ARIZONA CORPORATION COMMISSION

August 12, 2024

Alexander Debelov, CEO
Cheetah X Inc. (dba "Go X")
338 Spear St. Suite 8c
San Francisco, CA 94105
a@goxapp.com

RE: Cheetah X Inc. dba Go X, Request for No-Action Letter

A.R.S. § 44-1801(27)

Mr. Debelov:

The Securities Division received your undated letter via email on July 16, 2024, requesting a no-action position for your company, Cheetah X Inc. dba Go X ("Go X").

Having reviewed your request, we are unable to concur with your position that Go X should be exempt from the registration requirements of the Securities Act of Arizona because the offering does not constitute a security. (*See e.g. Rose v. Dobras*, 128 Ariz. 209 (Ct. App. 1981), *Daggett v. Jackie Fine Arts, Inc.*, 152 Ariz. 559 (Ct. App. 1986), and *Sullivan v. Metro Productions, Inc.*, 150 Ariz. 573 (Ct. App. 1986).) Therefore, it is the Division's position that based on the proposed activity, Go X could be subject to registration requirements for its offering under A.R.S. § 44-1841 and any persons offering or selling the described "scooter-sharing" transactions may be subject to the registration requirements of A.R.S. § 44-1842. As a result, the Division declines to issue a favorable interpretive no-action letter with respect to Go X's request.

We have attached a photocopy of your letter containing the facts upon which this position is based to avoid having to recite or summarize the facts set forth therein.

Sincerely,

MARK DINELL
Securities Division Director

Attachment

Cheetah X Inc (dba "Go X")
338 Spear St Suite 8C, San Francisco, CA 94105
857-277-9757
a@goxapp.com
www.goxapp.com

Re: Go X Corporation - Request for No-Action Advice Regarding Proposed Sales of Electric Scooters in Arizona Without Registration Under the Arizona Securities Act

Ladies and Gentlemen:

We are writing on behalf of Cheetah X Inc ("Go X") to request confirmation from the Securities Division of Arizona that it will not recommend enforcement action against Go X if it were to offer and sell electric scooters in Arizona, as described below, without registration pursuant to the Arizona Uniform Securities Act. We are of the opinion that the proposed offer and sale of electric scooters as described below would not constitute the offer and sale of "securities" within the meaning of the Act.

I. Background

Go X is a technology company that develops and operates electric scooter sharing platforms. Founded in 2018, Go X has grown to serve over 277,000 customers who have made approximately 900,000 purchases, generating over $10 million in ride revenue between 2021-2024. The company is #1 micro-mobility provider in multiple cities.

The company launched Go X Apollo, the first fleet of 100 self-driving scooters, which contributed to Go X winning *Fast Company's Most Innovative Idea Award* in 2021 and garnering coverage in over 200 press outlets.

Go X's founders bring exceptional credentials, having attended Babson College, renowned as the #1 Entrepreneurship College globally, and graduated from Y-Combinator, an elite startup accelerator with an acceptance rate of 1.5%, making it more selective than Harvard University. CEO Alexander Debelov's entrepreneurial achievements have been widely recognized, including Forbes 30 Under 30, Inc 500 Fastest Growing Companies, Babson College Rising Star Award, and Entrepreneur Magazine's Top 5 Emerging Entrepreneurs. Prior to Go X, Debelov successfully built and sold Virool, an ad technology company that attracted over $20 million in venture funding and employed more than 80 employees.

As the largest provider of eco-friendly transportation in several cities, Go X significantly contributes to environmental sustainability. Go X also demonstrates strong social responsibility, exemplified by feeding over 8,000 homeless individuals in San Francisco and engaging in other charitable activities. The company's positive impact is further reflected in its popularity among users, consistently ranking among the top travel apps in the App Store and reaching as high as #52.

In addition to its traditional scooter-sharing model, Go X has developed a program where individuals can purchase electric scooters and optionally participate in a rental program. This program is similar to models used in other industries, such as Turo for cars and Airbnb for vacation rentals. The company is now looking to expand its operations into Arizona with an innovative scooter ownership program.

II. Proposed Go X Sales and Rental Model

A. Sale of Scooters

1. Go X proposes to sell electric scooters to individual purchasers in Arizona at prices ranging from $1,000 to $2,000 per scooter, depending on the scooter model.
2. Purchasers receive full ownership rights to their scooters, including a bill of sale with the scooter's serial number.
3. Scooter owners can use their scooters for personal use via a VIP app provided by Go X.
4. Go X provides a 100% product guarantee, allowing owners to request a full refund at any time.
5. Owners can claim depreciation against scooters on their taxes.

B. Optional Rental Program

1. Scooter owners have the option to participate in a rental program operated by Go X.
2. If owners choose to participate in the rental program, they retain significant control over their scooters, including: a. Setting availability for when their scooters can be rented (though most leave this at the default), b. Setting rental prices (though most leave this at the default) c. Choosing which market to deploy their scooters in within Arizona
3. Rental income is not pooled - each scooter owner's returns are based solely on the performance of their individual scooter(s)
4. Go X charges scooter owners partial fees for operations and other expenses but does not share 100% of operational expenses with scooter owners.

C. Marketing and Sales Practices

1. Go X does market the scooter purchase program as a way to generate additional income, but this marketing is limited to a select group of people, primarily existing Go X riders in Arizona.
2. Based on past data, Go X provides certain projections to potential purchasers. However, Go X clearly communicates that these projections are not guarantees of future profits.
3. Go X provides a real-time dashboard where scooter owners can see how their individual scooters are performing, including rental history and current earnings.

III. Legal Analysis

A. No Investment of Money in a Common Enterprise

Cheetah X Inc (dba "Go X")
338 Spear St Suite 8C, San Francisco, CA 94105
857-277-9757
a@goxapp.com
www.goxapp.com

We believe that the sale of electric scooters by Go X does not constitute the sale of securities under the test established in SEC v. W.J. Howey Co., 328 U.S. 293 (1946) for the following reasons:

While purchasers do invest money to buy scooters, there is no common enterprise as required by Howey. Each scooter owner's success is independent of other owners and of Go X itself. This is evidenced by the following:

1. **Scooter Owners Earned Profit Unique to their Scooters:** Each scooter's performance is tracked and accounted for separately. During the program, each individual scooter owner earns profit unique to them that is different from others. So even if the program has 250 unique scooter owners, no more than 3 of them would earn the same profit per scooter per day.
2. **Divergent Fortunes:** Go X's financial performance is not tied to that of scooter owners. For example, even if Go X was to lose $1 million over 3 years, scooter owners would still get paid out $2.3 million, which would be tied to their scooter's performance (not company's as a whole!). In specific markets like Salt Lake City, even if Go X loses $500,000, scooter owners would still get paid $200,000 as they are paid % of revenue from every rental of their scooters.
3. **Multiple Distinct Offerings**: Go X intends to conduct different offerings with varying terms, including different cities, prices, revenue splits, scooter models, and even return amounts. This results in highly individualized return profiles for each owner.

B. Expectation of Profits Solely from the Efforts of Others

The second and third prongs of the Howey test are not met because:

1. **Significant Owner Control:** Scooter owners retain significant control over factors that affect their profitability, including: a. Choice of market (e.g., owners in popular cities like Salt Lake City would make 3.5x more than those in other cities in Arizona) b. Scooter model (some models make 2x more than others and last 3x longer) c. Price and availability settings
2. **External Factors:** Profitability is heavily influenced by factors outside Go X's control, such as: a. Market demand (e.g., 300x difference in gross revenue between two business locations) b. Seasonality and weather (e.g., hurricanes, snow, rain significantly impacting demand),
3. **Personal Use:** 99% of potential Go X scooter owners would be active riders, indicating that personal use, not just investment, plays a significant role for purchase.
4. **No Guaranteed Returns:** Go X does not promise or guarantee any specific returns. The success of each scooter varies widely based on the factors mentioned above.
5. **Informed Decision-Making:** While Go X does provide projections based on past data and a real-time performance dashboard, these tools actually empower scooter owners to make informed decisions about their property, rather than relying solely on Go X's efforts

C. Purchaser Control and Profitability

A key factor in determining whether an instrument is a security is the degree of control the purchaser has over the profitability of their investment. In the case of Go X's scooter program:

1. **Scooter owners have significant control over the profitability of their scooters, including**: a. Choice of market b. Scooter model selection c. Setting rental prices and availability d. Ability to use the scooter personally or rent it out
2. This level of control is consistent with the principles outlined in Ave. Capital Mgmt. II, L.P. v. Schaden, 843 F.3d 876 (10th Cir. 2016), where the court emphasized that purchaser control over profitability can negate the "efforts of others" prong of the Howey test.
3. The real-time dashboard provided by Go X further empowers owners to make informed decisions about their property, enhancing their control over profitability.

D. No Common Enterprise

The absence of a common enterprise is a critical factor in determining that Go X's scooter program does not constitute a security:

1. **Horizontal Commonality**: Each scooter owner's success is independent of other owners. This is similar to Milnarik v. M-S Commodities, Inc., 457 F.2d 274 (7th Cir. 1972), where the court found no common enterprise in individual discretionary trading accounts.
2. **Vertical Commonality:** Go X's fortunes are not directly tied to the success of individual scooter owners. As demonstrated earlier, even if Go X was to experience losses, scooter owners would still profit in certain markets. This lack of vertical commonality is similar to Revak v. SEC Realty Corp., 18 F.3d 81 (2d Cir. 1994), where the court found no common enterprise in a condominium rental arrangement.

E. Marketing Practices Do Not Create a Security

While Go X does market the scooter purchase program as a way to generate additional income to a select group, this does not transform the scooters into securities for the following reasons:

1. **Limited Audience**: The income-generation aspect is only marketed to a select group, primarily existing Go X riders in Arizona, not the general public.
2. **No Guaranteed Returns:** Go X clearly communicates that projections based on past data are not guarantees of future profits.
3. **Emphasis on Owner Control:** The real-time dashboard and ability to adjust pricing and availability emphasize the owner's control over their property's performance.
4. **Primary Purpose:** Despite the income potential, another purpose and use of the scooters remains personal transportation.

Cheetah X Inc (dba "Go X")
338 Spear St Suite 8C, San Francisco, CA 94105
857-277-9757
a@goxapp.com
www.goxapp.com

F. Economic Reality of the Transaction

The economic reality of Go X's scooter program is more akin to a product sale with an optional rental program than an investment contract:

1. **Primary Purpose:** The primary purpose (aside income generation) of purchasing a Go X scooter is personal transportation, similar to the housing purpose in United Housing Foundation, Inc. v. Forman, 421 U.S. 837 (1975).
2. **Optional Nature of Rental Program:** The rental program is entirely optional, similar to the arrangement in Salameh v. Tarsadia Hotel, 726 F.3d 1124 (9th Cir. 2013).
3. **No Pooling of Rents**: Each scooter's performance is tracked separately, similar to the individual yacht performances in Deckebach v. La Vida Charters, Inc., 867 F.2d 278 (6th Cir. 1989).

IV. Silver Hills Risk Capital Test

While the Howey Test is the primary framework for determining whether an instrument is an investment contract, we believe it's also important to consider the Silver Hills Risk Capital Test, which originated in the California Supreme Court case Silver Hills Country Club v. Sobieski, 55 Cal. 2d 811 (1961). Under this test, Go X's scooter ownership program does not constitute a security for the following reasons:

a) Capital Use: The primary purpose of scooter purchases is to acquire tangible assets for rental income (and personal use), not to finance Go X's operations or business expansion.

b) Risk Exposure: Scooter owners' capital is not substantially subject to the risks of Go X's enterprise. This is evidenced by the fact that even if Go X was to report loss of $1M, scooter owners would still earn a profit of $2.2M.

c) Risk Mitigation: Go X provides several safeguards that reduce owner risk, including:

- A 100% product guarantee
- The ability to make purchases via credit card (99% of transactions), providing additional consumer protections
- Go X's policy of replacing broken, decommissioned, lost, and stolen scooters while maintaining full benefits of ownership
- Full refunds provided to owners, even for scooters that had depreciated to 20% of their original value

d) Asset Retention: In the event of Go X's business failure, scooter owners retain full ownership of their tangible assets, significantly reducing their risk exposure.

V. Reves Test

While the Reves Test is typically applied to determine whether a note is a security, its principles can be instructive in analyzing Go X's scooter program:

a) Motivation: The primary motivation for scooter purchases is to acquire a tangible asset for personal use or to generate rental income through active participation in a business venture, not to make a passive investment in Go X.

b) Distribution Plan: Scooters are sold directly to existing Go X customers, friends, and family members, not through traditional investment channels or to the general public.

c) Public Expectations: The program is marketed and perceived as a scooter rental service with an ownership option, not as an investment opportunity in Go X's business.

d) Risk-Reducing Factors: The scooter rental industry is subject to various regulations, including transportation and consumer protection laws, which provide oversight and reduce the need for additional regulation under securities laws.

VI. Additional Relevant Factors

a) Tangible Asset Ownership: Go X provides each scooter owner with a Bill of Sale containing their scooter's serial number, emphasizing the sale of a physical asset rather than a financial instrument.

b**) Owner Control and Participation:** Scooter owners have significant control over their assets, including:

- The ability to use a VIP app to ride their own scooters
- Setting rental availability and pricing
- Selecting the market for scooter deployment
- Providing feedback on the product
- Introducing potential business partners to Go X

c) Individualized Offerings: Go X plans to conduct different offerings with varying terms, including different markets in Arizona, prices, scooter models, revenue splits, and return amounts. This high degree of individualization undermines the notion of a common enterprise, a key element of the Howey Test.

d) Divergence of Fortunes: In case where a city would produce a financial loss for Go X, scooter owners would remain profitable. This divergence demonstrates a lack of vertical commonality between Go X and scooter owners.

e) Limited Nature of the Offering: The scooter ownership platform would been in closed testing mode, available only to a select group of individuals, which would constitute customers, friends and family of Go X.

f) Separate Ownership Recognition: On Go X's financial books, the scooters are recorded as assets belonging to the individual owners, not to Go X. This accounting treatment reflects the true nature of the transaction as a sale of goods rather than an investment in Go X.

g) Independent Performance: Scooter owners' earnings are tied to the performance of their individual scooters, not to Go X's overall profitability. This is evidenced by cases where owners would earn profits in markets where Go X itself would experience a loss.

In light of these additional considerations, we respectfully submit that Go X's scooter ownership program does not constitute a security under either traditional or alternative legal tests. The program's structure, the nature of the assets involved, and the relationship between Go X and scooter owners all point to a business venture centered on the sale and rental of tangible goods, not the offer and sale of securities.

VII. Economic Realities Test

In assessing whether Go X's scooter program constitutes a security, it's crucial to consider the economic realities of the transaction, as emphasized in SEC v. W.J. Howey Co. and subsequent cases. A comparison with existing platforms selling products for profit-making purposes provides valuable context:

1. Platforms Selling Assets (Not Securities):

Several platforms allow individuals to purchase assets with the potential to generate returns, without constituting securities:

a) Pony (adoptapony.com): Offers a model strikingly similar to Go X, where users can purchase electric scooters or bikes ("ponies") and earn income from their rentals.

b) Vinovest (vinovest.co): Allows users to purchase and store fine wines, with the potential for appreciation.

c) Baxus.com: Enables users to buy bottles of whisky, which are stored and sold on their behalf.

d) Evolve.com: Facilitates the purchase of vacation rental properties, listing them on their marketplace and managing them for owners.

e) BullionVault.com and GoldBroker.com: Allow users to buy, store, and sell gold and silver online, with the platforms handling all operational aspects.

f) Royaltyexchange.com: Enables users to buy music rights and earn income from them.

g) Turo (turo.com): Facilitates car ownership and rental, where owners can earn income from their vehicles.

These platforms share key characteristics with Go X:

- Users purchase a tangible asset they fully own
- The asset can be used personally or to generate income
- The platform facilitates management and potential profit, but doesn't guarantee returns
- Success depends largely on external factors (e.g., market demand, asset quality) rather than solely the platform's efforts

2. Platforms Selling Securities:

In contrast, platforms clearly offering securities typically have these features:

a) Vint (vint.co): Offers fractional ownership in wine collections through LLC shares.

b) Masterworks (masterworks.com): Provides fractional investment in art collections.

c) Arrived (arrived.com): Enables fractional ownership of real estate and vacation rentals.

d) Cityfunds.com: Offers fractional ownership in city property portfolios.

e) Songvest.com: Provides fractional ownership in songs, with investors receiving royalties.

f) Luxusco.com: Allows users to become partial owners of diamonds.

These platforms differ significantly from Go X and other asset-selling platforms:

- They offer fractional ownership rather than whole asset ownership
- Returns often come from pooled profits or dividends
- The platforms typically have more control over asset management and sale
- They often conduct Reg CF or Reg A offerings to comply with securities regulations

3. Go X's Economic Reality:

Go X's scooter program aligns closely with asset-selling platforms, particularly Pony:

- Users purchase whole scooters, not fractional shares
- Scooter owners have significant control over their asset's profitability (e.g., choosing markets, setting availability)
- Owners can use the scooters personally, similar to Pony's "privatize your pony" feature
- Returns depend on individual scooter performance, not pooled profits
- Success is heavily influenced by external factors like location and market demand, not solely Go X's efforts

The similarity to platforms like Pony, Baxus, and Evolve is particularly noteworthy. All these platforms:

- Allow users to purchase assets outright
- Provide management and operational support
- Enable owners to earn income from their assets
- Offer personal use options for owners (where applicable)
- Do not pool profits or offer fractional ownership

Conclusion:

The economic reality of Go X's scooter program, much like Pony's and other asset-selling platforms, is that of an asset sale with an optional income-generating component, not a security offering. These platforms provide tangible goods that owners can use personally or leverage for potential profits, with returns largely dependent on factors outside the platform's control. This structure fundamentally differs from platforms like Cityfunds, Songvest, or Luxusco, which offer fractional ownership or pooled investments and are more likely to constitute securities.

The close parallel with Pony, Baxus, Evolve, and other asset-selling platforms, which operate without being classified as securities, further supports the conclusion that Go X's model should not be considered a security offering. In each case, including Go X, the user owns a specific, identifiable asset and bears the primary risk and reward of that asset's performance, rather than investing in a common enterprise managed primarily by others.

VIII. Relevant Precedent

This analysis is consistent with the Commission's guidance and numerous no-action letters, including:

1. SEC v. C.M. Joiner Leasing Corp., 320 U.S. 344 (1943): The Supreme Court emphasized that the determination of whether an instrument is a security should focus on the economic realities of the transaction. In Go X's case, the economic reality is that of a product sale with an optional rental program, not an investment scheme.
2. Hirk v. Agri-Research Council, Inc., 561 F.2d 96: The court found no horizontal commonality in discretionary trading accounts, similar to the individual nature of Go X scooter ownership.
3. Lavery v. Kearns, 792 F. Supp. 847 (D. Me. 1992): The court held that condominium units with a rental program were not securities due to the lack of vertical commonality between unit owners and the resort operator. Similarly, Go X's scooter program lacks vertical commonality as evidenced by instances where if Go X was to experience a loss in certain markets, scooter owners would be paid out their profit.
4. Bamert v. Pulte Home Corp., 445 F. App'x 256 (11th Cir. 2011): The court found no common enterprise in a condominium development with a rental program, emphasizing the independence of each unit owner's returns. This aligns with Go X's model, where each scooter owner's returns are based on the performance of their individual scooters, independent of other owners or Go X's overall profitability.
5. Xaphes v. Merrill Lynch, Pierce, Fenner & Smith, 632 F. Supp. 471 (D. Me. 1986): The court held that limited partnership interests in an equipment leasing arrangement were not securities due to the lack of vertical commonality. Go X's program similarly lacks vertical commonality, as scooter owners' returns are not tied to Go X's efforts or success but rather to the individual performance of their scooters.
6. Kaplan v. Shapiro, 655 F. Supp. 336 (S.D.N.Y. 1987): The court found that partnership interests in a commercial property were not securities because returns were tied to rental income rather than the promoters' efforts. This parallels Go X's structure, where scooter owners' returns are directly tied to the rental income generated by their individual scooters, not to Go X's managerial efforts or overall business performance.
7. U.S. v. Holtzclaw, 950 F. Supp. 1306 (S.D.W. Va. 1997): The court held that payphone investments were not securities because returns were based on fixed lease payments rather than the promoter's efforts. While Go X doesn't offer fixed payments, the principle applies as scooter owners' returns are based on actual rental usage of their scooters, not on Go X's efforts or success as a company.
8. SEC v. Edwards, 540 U.S. 389 (2004): While this case broadened the definition of "investment contract," it still requires that profits come "primarily from the efforts of others." In Go X's case, profits are significantly influenced by the owner's decisions and external factors.
9. Robinson v. Glynn, 349 F.3d 166 (4th Cir. 2003): The court found that interests in a distributor program were not securities because investors retained significant control over the management and success of their investment. This principle applies to Go X's model, where scooter owners have substantial control over their investment by choosing the market for deployment, setting rental prices and availability, and even using their scooters personally through the VIP app.

10. Hocking v. Dubois, 885 F.2d 1449 (9th Cir. 1989): The court held that condominium units with rental arrangements were not securities because each investor's return was influenced by factors pertaining solely to their individual unit. Similarly, each Go X scooter's performance is independent and based on factors specific to that scooter.
11. Noa v. Key Futures, 638 F.2d 77 (9th Cir. 1980): The court emphasized that when an investor has meaningful control over their investment, it cannot be considered a security. Go X's program aligns with this principle, as scooter owners have meaningful control over their investment through market selection, pricing strategies, and the ability to influence their scooters' profitability through their own efforts and decisions.
12. SEC v. Life Partners, Inc., 102 F.3d 587 (D.C. Cir. 1996): The court found that certain interests in life insurance policies were not securities because the investors' returns were not tied to the promoter's efforts or success, but to external factors. Similarly, Go X scooter owners' returns depend largely on external factors like market demand and location, not Go X's efforts.
13. Salameh v. Tarsadia Hotel, 726 F.3d 1124 (9th Cir. 2013): The court held that the sale of hotel condominium units was not a security transaction, even when coupled with a rental management agreement, because the rental program was optional and not economically necessary to the purchase. This is analogous to Go X's optional rental program.
14. Revak v. SEC Realty Corp., 18 F.3d 81 (2d Cir. 1994): The court found that condominium units with rental arrangements were not securities, emphasizing that the developers' efforts were not the undeniably significant ones in determining profit. Similarly, Go X's efforts are not the primary determinant of scooter owners' profits.
15. ResidenSea Ltd. (June 12, 2001): The Staff took a no-action position regarding the sale of condominium units on a cruise ship, even though the units could be placed in a rental program. The Staff emphasized the purchasers' ability to use the units themselves and their control over rental decisions. Go X follows this model by allowing scooter owners the option to use their scooters personally or place them in a rental program, maintaining significant control over the rental decisions and usage.
16. Marine Bank v. Weaver, 455 U.S. 551 (1982): The Court highlighted that not all investments that might result in profit are securities, emphasizing the importance of the relationship and expectations between the parties. This principle is particularly relevant to Go X's scooter ownership program, where the relationship between Go X and scooter owners is more akin to a business partnership or vendor-customer relationship rather than a traditional investor-company dynamic, with owners expecting profits from the direct use of their tangible assets rather than from Go X's overall business performance.
17. Intrawest Corporation (Nov. 8, 2002): The Staff took a no-action position regarding the sale of condominium units with an optional rental program, where the units were marketed primarily for personal use and the rental program was voluntary and separately negotiated. Similarly, Go X markets its electric scooters primarily for personal use with an optional rental program that is voluntary and individually negotiated, ensuring owners retain control over their scooters' rental terms and usage.
18. Coral Beach & Tennis Club (Nov. 2, 2011): The Staff allowed the sale of club memberships without registration, even though members received shares in the club

corporation, because the primary motivation for purchase was use of the facilities, not investment returns. In alignment with this precedent, Go X emphasizes the primary purpose of purchasing a scooter is not just for investment return, but also for personal transportation, thus mitigating the need for registration.

19. Marco Polo Hotel, Incorporated (Oct. 30, 1987): The Staff permitted a rental management office to be located in close proximity to the sales office without triggering securities law concerns. Similarly, Go X's operation of rental services in conjunction with the sale of scooters does not raise securities concerns, as the proximity and connection between sales and rental management is managed to ensure compliance and transparency.
20. FC Beach Joint Venture (May 29, 1998): The Staff allowed the provision of certain rental information to prospective purchasers without triggering securities law concerns, Go X adheres to this principle by providing prospective scooter owners with raw, unmodified data about rental performance only in response to specific inquiries, ensuring compliance with securities regulations.

IX. Conclusion

Based on the foregoing, we respectfully submit that the proposed offer and sale of electric scooters by Go X in Arizona, as described herein, would not constitute the offer and sale of "securities" within the meaning of the Arizona Uniform Securities Act. The economic reality of the transaction would be the sale of a product with an optional rental program, not an investment scheme.

Accordingly, we request that the Securities Division of Arizona confirm that it will not recommend enforcement action if Go X offers and sells electric scooters as described herein in Arizona without registration under the Act.

If you have any questions or require any additional information, please do not hesitate to contact the undersigned.

Sincerely,

Alexander Debelov
CEO GO X
a@goxapp.com
+1-857-277-9757