable in accordance with its terms; and

e. neither the execution and delivery of this Agreement, nor the performance by such Party of its obligations hereunder will (i) violate any Legal Requirement, (ii) require any authorization, consent, approval, exemption or other action by or notice to any government entity, or (iii) violate or conflict with, or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under the governing documents of such Party or any contract, commitment, understanding, arrangement, agreement or restriction of any kind or character to which such Party is a party or by which such Party or any of its assets or properties may be bound or affected.

6.2 Issuer Representations, Warranties and Covenants. Issuer represents, warrants and covenants to Folio that:

a. the Securities are or will be at the time of sale qualified under, or registered or exempt from the registration requirements of, the Securities Act, and the rules and regulations promulgated thereunder, and are registered or exempt from the registration requirements of any state where Issuer from time to time will offer such securities;

b. it will not, during the Term, either (i) act as a “broker” or “dealer” as those terms are defined under the Exchange Act or otherwise in a capacity under any other Law that is not permitted, unless pursuant to an applicable exemption, or provide investment advice with respect to any Folio Customer or (ii), with respect to any Folio Customer, hold or have access to any funds or securities, or extend credit for the purpose of purchasing securities through Folio, including specifically the Securities; and

c. Issuer owns or licenses the Issuer Brand, Issuer Site and Issuer Content and/or has the right to grant the licenses and/or rights of use as contemplated by this Agreement.

6.3 Folio Representations, Warranties and Covenants. Folio represents, warrants and covenants to Issuer that:

a. it is, and during the term of this Agreement will remain, duly registered and in good standing as a broker-dealer with the SEC and is a member firm in good standing with FINRA; and

b. Folio owns the Folio Brand, Folio Site and Folio Content and/or has the right to grant the licenses and/or rights of use as contemplated by this Agreement.

c. The SEC no-action letter received by Folio, dated July 15, 2015, regarding Exchange Act Rule 15c2-4(b)(1) has not been, to the knowledge of Folio, withdrawn, modified or superseded.

6.4 Disclaimer of Warranties. THE SERVICES ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. FOLIO SPECIFICALLY DISCLAIMS ALL WARRANTIES FOR THE SERVICES, EXPRESS OR IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. NEITHER FOLIO NOR ANY AFFILIATE OF FOLIO WARRANTS THAT THE SERVICE WILL MEET ISSUER'S OR ANY INVESTOR'S REQUIREMENTS OR THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE. NO ORAL OR WRITTEN INFORMATION GIVEN BY FOLIO OR ITS AFFILIATES SHALL CREATE ANY WARRANTIES OR IN ANY WAY INCREASE THE SCOPE OF FOLIO'S OBLIGATIONS HEREUNDER.

7 LIMITATIONS OF LIABILITY; INDEMNIFICATION

7.1 Limitation of Liability. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO ANOTHER PARTY FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES OF ANY NATURE, EVEN IF SUCH PARTY SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE FOREGOING SHALL APPLY REGARDLESS OF THE NEGLIGENCE OR OTHER FAULT OF ANY PARTY AND REGARDLESS OF WHETHER SUCH LIABILITY SOUNDS IN CONTRACT, NEGLIGENCE, TORT, STRICT LIABILITY OR ANY OTHER THEORY OF LIABILITY.

7.2 Folio Indemnification. Issuer agrees to indemnify, defend and hold Folio and its Affiliates and their respective officers, directors, agents and employees (each a "Folio Indemnified Party" or, collectively, "Folio Indemnified Parties") harmless against any investigation, claim, action, or proceeding (including a regulatory inquiry, whether formal or informal or any arbitration or court action) ("Action") brought by a Folio Customer, court, regulator or self-regulatory organization asserting jurisdiction over the Folio Indemnified Party or by any other party against any Folio Indemnified Party if such Action relates to the Issuer, any Affiliate of Issuer, the Securities, the Offering, the marketing and advertising thereof, or that results from any action, inaction, omission, misstatement or statement of Issuer or any person acting in connection with Issuer or on Issuer's behalf (other than any misstatement or statement about Folio provided by Folio) arising out of or based upon (a) the Issuer Site or the Offering Statement, including any amended versions thereof; (b) any breach or alleged breach of any of Issuer's representations, warranties, covenants or agreements hereunder and including any representations, warranties, covenants or agreements contained in the Schedules to this Agreement; (c) any breach or alleged breach of confidentiality or privacy relating to Issuer's failure or alleged failure to treat any Folio Customer's personal or identifying information as confidential pursuant to Section 5; and (d) infringement or misappropriation by Issuer of any third party's property and/or intellectual property rights, including, but not limited to, patents, trademarks, copyrights, trade secrets and publicity rights. Further, Issuer shall indemnify the Folio Indemnified Parties against all expenses, fees (including reasonable attorney's fees and other legal expenses), losses, claims, damages, demands, liabilities, judgments (including fines and settlements), costs of investigation or responding to inquiries or otherwise ("Losses") incurred by or levied or brought against the Folio Indemnified Parties arising out of, or related to, Actions warranting indemnification pursuant to this Section 7.2 as such Losses arise.

Promptly after receipt by a Folio Indemnified Party of notice of any claim or the commencement of any Action with respect to which a Folio Indemnified Party is entitled to indemnity hereunder, Folio will notify Issuer in writing of such claim or of the commencement of such Action, and the Issuer, if requested by the Folio Indemnified Party, will assume the defense of such Action and will employ counsel reasonably satisfactory to the Folio Indemnified Party and will pay the fees and expenses of such counsel. Notwithstanding the preceding sentence, the Folio Indemnified Party will be entitled to employ counsel separate from counsel for the Issuer and from any other party in such action if counsel for the Folio Indemnified Party reasonably determines that it would be inappropriate or ill-advised for the same counsel to represent both parties. In such event, the reasonable fees and disbursements of no more than one such separate counsel will be paid by the Issuer, in addition to local counsel. If the Folio Indemnified Party elects the Issuer to assume the defense of such Action, Issuer will have the exclusive right to settle the claim or proceeding, provided that Issuer will not settle any such claim or Action without the prior written consent of the Folio Indemnified Party, which consent shall not be unreasonably withheld. If the Folio Indemnified Party assumes the defense (with payment of any related costs and expenses by Issuer), the Folio Indemnified Party will have the exclusive right to settle the claim or proceeding, provided that the Folio Indemnified Party will not settle any claim or Action without the prior written consent of the Issuer, which consent shall not be unreasonably withheld.

7.3 Issuer Indemnification. Folio agrees to indemnify, defend and hold Issuer and its Affiliates and their respective officers, directors, agents and employees (each an "Issuer Indemnified Party" and, collectively, "Issuer Indemnified Parties") harmless against any Action brought by an Investor, Folio Customer, court, or regulator asserting jurisdiction over the Issuer Indemnified Party or by any other party against any Issuer Indemnified Party relating to Folio, any Affiliate of Folio or the Services, insofar as the Action arises out of or is based upon (a) the Folio Site; (b) any misstatement or statement about Folio provided by Folio to the Issuer; (c) any breach or alleged breach of any of Folio's representations, warranties, covenants or agreements hereunder and including any representations, warranties, covenants or agreements contained in the Schedules to this Agreement; (d) any and all commitments, representations, warranties or statements of any kind by Folio to any third party regarding the use of the Folio Site; and (e) infringement or misappropriation by Folio of any third party's property and/or intellectual property rights, including, but not limited to, patents, trademarks, copyrights, trade secrets and publicity rights. Further, Folio shall indemnify the Issuer Indemnified Parties against all Losses incurred by or levied or brought against the Issuer Indemnified Parties arising out of, or related to, Actions warranting indemnification pursuant to this Section 7.3 as such Losses arise.

Promptly after receipt by an Issuer Indemnified Party of notice of any claim or the commencement of any Action with respect to which an Issuer Indemnified Party is entitled to indemnity hereunder, Issuer will notify Folio in writing of such claim or of the commencement of such Action, and Folio, if requested by the Issuer Indemnified Party, will assume the defense of such Action and will employ counsel reasonably satisfactory to the Issuer Indemnified Party and will pay the fees and expenses of such counsel. Notwithstanding the preceding sentence, the Issuer Indemnified Party will be entitled to employ counsel separate from counsel for Folio and from any other party in such action if counsel for the Issuer Indemnified Party reasonably determines that it would be inappropriate or ill-advised for the same counsel to represent both parties. In such event, the reasonable fees and disbursements of no more than one such separate counsel will be paid by Folio, in addition to local counsel. If the Issuer Indemnified Party elects Folio to assume the defense of such Action, Folio will have the exclusive right to settle the claim or proceeding, provided that Folio will not settle any such claim or Action without the prior written consent of the Issuer Indemnified Party, which consent shall not be unreasonably withheld. If the Issuer Indemnified Party assumes the defense (with payment of any related costs and expenses by Folio), the Issuer Indemnified Party will have the exclusive right to settle the claim or proceeding, provided that the Issuer Indemnified Party will not settle any claim or Action without the prior written consent of Folio, which consent shall not be unreasonably withheld.

7.4 No Claim Preclusion. Nothing in this Section shall be construed to preclude either Party from making any claim against the other arising out of a failure to perform obligations under this Agreement. Neither Party shall be precluded from claiming or commencing an action for contribution to any amounts the other may be required or otherwise agree to pay to an Investor or other third party, including a regulator, with jurisdiction over the Services.

8 TERM AND TERMINATION

8.1 Term. This Agreement shall be effective on the Effective Date and continue in force until the earlier of the date the Securities are no longer on the Folio Platform and the date the Securities are listed on Nasdaq, the OTC Bulletin Board or OTC Market (the "Term"), unless otherwise earlier terminated pursuant to the provisions of this Section 8.

8.2 Termination Without Cause.

a. This Agreement may be terminated without cause by either Party, upon ninety (90) days prior written notice, if there are no Investors or, if there are Investors, after a reasonable time to implement the actions specified in Section 8.7.

b. by Issuer, upon providing notice to Folio within thirty (30) days after receipt of an amended Schedule D received pursuant to Section 3.4, in the event of a change in Fees pursuant to Section 3.2 or Section 3.3 that materially increases either the aggregate Fees paid to Folio by Issuer or the Fees to be paid to Folio by Issuer in the event of a termination.

8.3 Termination for Regulatory, Legal, Reputational or Other Risks.

a. In the event that any due diligence or investigation results in findings that would pose regulatory, legal, reputational or other risks to Folio, Folio shall provide Issuer notice of such risks and a reasonable opportunity to cure them. If the risks are not addressed or cured to Folio's reasonable satisfaction, Folio may terminate this Agreement. Folio will facilitate the orderly transition of the custody of the Securities to such person designated by the Issuer in accordance with Section 8.9.

b. In Folio's sole and reasonable discretion, if the risks described in 8.3(a) are of sufficient size, significance or immediacy that a delay in termination of this Agreement would be inappropriate, Folio may terminate this Agreement immediately.

8.4 Termination for Cause or Insolvency. Either Party may terminate this Agreement immediately if the other Party:

a. is in breach of any material obligation herein or in the Schedules attached to this Agreement, and (i) such breach is incapable of being cured, or (ii) if such breach is capable of cure, such breach is not cured within thirty (30) days after receipt of written notice of such breach from the non-breaching Party, or within such additional cure period as the non-breaching Party may authorize;

b. voluntarily or involuntarily becomes the subject of a petition in bankruptcy or of any proceeding relating to insolvency, receivership, liquidation or composition for the benefit of creditors; or

c. admits in writing its inability to pay its debts as they become due.

8.5 Termination for Force Majeure. In the event of a force majeure that lasts longer than thirty (30) days, the Party not experiencing the force majeure event may terminate this Agreement upon written notice to the other Party.

8.6 Compliance with Laws. If at any point during the Term, either Party's performance under this Agreement conflicts or threatens to conflict with any Legal Requirement, such Party may suspend performance under this Agreement and negotiate in good faith to amend this Agreement so that each Party's performance hereunder complies with such Legal Requirement. If after thirty (30) days, the parties are unable to agree on a mutually acceptable amendment, either Party may immediately terminate this Agreement upon written notice to the other Party.

8.7 Actions Upon Termination. Upon the termination of this Agreement, Issuer shall remove all references to any Folio Name, Branding and Content from the Issuer Site or Issuer Content and terminate all links on the Issuer Site to any Folio Site. Folio shall remove all references to Issuer Name, Branding and Content and terminate all links on the Folio Site to any Issuer Site. Each Party shall promptly return all Confidential Information, documents, manuals and other materials stored in any form or media (including but not limited to electronic copies) belonging to the other Party, except as may be otherwise provided in this Agreement or required by Law.

8.8 Termination Fee. Termination Fees are set forth in Schedule D.

8.9 Cooperation. In all events, if there are one or more Investors at the time of termination, the Parties will cooperate in planning and implementing an orderly transition of the custody of the Securities to such person designated by the Issuer authorized under applicable Law to assume custody of the securities, or to the Issuer itself if it is authorized to hold such securities in custody, or to such other person selected by Folio if Issuer does not so select such person within a reasonable period not to exceed ninety (90) days. In all events, Issuer shall pay the reasonable costs of such transition. As part of such a transition, the parties agree to seek the affirmative or negative consent of Investors to the sharing of Confidential Information necessary for their transition.

9 ARBITRATION

9.1 Arbitration Proceedings Disclosure. The parties hereby agree to arbitration and agree and acknowledge the following with respect to arbitration proceedings:

a. Arbitration is final and binding on the parties;

b. The parties are waiving their right to seek remedies in court, including the right to a jury trial;

c. Pre-arbitration discovery generally is more limited than and different from court proceedings;

d. The arbitrators' award is not required to include factual findings or legal reasoning;

e. A Party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited; and

f. The panel of arbitrators may include a minority of arbitrators who were or are affiliated with the securities industry.

9.2 Arbitration Agreement. Any controversy between the parties arising out of this Agreement shall be submitted to arbitration conducted before FINRA Dispute Resolution, and in accordance with FINRA rules. Arbitration must be commenced by service upon the other Party of a written demand for arbitration or a written notice of intention to arbitrate. Proceedings and hearings will take place in New York, New York. Both parties waive any right either of them may have to institute or conduct litigation or arbitration in any other forum or location, or before any other body. Arbitration is final and binding on both parties. An award rendered by the arbitrator(s) may be entered in any court of applicable jurisdiction over the parties.

10 GENERAL TERMS AND CONDITIONS

10.1 Compliance with Law. Each Party agrees to comply with any Legal Requirement applicable to the performance of its obligations hereunder.

10.2 Non-exclusive Folio Relationship. Folio reserves the right, without obligation or liability to the Issuer, to market and provide either directly, through other parties, or through any other type of distribution channel, services to others that are the same as or similar to the Services.

10.3 No Agency. Neither Party is an agent, representative or partner of the other Party. Neither Party shall have any right, power or authority to enter into any agreement for or on behalf of, or to incur any obligation or liability for, or to otherwise bind, the other Party. This Agreement shall not be interpreted or construed to create an association, joint venture, co-ownership, co-authorship, or partnership between the parties or to impose any partnership obligation or liability upon either Party.

10.4 Amendments and Modifications. No change, amendment or modification of any provision of this Agreement will be valid unless set forth in writing and signed by the Parties.

10.5 Assignment. Issuer shall not assign, sublicense or otherwise transfer this Agreement or any right, interest or benefit hereunder, except by operation of law, without the prior written consent of Folio, which consent may be withheld in Folio's sole discretion. Folio shall have the right to assign, sublicense or otherwise transfer this Agreement or any right, interest or benefit hereunder, including an assignment by operation of law, to any affiliate of Folio that is properly authorized under applicable Law to provide the Services by giving notice to Issuer within thirty (30) days of any of the actions listed herein.

10.6 Governing Law. This Agreement shall be interpreted, construed and enforced in all respects in accordance with the laws of the Commonwealth of Virginia, except with respect to the choice of law provisions therein or to the extent inconsistent with FINRA Rules applicable to an arbitration proceeding under Section 9 above.

10.7 No Waiver. The failure of either Party to insist upon or enforce strict performance by the other Party of any provision of this Agreement or to exercise any right under this Agreement shall not be construed as a waiver or relinquishment to any extent of such Party's right to assert or rely upon any such provision or right in that or any other instance; rather the same shall be and remain in full force and effect.

10.8 Notice. Any notice required or permitted under this Agreement shall be in writing and delivered to the receiving Party's principal place of business as set forth on the signature block to this Agreement in a manner contemplated in this Section and addressed to the attention of its General Counsel. Notice shall be deemed duly given (a) if delivered by hand, when received, (b) if transmitted by email, upon confirmation that the entire document has been successfully received, (c) if sent by recognized overnight courier service, on the business day following the date of deposit with such courier service so long as the deposit was made by that overnight courier service's deadline or on the second business day following the date of deposit if after that overnight courier service's deadline, or (d) if sent by certified mail, return receipt requested, on the third business day following the date of deposit in the United States mail.

10.9 Entire Agreement. This Agreement and the Schedules hereto and incorporated herein by reference constitute the entire agreement between the Parties and supersede any and all prior agreements or understandings between the parties with respect to the subject matter hereof. Neither Party shall be bound by, and each Party specifically objects to, any term, condition or other provision or other condition which is different from or in addition to the provisions of this Agreement (whether or not it would materially alter this Agreement) and which is proffered by the other Party in any purchase order, correspondence or other document, unless the Party to be bound thereby specifically agrees to such provision in writing.

10.10 Severability; Survival. In the event that any provision of this Agreement conflicts with the law under which this Agreement is to be construed or if any such provision is held invalid by a court with jurisdiction over the parties to this Agreement, such provision shall be deemed to be restated to reflect as nearly as possible the original intentions of the parties in accordance with applicable Law, and the remainder of this Agreement shall remain in full force and effect. All provisions herein that by their terms or intent are to survive the termination of this Agreement shall so survive, specifically including Sections 3, 5, 6, 7 and 9.

10.11 Headings. The headings used in this Agreement are for convenience only and are not to be construed to have legal significance.

10.12 Third Parties. This Agreement is between the Parties hereto and is not intended to confer any benefits on third parties including, but not limited to, Investors.

10.13 Force Majeure. Neither Party will be liable for delay or default in the performance of its obligations under this Agreement if such delay or default is caused by conditions beyond its reasonable control, including, but not limited to, fire, flood, accident, earthquakes, telecommunications line failures, storm, acts of war, riot, acts of terrorism, government interference, strikes and/or walk-outs. In addition, Folio shall not be responsible for downtime or other problems with any website, including the Folio website, caused by any public or third party private network, including the Internet or any communications carrier network, or computer hardware or software problems regardless of whether they arise in the ordinary course of business or constitute extraordinary events.

[Signature Page Follows]

This Agreement contains an arbitration agreement.

IN WITNESS HEREOF, the parties hereto have caused this Agreement to be executed by duly authorized officers or representatives as of the Effective Date.

Folio: **Folio Investments, Inc.**

By: _____
Michael J. Hogan, Chief Executive Officer

Address: 8180 Greensboro Drive, 8th Floor, Mclean, VA 22102

Issuer: **Chicken Soup for the Soul Entertainment, Inc.**

By: _____
William J. Rouhana, Jr., Chairman and Chief Executive Officer

Address: 132 E. Putnam Avenue, Floor 2W, Cos Cob, Connecticut 06807

SCHEDULE A – Securities and Internet Sites Used for Offering Such Securities

1. Description of the securities.

Class A common stock as further described in the Offering Statement.

2. URLs for Internet Sites Used for Offering Such Securities or N/A:

SCHEDULE B-1 – Access, Custody and Related Services by Folio

Pursuant to Sections 2.1 and 2.2 of this Agreement, Folio agrees to provide, perform or make available the following to Issuer:

1. Closing Services. Folio provides its escrow-less money transfer functions for funding an investment in an Offering through a brokerage account (replacing the function of a bank escrow agent) under an SEC no-action letter received by Folio Investments, Inc. dated July 15th, 2015 regarding Exchange Act Rule 15c2-4(b)(1), subject to the fees specified in Schedule D.1 of this Agreement. This service involves setting up an account for the Issuer, setting up customer accounts for the investors, receiving money into the customer accounts, and conducting closings in which funds in customer accounts are transferred from those accounts to Issuer's account in amounts equal to subscription requests Issuer has accepted. These services include anti-money laundering ("AML"), Office of Foreign Asset Control ("OFAC") and related services required for any funds transfers.

2. Use of the Folio Platform. Folio will make tools available to Issuer for the Issuer to perform or Folio to perform on behalf of Issuer, the following activities with respect to the Folio Platform, subject to the fees specified in Schedule D.2 of this Agreement:
   a. display information regarding the Offering as provided and instructed by the Issuer or an agent of the Issuer, including, but not limited to the number of units of the Securities available, price, and terms;
   b. provide the ability for a Folio Customer, through a link to a third party hosting site or otherwise, to view such documents as the Issuer has created and determines to make available to potential investors relating to the Securities, including, but not limited to, an offering circular or a private placement memorandum and subscription agreement or other similar offering materials, and to submit a subscription request for an Offering;
   c. provide information provided by Folio Customers relating to their qualifications to purchase the Securities, including presenting Issuers with successfully submitted subscription requests for review.
      provide a mechanism for the Issuer to review, accept or reject subscribers to its offering for any or no reason;
      provide Investors with a mechanism to view the status of their subscription and the date that the issuer has set for cash required for closing; and
      if requested by the Issuer, seek, on behalf of the Issuer and at the Issuer's expense (additional fees apply), to make available the Securities for purchase in Individual Retirement Accounts (in connection with such request, Folio can make no assurances that the Securities will be approved for holding in Individual Retirement Accounts, as such accounts are held by a third party custodian who reviews the request and makes a determination in its sole discretion).

3. Custody and Transfer of Securities. After the Issuer has executed a Folio Customer Account Agreement, Folio will, in the ordinary course, and consistent with Folio's policies and procedures as in existence from time to time, maintain an account for the benefit of Issuer to hold the Securities, whether in certificated or uncertificated form, for the Issuer's benefit and any other securities or cash as may be purchased and/or deposited or held by the Issuer in its account with Folio. These services, which are subject to the fees specified in Schedule D.1 and replace certain functions of transfer agents under an SEC no-action letter received by Folio Investments, Inc. dated January 13th, 2015 regarding Exchange Act Rule 15c3-3(c)(7), include the following:

   a. maintaining books and records identifying each Investor, each Investor's address, the terms of the Securities in which each Investor invests, and a log of all transactions with each Investor (collectively, "Books and Records) in accordance with Law as it does in the ordinary course with respect to any customer of Folio's holding securities on the Folio platform;
   b. providing the Issuer with a mechanism for the Issuer to reconcile with Issuer records Investor holdings of the Securities from time to time (at the omnibus level and at the individual beneficial holder level, subject to Issuer maintaining the confidentiality of such information as set forth in Section 5 of this Agreement); and
   c. maintain records of identifying information regarding Investors (subject to Section 5 of this Agreement).

As custodian, Folio will may provide the following additional services, subject to the fees specified in Schedule D.3, D.4, D.5, D.6, and D.7 of this Agreement if and when they occur, including but not limited to:

a. transfer cash and the Securities, if permitted, between an Investor account and the account of another Folio Customer, subject to the transaction fees payable for those services at this time, which are not specified in this Agreement;
b. record and process transactions between the Issuer and Investors in the Securities such as cash and securities distributions; and
c. process communications between the Issuer and Investors regarding the offering of the Securities, and other corporate actions.

Securities may have restrictions on the transfer of beneficial ownership. Folio will, in good faith, attempt to prevent transfers of the Securities without the Issuer's consent, except as required by or pursuant to operation of Law. It is Issuer's obligation to ensure compliance with transfer restrictions that may apply to Issuer's offering of securities.

Book entry custody of shares for issuers and investors under this Agreement are performed pursuant to an SEC no-action letter received by Folio Investments, Inc. dated January 13th, 2015 regarding Exchange Act Rule 15c3-3(c)(7)).

SCHEDULE B-2 – Obligations of Issuer in Connection with Custodial and Related Services

Notwithstanding the Services as provided under the Agreement, Issuer solely is responsible for maintaining all records of Securities, which, if permitted by Law, may be done by evidencing the number of units of the Securities held in the omnibus position by Folio as nominee custodian for Folio Customers, and for maintaining accurate and complete records of the aggregate total units of Securities sold and redeemed by Issuer through the Folio platform. Pursuant to its obligations, Issuer shall:

1. based upon the Books and Records provided by Folio or an Affiliate of Folio from time to time, maintain an accurate and complete record on its official books and records of the number of units (which may be in aggregate if permitted by Law) of Securities and, if permitted by Law, as held by Folio as nominee custodian for Folio Customers noting that such units are held by "Folio Investments, Inc. for the exclusive benefit of its customers", or if certificated, deliver to Folio an original, duly issued and outstanding unit certificate in the name of "Folio Investments, Inc. for the exclusive benefit of its customers" in an amount equal to the number of units of Securities held by Shareholders;
2. maintain an accurate and complete record on its official books and records of the number of units of Securities, if any, held by Folio for Folio's own benefit, or if certificated, deliver to Folio an original, duly issued and outstanding unit certificate in the name of "Folio Investments, Inc." in an amount equal to the number of units of Securities held by Folio;
3. provide to Folio a statement and attestation, in the form and at the time that Folio may reasonably require from time to time each calendar quarter, indicating the number of units of the Securities recorded in the Issuer's records as being held by "Folio Investments, Inc. for the exclusive benefit of its customers" and as being held by Folio itself for its own benefit, if any, as of the last day of such quarter, and, if certificated, attesting to (A) the authenticity of the certificate(s) in Folio's possession, (B) that the certificate(s) represent(s) the number of units of Securities represented in the Issuers records, and (C) that the certificate(s) in Folio's possession is/are recorded on the Issuer's official books and records as "Folio Investments, Inc. for the exclusive benefit of its customers" and "Folio Investments, Inc.", respectively;
4. provide Folio with the option and opportunity to audit, or have a third party audit on Folio's behalf, the Issuer's books and records to confirm any information maintained by the Issuer under the Agreement and authorize Folio to contact the Issuer's auditors and request that they provide confirmation of such information, all at Issuer's sole expense;
5. provide Folio, no later than January 31st of each year, a written letter of assurance on Issuer's letterhead (or on the letterhead of Issuer's counsel on Issuer's behalf or Issuer's audit firm) that the Securities identified in Issuer's books and records as held by "Folio Investments, Inc. for the exclusive benefit of its customers" and/or "Folio Investments, Inc." or that the units evidenced by certificate(s) in such names are not subject to any right, charge, security interest, lien, or claim of any kind in favor of the Issuer or any person claiming through the Issuer and that all such securities issued and outstanding for the prior year have been validly authorized, duly and validly issued, fully paid and are non-assessable and free of restrictions on transfer other than restrictions on transfer that have been provided to Folio by the Issuer;
6. provide Folio, pursuant to such methods as Folio may reasonably require (e.g., through a designated website or email to Folio's operations department), by the end of the first day of each calendar quarter, and at any time and from time to time as soon as reasonably practicable if there is a material change in value, a statement of the per unit value of the Securities as set by an authorized executive of the Issuer or the Issuer's board of directors, which shall constitute an instruction to Folio to communicate to Investors that unit value as the then current value of the Securities and to update Investor account values accordingly;
7. provide Folio, pursuant to such methods as Folio may reasonably require, with the details of, and all monies associated with any dividend, interest, principal or other payment due to Investors and a detailed record of the recipients and amounts to be credited thereto and any tax reporting codes in a manner required by Folio from time to time in order for Folio to credit Investors with such payments on a timely basis and to produce relevant tax documentation therefrom (it is agreed that Issuer shall produce or cause to be produced by third parties on behalf of Issuer, at Issuer's expense, any Schedule K-1's or similar documents for delivery by Folio to Shareholders); and; and
8. provide to Folio, in such form and at such time as Folio may reasonably request, a copy of any documentation, memoranda, agreements or other documents or information that Folio believes is necessary for it to satisfy any filing, reporting or other applicable legal requirements it may have relating to the custody of the Securities.

SCHEDULE C – Services Specifically NOT Provided

Unless otherwise specifically agreed to in this Agreement or in a separate written agreement between the Parties, the following services specifically are NOT provided by Folio or any Affiliate of Folio under this Agreement:

1. Services Under Separate Agreement. This Agreement does not address nor authorize Folio to provide, investment banking or underwriter services to the Issuer, to act as an underwriter or selling group member, to issue the Securities, to provide advice or advisory services in connection with the services as set forth in Schedule B, to recommend the Securities or the Offering, or to make any suitability determinations with respect to any Folio Customer. Folio is not committing to and does not intend to purchase any of the Securities for its own account or that of an Affiliate. However, the Issuer and Folio understand and agree that, in addition to the services provided herein and under a separate agreement entitled "Participating Dealer or Selling Agreement" or "Distribution Agreement" or other substantially similar agreement ("Selling Agreement") which may be entered into between the issuer or sales agent and Folio, Folio may participate in the offering as a dealer in the sale of the Securities. In its capacity as a dealer, Folio shall be entitled to receive a reallowance on commissions in accordance with the Selling Agreement, which shall be compensation for Folio's portion of the commissions as a Dealer and shall be separate and distinct from the fees set forth in Schedule D of this Agreement.

2. No Approval of Issuer Content. Folio is not preparing, endorsing, adopting, or approving in any way any offering memoranda or other offering documents, SEC, state or other regulatory filings, or any sales or marketing material or Issuer Content, specifically including any Issuer Sites, or any other material or Content of any kind wherever they may appear except to the extent that such websites, material or Content specifically reference the Folio Name, Branding, Content, or descriptive materials about the Services, and then only to the extent of such references and specifically not including other portions of such website or materials.

3. No Setting, Reviewing or Guaranteeing of Price, Tax or Other Data. Folio is not setting, calculating, creating, approving, endorsing, adopting, reviewing, recommending or guaranteeing any price for the Securities, or giving any opinion with respect to the accuracy, reliability or completeness of any data or information about the Securities appearing on a Folio Site or elsewhere. Folio is relying on the Issuer for all such data and information. Folio is not preparing or calculating any tax statements or documentation on behalf of Issuer, specifically including Schedule K-1s, except for those tax documents normally and usually included as part of a brokerage account (such as 1099s).

SCHEDULE D – Fees and Other Costs

1. Escrow-less Closing and Book Entry Custody Fees.
    a. Reserved when Folio is compensated by an intermediary broker dealer instead of the issuer, or
    b. Seventy basis points (70 bps) of the dollar value of the Securities issued to Shareholders purchasing through the Folio Platform pursuant to each Offering at the time of a closing; provided, however, that Folio shall be entitled to a minimum fee equal to the greater of (a) $30 per purchaser per Offering or (b) $10,000 per Offering. There is a minimum fee of $500 per closing less the fee payable on the value of the Securities sold at such closing, regardless of the number of closings.

2. Folio Platform Fees.
    a. Reserved when Folio is compensated by an intermediary broker dealer instead of the issuer, or
    b. Thirty basis points (30 bps) of the dollar value of the securities issued to Shareholders purchasing through the Folio Platform pursuant to each Offering at the time of closing. Note that this service is not separable from the services above.

3. Due Diligence Fees. Reserved.

4. Fee for Termination Prior to Closing. Reserved.

5. Administrative Expenses. The Issuer shall bear and pay all costs, fees and expenses relating to the preparation, printing, filing and dissemination of information relating to the securities issued to purchasers pursuant to each Offering and any amendments or supplements thereto, including any federal or state fees imposed on the Issuer or on Folio relating to the Offering, including but not limited to any costs, fees or expenses incurred by Folio in connection with the filing of documents with regulatory authorities (such as costs for federal and state filings of the Offering under Regulation D (e.g., Form D) or Regulation A of the Securities Act (e.g., Form 1-A and FINRA Rule 5110)), and any fees or expenses relating to the issuance and/or delivery of the securities (such as transfer agent fees, certificate fees, DTCC fees, NSCC fees).

6. Service Fees. Based upon Issuer request and specific requirements provided by the Issuer, an Issuer may be charged the following service fees, each of which is subject to change at any time in Folio's sole discretion:

    a. *Securities Proxy, Corporate Action, and Corporate Communication Fees* –to the extent the Issuer requests Folio to distribute corporate communications and process Investor voting, Issuer will be charged fees for corporate action and communication process and any resultant tax documents or customer inquiries as published from time to time by Folio on a webpage made available to you, which fees are subject to change at any time in the sole discretion of Folio. Note that such fees are set by securities regulations for publicly traded securities.

    b. *Securities Dividend, Interest, Principal Payments, Return of Capital and Other Corporate Cash Flows* – to the extent the Issuer requests Folio to process and distribute corporate cash flows, Issuer will be charged fees for processing corporate cash flows and any resultant tax documents or customer inquiries per the schedule as published from time to time by Folio on a webpage made available to you, which fees are subject to change at any time in the sole discretion of Folio. Note that such fees only apply to the processing of these actions for Private Securities, not those publicly traded securities for which such actions are processed via DTCC.

    c. *Securities Review for Purchase by IRA Accounts* – to the extent the Issuer requests the Securities to be available for purchase by IRA accounts, a one-time fee will be charged per Security identified on Schedule A for evaluation, which may or may not result in approval. This fee currently is $300 per Security.

d. *Supplemental Tax Document Processing* – to the extent the Issuer requests document processing services beyond the activities set forth in Schedule B, including, but not limited to, processing document corrections based on reclassification of disbursements or additional processing of tax documents (e.g., corrected 1099s), additional fees may be charged at the time and at the rate incurred by Folio plus overhead.

e. *Securities Transfers and Secondary Transactions* – to the extent the Issuer requests that Folio maintain any restrictions on the transfer of beneficial ownership, or allows for transfers of its securities, Folio will, in good faith, attempt to prevent transfers of the Private Securities without the Issuer's consent, except as required by or pursuant to operation of Law. Issuer will be charged fees for processing such transfers per the schedule as published from time to time by Folio on a webpage made available to you, which fees are subject to change at any time in the sole discretion of Folio.

f. *DTCC eligibility filing on UW Source* – to the extent the Issuer requests that Folio file for DTCC eligibility using the DTCC UW Source application, a one-time fee will be charged per Security identified on Schedule A for submission, which may or may not result in DTCC approval. This fee currently is $10,000 and is subject to change at any time in the sole discretion of Folio. For DTCC eligibility applications outside of the UW Source application, this fee will increase to reflect DTCCs higher fee for applications submitted outside of UW Source. Additional fees apply for Folio to refile a DTCC submission. The issuer is responsible for obtaining a CUSIP for its offering prior to the DTCC submission, and providing that CUSIP, finalized offering documents (SEC qualified for Regulation A) if applicable, and a legal opinion to Folio for submission to DTCC.

7. Fees to Folio Customers. Folio in its sole discretion may charge fees to Folio Customers that are related to the brokerage account or activities in the brokerage account with Folio, which can generally be accessed here: https://www.folioinvesting.com/folioinvesting/pricing/special-services-fees/ but customers will not be charged any fees for purchasing the Securities in the Offering.

Exhibit 6.14

AMENDMENT NO. 3 TO

SECURED REVOLVING LINE (APRIL 12, 2017) OF CREDIT PROMISSORY NOTE

The Secured Revolving Line of Credit Promissory Note ("Note"), made as of May 12, 2016, by Chicken Soup for the Soul Entertainment Inc. as Maker in favor of Trema, LLC as Holder, and amended as of December 12, 2016 and as of January 24, 2017 is hereby further amended such that the maximum principal amount that may be outstanding thereunder is increased from $3,500,000 to $4,500,000.

Except as provided above, the Note remains unchanged and remains in full force and effect.

CHICKEN SOUP FOR THE SOUL ENTERTAINMENT INC.

By: /s/ Scott W. Seaton
Name: Scott W. Seaton
Title: Vice Chairman

TREMA, LLC

By: /s/ William J. Rouhana, Jr.
Name: William J. Rouhana, Jr.
Title: Executive Chairman

AMENDMENT NO. 2 TO

SECURED REVOLVING LINE OF CREDIT PROMISSORY NOTE

The Secured Revolving Line of Credit Promissory Note ("Note"), made as of May 12, 2016, by Chicken Soup for the Soul Entertainment Inc. as Maker in favor of Trema, LLC as Holder, and first amended as of December 12, 2016, is hereby further amended as of January 24, 2017 as follows:

1. Section 2(a) of the Note is hereby changed in its entirety to read as follow:

"This Note shall bear interest on the unpaid principal balance from time to time outstanding at the rate of 5% per annum. The Maker shall make monthly payments of interest on the outstanding principal balance in arrears commencing on June 30, 2016 and continuing on the last day of each succeeding month until all outstanding principal has been repaid in full. All computations of interest shall be made based on the weighted average daily borrowing outstanding hereunder for a three-hundred sixty-five (365) day year and the actual number of days elapsed. If not sooner paid the entire principal balance and all interest accrued thereon shall be due and payable on June 30, 2018 (the "Maturity Date"). All payments shall be made by the Maker to the Holder in lawful currency of the United States of America in immediately available funds, without counterclaim or setoff and free and clear of, and without deduction or withholding for, any taxes or other payments."

Except as provided above, the Note remains unchanged and remains in full force and effect.

CHICKEN SOUP FOR THE SOUL ENTERTAINMENT INC.

By: /s/ Scott W. Seaton
Name: Scott W. Seaton
Title: Vice Chairman

TREMA, LLC

By: /s/ William J. Rouhana, Jr.
Name: William J. Rouhana, Jr.
Title: Managing Member

AMENDMENT NO. 1 TO

SECURED REVOLVING LINE OF CREDIT PROMISSORY NOTE

The Secured Revolving Line of Credit Promissory Note ("Note"), made as of May 12, 2016, by Chicken Soup for the Soul Entertainment Inc. as Maker in favor of Trema, LLC as Holder is hereby amended as of December 12, 2016 as follows:

1. The maximum principal amount of the Note is hereby increased from THREE MILLION 00/100 Dollars ($3,000,000) to THREE MILLION FIVE HUNDRED THOUSAND 00/100 Dollars ($3,500,000).

2. The reference to (a) $3,000,000 in the header of the Note is hereby changed to $3,500,000 and (b) THREE MILLION 00/100 Dollars ($3,000,000) in Section 1 of the Note is hereby changed to THREE MILLION FIVE HUNDRED THOUSAND 00/100 Dollars ($3,500,000).

3. Concurrently with this Amendment, Maker shall deliver to Holder Class W Warrants to purchase an aggregate of 17,500 shares of the Maker's Class A common stock, In consideration of this Amendment,

Except as provided above, the Note remains unchanged and remains in full force and effect.

CHICKEN SOUP FOR THE SOUL ENTERTAINMENT INC.

By: /s/ Scott W. Seaton
Name: Scott W. Seaton
Title: Vice Chairman

TREMA, LLC

By: /s/ William J. Rouhana, Jr.
Name: William J. Rouhana, Jr.
Title: Managing Member

SECURED REVOLVING LINE OF CREDIT PROMISSORY NOTE

Up to $3,000,000 **As of May 12, 2016**
Greenwich, Connecticut

1. For value received, the undersigned, **CHICKEN SOUP FOR THE SOUL ENTERTAINMENT INC.**, a Delaware corporation having an office located 132 E. Putnam Avenue, Floor 2W, Cos Cob, Connecticut 06807 (the "Maker"), unconditionally promises to pay to the order of **TREMA, LLC**, having an office located at 21 Hedgerow Lane, Greenwich, CT 06831, or its assigns (the "Holder"), at the Holder's office or at such other place as the Holder may designate in writing to the Maker, the principal sum of **THREE MILLION 00/100 Dollars ($3,000,000.00)**, or so much as may be outstanding under this Note, together with interest on the unpaid balance of this Note, beginning on the date hereof, before maturity, default or judgment, at the rate and in the manner set forth herein, together with all costs and expenses (including reasonable attorneys' fees) incurred in any action to collect the indebtedness of this Note or in any litigation or controversy arising from or connected with this Note.

2. This Note shall bear interest on the unpaid principal balance from time to time outstanding at the rate of 5% per annum. The Maker shall make monthly payments of interest on the outstanding principal balance in arrears commencing on June 30, 2016 and continuing on the last day of each succeeding month until all outstanding principal has been repaid in full. All computations of interest shall be made based on the weighted average daily borrowing outstanding hereunder for a three-hundred sixty-five (365) day year and the actual number of days elapsed. If not sooner paid the entire principal balance and all interest accrued thereon shall be due and payable on the earlier of (a) June 30, 2017 and (b) the third business day following the closing date of an (i) initial public offering ("IPO") of the common stock of Maker or (ii) any equity or debt financing (other than an exercise of Maker's Class W Warrants) resulting in gross proceeds to Maker of at least $7 million in a single financing (the "Maturity Date"). All payments shall be made by the Maker to the Holder in lawful currency of the United States of America in immediately available funds, without counterclaim or setoff and free and clear of, and without deduction or withholding for, any taxes or other payments.

3. Maker shall also pay Holder a non-use fee of 0.75% per annum, which shall be payable in cash monthly in arrears (at the same time interest is paid under Section 2 above), and the basis of the weighted-average daily unused balance (*i.e.*, $3 million less actual borrowings outstanding under this Note), a 365-day year and actual days elapsed.

4. The Maker may borrow under the terms of this Note by giving the Holder irrevocable notice of a request for an advance hereunder three (3) Business Days before a proposed borrowing, such irrevocable notice setting forth (A) the amount of the advance requested, which shall not be less than $25,000 and (B) the requested borrowing date, and shall be sufficient if received by 11:00 a.m. (Eastern Standard Time) on the date on which such notice is to be given. Notwithstanding anything to the contrary hereunder, any borrowings made by the Maker hereunder may be repaid and re-borrowed during the term of this Note.

5. Holder is authorized to record on the grid attached hereto as Schedule 1 each loan made to the Maker and each payment or prepayment thereof. The entries made by Holder shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the Maker therein recorded; provided, however, that the failure of Holder to record such payments or prepayments, or any inaccuracy therein, shall not in any manner affect the obligation of the Maker to repay (with applicable interest) the loan in accordance with the terms of this Note.

6. The proceeds of this Note may be used: (a) to acquire television, movie and digital production and distribution companies or assets; (b) to finance content production and associated development and operating costs and expenses; (c) to make payments on the license note, made on even date herewith, payable to Chicken Soup for the Soul, LLC (the "CSS License Note"); and (d) to fund general corporate purposes.

7. All payments under this Note shall be applied first to the payment of all fees, expenses and other amounts due to the Maker (excluding principal and interest), then to accrued interest, and the balance on account of any outstanding principal; provided, however, that after default, payments will be applied to the obligations of the Maker to the Holder as the Holder determines in its sole discretion.

8. The Maker may prepay any or all outstanding principal and interest, at any time, without any penalty or premium.

9. This Note shall rank *pari passu* with the CSS License Note, and senior to any other existing or future indebtedness. Holder covenants and agrees that its right to payment under this Note is pari passu in right of payment with payment of the CSS License Note, and, as such, in the case of a sale of Collateral (as defined below) or a distribution in a bankruptcy or similar proceeding, the proceeds of such a sale or distributions in such a proceeding will be shared by Holder and the holder of the CSS License Note proportionately based on the amount of the indebtedness outstanding under this Note and the CSS License Note. Notwithstanding anything to the contrary contained in this Note, until the earlier of (a) the date the CSS License Note has been irrevocably paid in full or demand for payment thereunder has been made and (b) an Event of Default under Section 14(b) of this Note, Holder agrees that it will not accelerate, ask, demand, sue for, take or receive from or on behalf of Maker (except in accordance with scheduled payments of interest due under this Note), by setoff or in any other manner, in cash or other property, payment of the whole or any part of this Note, without the consent of the holder of the CSS License Note.

10. (a) Maker hereby pledges and grants to Holder a first priority security interest (pari passu with the security interest granted with respect to the CSS License Note) in the Collateral to secure Maker's payment obligations under this Note. If an Event of Default (as defined below) occurs under this Note at any time thereafter, unless otherwise provided herein, Lender shall have all the rights of a secured party under the Connecticut Uniform Commercial Code. Holder's rights with respect to this security interest shall be, in addition to all other rights which Lender may have by law. "Collateral" shall mean all of Maker's right, title and interest in the following described property, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located:

All Inventory, Chattel Paper, Accounts, Equipment, General Intangibles (including licenses and copyrights), Deposit Accounts, Commercial Tort Claims, Commingled Goods, Consumer Goods, Documents of Title, Instruments, Investment Property, Payment Intangibles, Contract Rights, Letter of Credit Rights, Software, Money, Supporting Obligations and all other Personal Property.

(b) Any capitalized terms used in connection with the foregoing shall have the meanings ascribed to them under the Uniform Commercial Code. In addition, the word "Collateral" also includes all the following, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located: (i) all accessions, attachments, accessories, tools, parts, supplies, replacements of and additions to any of the collateral described herein, whether added now or later; (ii) all products and produce of any of the property described in this "Collateral Description" section; (iii) all accounts, general intangibles, instruments, rents, monies, payments, and all other rights, arising out of a sale, lease, consignment or other disposition of any of the property described above; (iv) all proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the property described above, and sums due from a third party who has damaged or destroyed the Collateral or from that party's insurer, whether due to judgment, settlement or other process; and (v) all records and data relating to any of the property described above, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of Maker's right, title, and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electronic media.

(c) Maker authorizes Holder to file a UCC financing statement, or alternatively, a copy of this Note to perfect Holder's security interest granted herein. At Holder's request, Maker additionally agrees to sign all other documents that are necessary to perfect, protect, and continue Holder's security interest in the Collateral. Maker will pay all filing fees, title transfer fees, and other fees and costs involved unless prohibited by law or unless Holder is required by law to pay such fees and costs. Maker irrevocably appoints Holder to execute documents necessary to transfer title if there is an Event of Default. Holder may file a copy of this Note as a financing statement. If Maker changes its name or address, it shall promptly notify the Holder of such change.

11. So long as this Note is outstanding, Holder shall have the option to convert the principal amount of this Note (and accrued and unpaid interest thereon), in part or in whole, into equity of the identical class and on the same terms as offered to investors in any future equity financing, including an IPO consummated prior to the Maturity Date ("Future Offering"); provided, that no such conversion right shall apply to the private placement offering ("Current Offering") of Units (each consisting of ten shares of Class A common stock and three warrants) being conducted by Maker as of the date of this Note. Maker shall provide Holder with at least twenty days' prior written notice of the proposed consummation of any Future Offering ("Offering Notice"). Holder shall be entitled to elect to convert this Note as provided above in connection with the Future Offering by written notice delivered to Maker delivered within 15 days of the Offering Notice.

12. Subject to Sections 9 and 14 hereof, if this Note is not repaid in cash on or prior to the Maturity Date or previously converted into equity prior to the Maturity Date, or upon the occurrence of an Event of Default (as defined below) that is not remedied within any permissible grace period or otherwise waived by Holder (which waiver shall not affect future rights), this Note will automatically, immediately and without notice convert into shares of Class A common stock (and Class W Warrants) on the same terms as the Maker's most recently completed equity financing immediately prior to the Maturity Date or Event of Default giving rise to the mandatory conversion, as the case may be; provided, that under no circumstances shall the pre-money valuation used for this mandatory conversion be less than $52,560,000.

13. Until such time as this Note is no longer outstanding, Maker shall not materially change its principal lines of business or sell all or substantially all of its assets or sell its business, including by way of merger or other business combination, unless this Note shall be repaid in full at the consummation of any such transaction.

14. The Maker agrees that upon any Event of Default (as set forth below), the entire indebtedness with accrued interest thereon due under this Note shall, at the option of the Holder, but subject to Section 9, above, accelerate and become immediately due and payable without notice and shall be satisfied as provided herein (including automatic conversion into Class A common stock as applicable). The occurrence of any of the following events shall constitute an Event of Default hereunder:

(a) failure by Maker to pay the principal of or interest on the Note when due; or

(b) demand for payment under the CSS License Note or failure by Maker to pay the principal of or interest on the CSS License Note when due or any other Event of Default under the CSS License Note; or

(c) if Maker shall (i) default in the payment of principal or interest on any obligation for borrowed money (other than the Note), or for the deferred purchase price of property, beyond the period of grace, if any, provided with respect thereto or (ii) default in the performance or observance of any other term, condition or agreement contained in any such obligation or in any agreement relating thereto, if the effect thereof is to cause, or permit the holder or holders of such obligation (or a trustee on behalf of such holder or holders) to cause such obligation to become due prior to its stated maturity and such default remain unremedied for a period of 10 days; or

(d) if (i) Maker shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property, or shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against Maker any case, proceeding or other action of a nature referred to in clause (i) above or seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its property, which case, proceeding or other action (x) results in the entry of an order for relief or (y) remains undismissed, undischarged or unbonded for a period of 30 days; or (iii) Maker shall take any action indicating its consent to, approval of, or acquiescence in, or in furtherance of, any of the acts set forth in its clause (i) or (ii) above; or (iv) Maker shall generally not, or shall be unable to, pay its debts as they become due or shall admit in writing its inability to pay its debts; or

(e) final judgment for the payment of money in excess of $100,000 shall be rendered against Maker and the same shall remain undischarged for a period of 30 days during which execution of such judgment shall not be effectively stayed.

15. The Maker agrees that upon the occurrence and during the continuation of an Event of Default, whether or not the Holder has accelerated payment of this Note, or after judgment has been rendered on this Note or after the Maturity Date, the unpaid principal of all advances shall, at the option of the Holder, bear interest on such sums which are not paid or reimbursed to the Holder when due at an annual rate equal to ten percent (10%).

16. Concurrently with the execution of this Note by Maker, Maker shall deliver to Holder Class W Warrants exercisable into an aggregate of 105,000 shares of Class A common stock, in the same form as the Class W Warrants offered to investors in the Current Offering. The Holder shall be afforded the same registration rights as granted to investors in the Current Offering with respect to the shares underlying the Class W Warrants and the shares issuable upon any conversion of this Note as prescribed hereby.

17. All agreements between the Maker and the Holder are hereby expressly limited so that in no contingency or event whatsoever, whether by reason of acceleration of maturity of the indebtedness evidenced hereby or otherwise, shall the amount paid or agreed to be paid by the Maker for the use or the forbearance of the indebtedness evidenced hereby exceed the maximum permissible under applicable law. As used herein, the term “applicable law” shall mean the laws of the State of Connecticut in effect as of the date hereof; provided however, that in the event there is a change in the law which results in a higher permissible rate of interest, then this Note shall be governed by such new law as of its effective date. In this regard, it is expressly agreed that it is the intent of the Maker and the Holder in the execution, delivery and acceptance of this Note to contract in strict compliance with the laws of the State of Connecticut from time to time in effect. If, under or from any circumstances whatsoever, fulfillment of any provision hereof at the time of performance of such provision shall be due, shall involve transcending the limit of such validity prescribed by applicable law, then the obligation to be fulfilled shall automatically be reduced to the limits of such validity, and if under or from circumstances whatsoever, the Holder should ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the principal balance as evidenced hereby and not to the payment of interest.

18. During such time as this Note remains outstanding, the Maker shall provide Holder with quarterly unaudited financial statements, including an income statement, balance sheet and cash flow statement, within 45 days of each calendar quarter end prepared in accordance with U.S. GAAP; and annual audited financial statements including an income statement, balance sheet and cash flow statement, within 120 days of each fiscal year end prepared in accordance with U.S. GAAP by at least a recognized regional accounting firm; provided, that the Holder agrees that EisnerAmper, the Maker’s outside accounting firm, would satisfy the requirement of being a recognized regional accounting firm.

19. The failure by the Holder to insist upon the strict performance by the Maker of any terms and provisions herein shall not be deemed to be a waiver of any terms and provisions herein, and the Holder shall retain the right thereafter to insist upon strict performance by the Maker of any and all terms and provisions of this Note or any document securing the repayment of this Note.

20. This Note and the rights and obligations of the parties hereunder shall be construed and interpreted in accordance with the laws of the State of Connecticut (excluding the laws applicable to conflicts or choice of law). THE MAKER AGREES THAT ANY SUCH SUIT FOR THE ENFORCEMENT OF THIS NOTE OR ANY OF THE OTHER LOAN DOCUMENTS MAY BE BROUGHT IN THE COURTS OF THE STATE OF CONNECTICUT OR ANY FEDERAL COURT SITTING THEREIN AND CONSENTS TO THE NONEXCLUSIVE JURISDICTION OF SUCH COURT AND SERVICE OF PROCESS IN ANY SUCH SUIT BEING MADE UPON THE MAKER BY MAIL AT THE ADDRESS SET FORTH IN THIS COMMERCIAL REVOLVING PROMISSORY NOTE. THE MAKER HEREBY WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH SUIT OR ANY SUCH COURT OR THAT SUCH SUIT IS BROUGHT IN AN INCONVENIENT FORUM.

21. This Note and any agreements entered into in connection therewith are intended by the parties as the final, complete and exclusive statement of the transactions evidenced by this Note. This Note may not be amended or modified except by a written instrument describing such amendment or modification executed by the Maker and the Holder.

22. The Holder shall have the unrestricted right at any time or from time to time, and without the Maker's consent, to assign all or any portion of its rights and obligations hereunder to any person or persons (each, an "Assignee"), and the Maker agrees that it shall execute, or cause to be executed, such documents, prepared at no cost to the Maker, including without limitation, amendments to this Note and to any other documents, instruments and agreements executed in connection herewith as the Holder shall reasonably deem necessary to effect the foregoing. No such amendment or other document shall change the material terms of this Note.

23. THE MAKER ACKNOWLEDGES THAT THIS AGREEMENT AND THE UNDERLYING TRANSACTION GIVING RISE HERETO CONSTITUTE COMMERCIAL BUSINESS TRANSACTED WITHIN THE STATE OF CONNECTICUT. IN THE EVENT OF ANY LEGAL ACTION BETWEEN MAKER AND HOLDER HEREUNDER, MAKER HEREBY EXPRESSLY WAIVES ANY AND ALL RIGHTS IT MAY HAVE TO NOTICE AND HEARING UNDER CHAPTER 903a OF THE CONNECTICUT GENERAL STATUTES, OR AS OTHERWISE ALLOWED BY ANY STATE OR FEDERAL LAW WITH RESPECT TO ANY PREJUDGMENT REMEDY WHICH THE HOLDER MAY DESIRE TO USE, AND FURTHER WAIVES DILIGENCE, DEMAND, PRESENTMENT FOR PAYMENT, NOTICE OF NONPAYMENT, PROTEST AND NOTICE OF ANY RENEWALS OR EXTENSIONS. THE MAKER ALSO WAIVES THE RIGHT TO ASSERT IN ANY ACTION, SUIT OR PROCEEDING WITH REGARD TO THIS AGREEMENT, ANY OFFSETS OF COUNTERCLAIMS THE MAKER MAY HAVE. MAKER ACKNOWLEDGES THAT IT MAKES THIS WAIVER KNOWINGLY, WILLINGLY AND VOLUNTARILY AND WITHOUT DURESS, AND ONLY AFTER EXTENSIVE CONSIDERATION OF THE RAMIFICATIONS OF THIS WAIVER WITH ITS ATTORNEYS.

24. THE MAKER WAIVES TRIAL BY JURY IN ANY COURT IN ANY SUIT, ACTION OR PROCEEDING ON ANY MATTER ARISING IN CONNECTION WITH OR IN ANY WAY RELATED TO THE FINANCING TRANSACTIONS OF WHICH THIS AGREEMENT IS A PART OF THE ENFORCEMENT OF ANY OF HOLDER'S RIGHTS. THE MAKER ACKNOWLEDGES THAT IT MAKES THIS WAIVER KNOWINGLY, WILLINGLY AND VOLUNTARILY AND WITHOUT DURESS, AND ONLY AFTER EXTENSIVE CONSIDERATION OF THE RAMIFICATIONS OF THIS WAIVER WITH ITS ATTORNEYS.

CHICKEN SOUP FOR THE SOUL ENTERTAINMENT INC.

By: /s/ Scott W. Seaton
Name: Scott W. Seaton
Title: Vice Chairman

TREMA, LLC

By: /s/ William J. Rouhana, Jr.
Name: William J. Rouhana, Jr.
Title: Managing Member

SCHEDULE A

Date of Loan	Amount of Loan	Amount of Principal Paid	Unpaid Principal Amount of Note	Name of Person Making the Notation

Exhibit 6.15

NEITHER THIS WARRANT NOR THE COMMON STOCK THAT MAY BE ACQUIRED UPON THE EXERCISE HEREOF ("WARRANT SHARES") HAS BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("SECURITIES ACT"), OR UNDER THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE SOLD, PLEDGED, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT WITH RESPECT THERETO UNDER THE SECURITIES ACT AND COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAW, OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY, THAT SUCH REGISTRATION IS NOT REQUIRED. THIS WARRANT AND THE SUBSCRIPTION/REGISTRATION RIGHTS AGREEMENT UNDER WHICH IT WAS ISSUED SETS FORTH THE COMPANY'S OBLIGATIONS TO REGISTER THE RESALE OF THE WARRANT AND WARRANT SHARES. THIS WARRANT ALSO CONTAINS CERTAIN RESTRICTIONS REGARDING THE TRANSFER OF THIS WARRANT AND/OR THE WARRANT SHARES.

CHICKEN SOUP FOR THE SOUL ENTERTAINMENT, INC.

CLASS W WARRANT FOR THE PURCHASE OF SHARES OF CLASS A COMMON STOCK

No. _____

Chicken Soup for the Soul Entertainment, Inc. a Delaware corporation ("Company"), hereby certifies that for value received, Trema, LLC, or his, her or its registered assigns ("Registered Holder" or "Holder"), with a principal address of at 21 Hedgerow Lane, Greenwich, Connecticut 06831, is entitled, subject to the terms set forth below, to purchase from the Company, at any time or from time to time commencing on the date hereof (the "Effective Date") and terminating at 5:00 p.m., New York City time on June 30, 2021, 17,500 shares of Class A common stock of the Company ("Common Stock"), at an exercise price equal to $7.50 per share.

The number of shares of Common Stock purchasable upon exercise of this Warrant, and the exercise price per share, each as adjusted from time to time pursuant to the provisions of this Warrant, are hereinafter referred to as the "Warrant Shares" and the "Exercise Price," respectively.

This Warrant is issued pursuant to the terms of an amendment, dated as of December 12, 2016, to a secured revolving line of credit promissory note made by the Company as of May 12, 2016 ("Credit Line Note").

1. Exercise.

(a) This Warrant may be exercised by the Registered Holder, in whole or in part, by the surrender of this Warrant (with the Notice of Exercise Form attached hereto duly executed by such Registered Holder) at the principal office of the Company, or at such other office or agency as the Company may designate, accompanied by payment in full, in lawful money of the United States, of an amount equal to the then applicable Exercise Price multiplied by the number of Warrant Shares then being purchased upon such exercise, subject to the cashless exercise provisions set forth in Section 2.3(b) of this Warrant.

(b) Each exercise of this Warrant shall be deemed to have been effected immediately prior to the close of business on the day on which this Warrant shall have been surrendered to the Company as provided in subsection 1(a) above, if so surrendered prior to 5:00 p.m., New York City time, or if surrendered after 5:00 p.m., New York City time, as of the next business day. At such time, the person or persons in whose name or names any certificates for Warrant Shares shall be issuable upon such exercise as provided in subsection 1(c), below, shall be deemed to have become the holder or holders of record of the Warrant Shares represented by such certificates.

(c) Unless exercising this Warrant in its entirety (or the then existing remainder of this Warrant in its entirety), exercises hereunder shall be only in full share increments. Within five (5) business days after the exercise of the purchase right represented by this Warrant, the Company at its expense will use its best efforts to cause to be issued in the name of, and delivered to, the Registered Holder, or, subject to the terms and conditions hereof (including the requirement that there be a registration statement then in effect with respect to transfers or an exemption therefrom), to such other individual or entity as such Holder (upon payment by such Holder of any applicable transfer taxes) may direct:

(i) a certificate or certificates for the number of full Warrant Shares to which such Registered Holder shall be entitled upon such exercise (and, in lieu of any fractional share to which such Registered Holder would otherwise be entitled, cash in an amount determined pursuant to Section 3 hereof), and

(ii) in case such exercise is in part only, a new warrant or warrants (dated the date hereof) of like tenor, stating on the face or faces thereof the number of shares currently stated on the face of this Warrant minus the number of such shares purchased by the Registered Holder upon such exercise as provided in subsection 1(a) above.

2. Adjustments; Conversions.

2.1 Adjustments to Exercise Price and Number of Shares. The Exercise Price and the number of shares of Common Stock underlying this Warrant shall be subject to adjustment from time to time as hereinafter set forth:

(i) Stock Dividends - Recapitalization, Reclassification, Split-Ups. If, after the date hereof, the number of outstanding shares of Common Stock is increased by a stock dividend on the Common Stock payable in shares of Common Stock or by a split-up, recapitalization or reclassification of shares of Common Stock or other similar event, then, on the effective date thereof, the number of shares of Common Stock issuable on exercise of this Warrant shall be increased in proportion to such increase in outstanding shares.

(ii) Aggregation of Shares. If after the date hereof, the number of outstanding shares of Common Stock is decreased by a consolidation, combination or reclassification of shares of Common Stock or other similar event, then, upon the effective date thereof, the number of shares of Common Stock issuable on exercise of this Warrant shall be decreased in proportion to such decrease in outstanding shares.

(iii) Adjustments in Exercise Price. Whenever the number of shares of Common Stock purchasable upon the exercise of this Warrant is adjusted, as provided in this Section, the Exercise Price shall be adjusted (to the nearest cent) by multiplying such Exercise Price immediately prior to such adjustment by a fraction (x) the numerator of which shall be the number of shares of Common Stock purchasable upon the exercise of this Warrant immediately prior to such adjustment, and (y) the denominator of which shall be the number of shares of Common Stock so purchasable immediately thereafter.

(iv) Price Reduction; Exercise Period Extension. Notwithstanding any other provision set forth in this Warrant, at any time and from time to time during the period that this Warrant is exercisable, the Company in its sole discretion may reduce the Exercise Price or extend the period during which this Warrant is exercisable.

(v) No Impairment. The Company will not, by amendment of its Certificate of Incorporation, as amended, or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company but will at all times in good faith assist in the carrying out of all the provisions of this Section and in the taking of all such actions as may be necessary or appropriate in order to protect against impairment of the rights of the Holder of this Warrant to adjustments in the Exercise Price.

2.2 Replacement of Shares Upon Reorganization, etc. In case of any reclassification or reorganization of the outstanding shares of Common Stock, or in the case of any merger or consolidation of the Company with or into another corporation (other than a consolidation or merger in which the Company is the continuing corporation and which does not result in any reclassification or reorganization of the outstanding shares of Common Stock), or in the case of any sale or conveyance to another corporation or entity of the property of the Company as an entirety or substantially as an entirety in connection with which the Company is dissolved, the Holder of this Warrant shall have the right thereafter (until the expiration of the right of exercise of this Warrant) to receive upon the exercise hereof, for the same aggregate Exercise Price payable hereunder immediately prior to such event, the kind and amount of shares of stock or other securities or property (including cash) receivable upon such reclassification, reorganization, merger or consolidation, or upon a dissolution following any such sale or other transfer, by a Holder of the number of shares of Common Stock of the Company obtainable upon exercise of this Warrant immediately prior to such event.

2.3 Restrictions on Transfers; Lock-Up; Cashless Exercise.

(a) The Registered Holder hereby agrees that this Warrant and the shares of Common Stock issuable upon exercise of this Warrant shall not be transferrable except for Permitted Transfers (made in further accordance with Section 4 below). “Permitted Transfers” mean transfers of this Warrant or the Warrant Shares (a) to affiliates of the Registered Holder provided that the transferee agrees to be bound in writing by the transfer restrictions set forth herein, (b) during the Registered Holder’s lifetime or on the Registered Holder’s death, by gift, will or intestate succession, or by judicial decree, provided, that the transferee agrees to be bound in writing by the transfer restrictions set forth herein or (c) made by the Registered Holder in private or market sales following the end of the Lock-Up Period. The “Lock-Up Period” means the period from the date of consummation of the offering in which this Warrant was issued through and including the 90th day after the date shares of the Company’s Common Stock are first traded, listed or quoted on a U.S. trading market or electronic exchange; provided, that the applicable underwriter or placement agent may shorten or waive this lock-up at its sole discretion. Notwithstanding anything to the contrary, if this Warrant or the Warrant Shares or any portion thereof are included for resale in a Regulation A offering by the Company, as described in the Subscription/Registration Rights Agreement pursuant to which this Warrant was issued, the portion of same so included in the Regulation A offering shall not be subject to lock-up.

(b) Notwithstanding anything contained herein to the contrary, if (i) at the time of a call by the Company of this Warrant under Section 5 hereof, (ii) at any time the Common Stock is traded, listed or quoted on a U.S. trading market or electronic exchange or (iii) after January 31, 2018, a registration statement covering the Warrant Shares that are the subject of a Notice of Exercise hereunder (the "Unavailable Warrant Shares"), or an exemption from registration, is not available for the resale of such Unavailable Warrant Shares to the public, the holder of this Warrant may, in its sole discretion, in lieu of making the cash payment otherwise contemplated to be made to the Company upon such exercise in payment of the aggregate Exercise Price, elect instead to receive upon such exercise the "Net Number" of shares of Common Stock determined according to the following formula:

Net Number = [(A x B) - (A x C)] / B

For purposes of the foregoing formula:

A= the total number of shares with respect to which the Warrant is then being exercised.

B= the arithmetic average of the last sale price of the shares of Common Stock for the five (5) consecutive trading days ending on the date immediately preceding the date of the Notice of Exercise, as reported by the principal market or exchange on which the common stock is traded, listed or quoted..

C= the Exercise Price then in effect for the applicable Warrant Shares at the time of such exercise.

2.4 Notice of Adjustment or Conversion. Upon the happening of any event requiring an adjustment of the Exercise Price hereunder, or a conversion of the Warrant or any other material change, the Company shall forthwith give written notice thereto to the Registered Holder of this Warrant stating, in the case of an adjustment, the adjusted Exercise Price and the adjusted number of Warrant Shares, or in the case of a conversion, reasonably detailed instruction on how to surrender this Warrant, and setting forth such other detail as the Company reasonably deems appropriate.

3. Fractional Shares. The Company shall not be required upon the exercise of this Warrant to issue any fractional shares, but shall make an adjustment thereof in cash on the basis of the last sale price of the Company's Common Stock on the over-the-counter market or on a national securities exchange on the trading day immediately prior to the date of exercise, whichever is applicable, or if neither is applicable, then on the basis of the then fair market value of the Company's Common Stock as shall be reasonably determined by the Board of Directors of the Company.

4. Limitation on Sales. Further to the restrictions set forth in Section 2.3, above, each holder of this Warrant acknowledges that this Warrant and the Warrant Shares have not been registered under the Securities Act, as of the date of issuance hereof and agrees not to sell, pledge, distribute, offer for sale, transfer or otherwise dispose of this Warrant, or any Warrant Shares issued upon its exercise, in the absence of (i) an effective registration statement under the Securities Act as to this Warrant or such Warrant Shares and registration or qualification of this Warrant or such Warrant Shares under any applicable Blue Sky or state securities law then in effect or (ii) an opinion of counsel, satisfactory to the Company, that such registration and qualification are not required.

Without limiting the generality of the foregoing, unless the offering and sale of the Warrant Shares to be issued upon the particular exercise of the Warrant shall have been effectively registered under the Securities Act, the Company shall be under no obligation to issue the shares covered by such exercise unless and until the Registered Holder shall have executed an investment letter in form and substance satisfactory to the Company, including a covenant at the time of such exercise that it is acquiring such shares for its own account, and will not transfer the Warrant Shares unless pursuant to an effective and current registration statement under the Securities Act or an exemption from the registration requirements of the Securities Act and any other applicable restrictions, in which event the Registered Holder shall be bound by the provisions of a legend or legends to such effect which shall be endorsed upon the certificate(s) representing the Warrant Shares issued pursuant to such exercise. In such event, the Warrant Shares issued upon exercise hereof shall be imprinted with a legend in substantially the following form:

> "THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS, SUPPORTED BY AN OPINION OF COUNSEL, REASONABLY SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED."

The Warrant Shares shall also bear the following legend:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS CONTAINED IN A SUBSCRIPTION/REGISTRATION RIGHTS AGREEMENT, A COPY OF WHICH IS ON FILE WITH THE COMPANY.

5. Call Right**.** If the Common Stock is traded, listed or quoted on any U.S. market or electronic exchange, and the closing per-share sales price of the Common Stock for any twenty (20) trading days during a consecutive thirty (30) trading days period (the "Measurement Period") exceeds $15.00 (subject to adjustment for forward and reverse stock splits, recapitalizations, stock dividends and the like as provided in this Warrant), then the Company may, within three (3) trading days of the end of such Measurement Period, call for the cancellation of all or any portion of this Warrant, and the other Class W Warrants then outstanding for consideration equal to $.01 per Warrant. To exercise this right, the Company must deliver to the Holder an irrevocable written notice (a "Call Notice"), indicating therein the unexercised portion of this Warrant to which such notice applies. If the conditions set forth below for such Call are satisfied from the period from the date of the Call Notice through and including the Call Date (as defined below), then any portion of this Warrant subject to such Call Notice for which a Notice of Exercise shall not have been received by the Call Date will be cancelled at 5:00 p.m. (New York City time) on the fifth (5th) Trading Day after the date the Call Notice is received by the Holder (such date and time, the "Call Date"). In furtherance thereof, the Company covenants and agrees that it will honor all Notices of Exercise with respect to Warrant Shares subject to a Call Notice that are tendered through 5:00 p.m. (New York City time) on the Call Date. Notwithstanding anything to the contrary set forth in this Warrant, the Company may not deliver a Call Notice or require the cancellation of this Warrant (and any such Call Notice shall be void), unless, from the beginning of the Measurement Period through the Call Date, (1) the Company shall have honored in accordance with the terms of this Warrant all Notices of Exercise delivered by 5:00 p.m. (New York City time) on the Call Date, (2) a registration statement shall be effective as to the Warrant Shares underlying the unexercised portion of the Warrant subject to the Call Notice, and the prospectus thereunder shall be available, for the resale of such Warrant Shares to the public (and the Company has no reason to believe that the use of such prospectus will be suspended or otherwise unavailable for a period of thirty (30) days from such Call Date) or there otherwise exists an exemption from such registration that permits the resale of such Warrant Shares without volume limitations, and (3) there is a sufficient number of authorized shares of Common Stock for issuance of the Warrant Shares. Notwithstanding anything to the contrary contained herein, the Company shall not be permitted to make a call of this Warrant prior to January 31, 2018.

6. Reservation of Stock. The Company will at all times reserve and keep available, solely for issuance and delivery upon the exercise of this Warrant, that number of Warrant Shares and other stock, securities and property, as from time to time shall be issuable upon the exercise of this Warrant.

7. Replacement of Warrants. Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and (in the case of loss, theft or destruction) upon delivery of an indemnity agreement (with surety if reasonably required) in an amount reasonably satisfactory to the Company, or (in the case of mutilation) upon surrender and cancellation of this Warrant, the Company will issue, in lieu thereof, a new Warrant of like tenor.

8. Transfers, etc.

(a) The Company will maintain a register containing the names and addresses of the Registered Holders of this Warrant. Any Registered Holder may change its, his or her address as shown on the warrant register by written notice to the Company requesting such change.

(b) Until any transfer of this Warrant is made in the warrant register, the Company may treat the Registered Holder of this Warrant as the absolute owner hereof for all purposes; provided, however, that if and when this Warrant is properly assigned in blank, the Company may (but shall not be obligated to) treat the bearer hereof as the absolute owner hereof for all purposes, notwithstanding any notice to the contrary.

9. No Rights as Stockholder. Except as otherwise provided herein, until the exercise of this Warrant, the Registered Holder of this Warrant shall not have or exercise any rights by virtue hereof as a stockholder of the Company.

10. Successors. The rights and obligations of the parties to this Warrant will inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, assigns, pledgees, transferees and purchasers. Without limiting the foregoing, the registration rights set forth in this Warrant shall inure to the benefit of the Registered Holder and all the Registered Holder's successors, heirs, pledgees, assignees, transferees and purchasers of this Warrant and the Warrant Shares.

11. Change or Waiver. Any term of this Warrant may be changed or waived only by an instrument in writing signed by the party against which enforcement of the change or waiver is sought.

12. Headings. The headings in this Warrant are for purposes of reference only and shall not limit or otherwise affect the meaning of any provision of this Warrant.

13. Governing Law. This Warrant shall be governed and construed in accordance with the internal law of the State of Delaware without giving effect to choice of law principles. The Company and each other party liable herefor, in any litigation in which Holder shall be an adverse party, waives trial by jury, waives the right to claim that the forum or venue specified herein is an inconvenient forum or venue and waives the right to interpose any setoff, deduction or counterclaim of any nature or description, and irrevocably consents to the jurisdiction of the New York State Supreme Court, County of New York, and the United States District Court for the Southern District of New York in any such suit, action or proceeding, and each party further agrees to accept and acknowledge service of any and all process which may be served upon it in any such suit, action or proceeding certified mail to the address as set forth on the first page of this Warrant.

14. Mailing of Notices, etc. All notices and other communications under this Warrant (except payment) shall be in writing and shall be sufficiently given if delivered to the addressees in person, by Federal Express or similar receipt delivery, or if mailed, postage prepaid, by certified mail, return receipt requested, or by electronic mail transmission, as follows:

Registered Holder:

To his or her address on page 1 of this Warrant

The Company:

Chicken Soup for the Soup Entertainment, Inc.
132 E. Putnam Avenue
Floor 2W
Cos Cob, Connecticut 06807
Attn: William J. Rouhana, Jr.
Email: wrouhana@chickensoupforthesoul.com

In either case, with copies to:

Graubard Miller

The Chrysler Building
405 Lexington Avenue
New York, New York 10174
Attn: David Alan Miller, Esq. and Brian L. Ross, Esq.
Email: dmiller@graubard.com

or to such other address as any of them, by notice to the others may designate from time to time. Time shall be counted to, or from, as the case may be, the delivery in person or by mailing.

IN WITNESS WHEREOF, this Warrant has been executed and delivered on the date specified above on behalf of the Company by the duly authorized representative of the Company.

CHICKEN SOUP FOR THE SOUL ENTERTAINMENT, INC.

By: /s/ Scott W. Seaton
Title: Vice Chairman

NOTICE OF EXERCISE

To: Chicken Soup for the Soul Entertainment Inc.

(1) The undersigned hereby elects to exercise Warrant No. (the "Warrant") with respect to _____ shares of Common Stock, pursuant to the terms of the Warrant, and tenders herewith or will tender within the time period specified in the Warrant payment of the exercise price in full (or has elected below to exercise the Warrant on a cashless basis), together with all applicable transfer taxes, if any. If the Warrant is being exercised in full, the Warrant is attached hereto or will be delivered within the time period specified in the Warrant.

(2) Payment of Exercise Price:

☐ Payment shall take the form of lawful money of the United States in accordance with the terms of the Warrant.

☐ Payment shall take the form of a cashless exercise in accordance with the terms of the Warrant.

(3) Please issue a certificate or certificates representing said Warrant Shares in the name of the undersigned or in such other name as is specified below:

_____

_____

[SIGNATURE OF HOLDER]

Name of Holder: _____

Signature: _____

Name of Signatory (if entity): _____

Title of Signatory (if entity): _____

Date: _____

The undersigned hereby reaffirms the accuracy of the representations and warranties made by the undersigned as set forth in this Warrant (and the Subscription Agreement) and understands and acknowledges that the Company will rely upon the accuracy of such representations and warranties in issuing the Warrant Shares.

_____

Signature

NOTICE: The signature to this form must correspond with the name as written upon the face of the within Warrant in every particular without alteration or enlargement or any change whatsoever, and must be guaranteed by a bank, other than a savings bank, or by a trust company or by a firm having membership on a registered national securities exchange.

INSTRUCTIONS FOR REGISTRATION OF SECURITIES

Name _____
(Print in Block Letters)

Address _____

Form to be used to assign Warrant:

ASSIGNMENT

(To be executed by the registered Holder to effect a transfer of the within Warrant):

FOR VALUE RECEIVED, _____ does hereby sell, assign and transfer unto _____ the right to purchase _____ shares of Common Stock of Chicken Soup for the Soul Entertainment, Inc. ("Company") evidenced by the within Warrant and does hereby authorize the Company to transfer such right on the books of the Company.

Dated:_____, 20___

_____
Signature

NOTICE: The signature to this form must correspond with the name as written upon the face of the within Warrant in every particular without alteration or enlargement or any change whatsoever, and must be guaranteed by a bank, other than a savings bank, or by a trust company or by a firm having membership on a registered national securities exchange.

Exhibit 11.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the inclusion in this Regulation A Offering Statement No. 024-10704 on Form 1-A/A ("Offering Statement") of our report dated May 15, 2017 relating to the consolidated financial statements of Chicken Soup for the Soul Entertainment, Inc. and Subsidiary appearing in the Offering Statement, and to the reference to us under the heading "Experts" in such Offering Statement.

/s/ Rosenfield and Company, PLLC

Orlando, Florida
June 26, 2017

Exhibit 13.1

CSSE Overview

Launched in January 2015, Chicken Soup for the Soul Entertainment has an exclusive, perpetual and worldwide license to create and distribute video content under the *Chicken Soup for the Soul*® brand.

The company has filed an offering statement for a Reg. A+ IPO and expects its offering statement to be qualified by end of month.

Chicken Soup for the Soul is a growing producer and distributor of high-quality video programming to existing and emerging platforms (OTT play). Original productions include *Project Dad* (currently running) and *Hidden Heroes* (currently running). The company has an exclusive distribution agreement with A Plus, a digital media company founded by Ashton Kutcher and majority owned by a Chicken Soup affiliate. Multiple new series are planned for 2017.

The business is currently profitable and follows a highly scalable, variable cost business model with opportunities for growth. Financials (2016 vs. 2015): Revenue: $8.7M vs. $1.5M. Adjusted EBITDA: $3.7M vs. $124K.

Experienced management team and board:

- William Rouhana, executive chairman and CEO – founder and CEO of Winstar Communications; CEO, Chicken Soup for the Soul
- Fred Cohen, Board Member - Chairman of the International Academy of Television Arts & Sciences (Emmys)
- Peter Dekom, Board Member – Member of the Academy of Television Arts & Sciences
- Christina Weiss Lurie, Board Member – Co-founder, Tango Pictures; Owner, Philadelphia Eagles
- Diana Wilkin, Board Member – former President of CBS Affiliate Relations

Anticipated exchange: Nasdaq Global Market Proposed ticker: CSSE.

The size of the offering is up to $30M, with $26.9 million offered by the company, and $3.1M offered by non-management, non-affiliate selling shareholders, at $12/share. Following the IPO, Chicken Soup for the Soul will remain majority shareholder of Chicken Soup for the Soul Entertainment post-offering, with a 70% stake.

This not an offer to buy any securities. No money or other consideration is being solicited, and if sent in response to this email, will not be accepted. No offer to buy any securities can be accepted and no part of any purchase price can be received until an offering statement for the offering is qualified, and any such offer may be withdrawn or revoked, without obligation or commitment of any kind, at any time before notice of its acceptance given after the qualification date. No indication of interest involves or would be deemed to involve any obligation or commitment of any kind. Any offering shall only be made through a qualified offering statement. The current preliminary offering statement can be obtained at https://www.sec.gov/Archives/edgar/data/1679063/000114420417030598/0001144204-17-030598-index.htm. The current preliminary offering statement is subject to completion and modification prior to qualification.