FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

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FILER

Vinco Ventures, Inc.

CIK:**1717556**| IRS No.: **822199200** | State of Incorp.:**NV** | Fiscal Year End: **1231**
Type: **10-Q** | Act: **34** | File No.: **001-38448** | Film No.: **201338638**
SIC: **3944** Games, toys & children's vehicles (no dolls & bicycles)

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SUITE 1004
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended September 30, 2020

or

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

For the transition period from _______ to _____

Commission file number: 001-38448

VINCO VENTURES, INC.
(f/k/a Edison Nation, Inc.)
(Exact Name of Registrant as Specified in Its Charter)

Nevada (State or Other Jurisdiction of Incorporation or Organization)	**82-2199200** (I.R.S. Employer Identification No.)
1 West Broad Street, Suite 1004 **Bethlehem, Pennsylvania** (Address of Principal Executive Offices)	**18018** (Zip Code)

(866) 536-0943
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or Section 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

[X] Yes [ ] No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

[X] Yes [ ] No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer" "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [X]	Smaller Reporting Company [X]
	Emerging Growth Company [X]

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

[ ] Yes [X] No

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.001 par value per share	**BBIG**	**Nasdaq**

As of November 20, 2020, there were 14,268,673 shares of the registrant's common stock outstanding.

VINCO VENTURES, INC.
(formerly known as Edison Nation, Inc.)

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USE OF MARKET AND INDUSTRY DATA

This Quarterly Report on Form 10-Q includes market and industry data that we have obtained from third-party sources, including industry publications, as well as industry data prepared by our management on the basis of its knowledge of and experience in the industries in which we operate (including our management's estimates and assumptions relating to such industries based on that knowledge). Management has developed its knowledge of such industries through its experience and participation in these industries. While our management believes the third-party sources referred to in this Quarterly Report on Form 10-Q are reliable, neither we nor our management have independently verified any of the data from such sources referred to in this Quarterly Report on Form 10-Q or ascertained the underlying economic assumptions relied upon by such sources. Furthermore, internally prepared and third-party market prospective information, in particular, are estimates only and there will usually be differences between the prospective and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Also, references in this Quarterly Report on Form 10-Q to any publications, reports, surveys or articles prepared by third parties should not be construed as depicting the complete findings of the entire publication, report, survey or article. The information in any such publication, report, survey or article is not incorporated by reference in this Quarterly Report on Form 10-Q.

Solely for convenience, we refer to trademarks in this Quarterly Report on Form 10-Q without the ® or the ™ or symbols, but such references are not intended to indicate that we will not assert, to the fullest extent under applicable law, our rights to our own trademarks. Other service marks, trademarks and trade names referred to in this Quarterly Report on Form 10-Q, if any, are the property of their respective owners, although for presentational convenience we may not use the ® or the ™ symbols to identify such trademarks.

OTHER PERTINENT INFORMATION

Unless the context otherwise indicates, when used in this Quarterly Report on Form 10-Q, the terms "Vinco Ventures" "we," "us," "our," the "Company" and similar terms refer to Vinco Ventures, Inc., a Nevada corporation formerly known as Edison Nation, Inc., and all of our subsidiaries and affiliates.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q for the period ended September 30, 2020 contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These statements relate to future events including, without limitation, the terms, timing and closing of our proposed acquisitions or our future financial performance. We have attempted to identify forward-looking statements by using terminology such as "anticipates," "believes," "expects," "can," "continue," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predict," "should" or "will" or the negative of these terms or other comparable terminology. These statements are only predictions; uncertainties and other factors may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels or activity, performance or achievements expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Our expectations are as of the date this Quarterly Report on Form 10-Q is filed, and we do not intend to update any of the forward-looking statements after the date this Quarterly Report on Form 10-Q is filed to confirm these statements to actual results, unless required by law.

You should not place undue reliance on forward looking statements. The cautionary statements set forth in this Quarterly Report on Form 10-Q identify important factors which you should consider in evaluating our forward-looking statements. These factors include, among other things:

- Our ability to effectively execute our business plan;
- Our ability to manage our expansion, growth and operating expenses;

- Our ability to protect our brands and reputation;
- Our ability to repay our debts;
- Our ability to rely on third-party suppliers outside of the United States;
- Our ability to evaluate and measure our business, prospects and performance metrics;
- Our ability to compete and succeed in a highly competitive and evolving industry;
- Our ability to respond and adapt to changes in technology and customer behavior;
- Risks in connection with completed or potential acquisitions, dispositions and other strategic growth opportunities and initiatives;
- Risks related to the anticipated timing of the closing of any potential acquisitions; and
- Risks related to the integration with regards to potential or completed acquisitions.
- Various risks related to health epidemics, pandemics and similar outbreaks, such as the coronavirus disease 2019 ("COVID-19") pandemic, which may have material adverse effects on our business, financial position, results of operations and/or cash flows.

This Quarterly Report on Form 10-Q also contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other industry data. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. We have not independently verified the statistical and other industry data generated by independent parties and contained in this Quarterly Report on Form 10-Q and, accordingly, we cannot guarantee their accuracy or completeness, though we do generally believe the data to be reliable. In addition, projections, assumptions and estimates of our future performance and the future performance of the industries in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons, including, but not limited to, the possibility that we may fail to preserve our expertise in consumer product development; that existing and potential distribution partners may opt to work with, or favor the products of, competitors if our competitors offer more favorable products or pricing terms; that we may be unable to maintain or grow sources of revenue; that we may be unable maintain profitability; that we may be unable to attract and retain key personnel; or that we may not be able to effectively manage, or to increase, our relationships with customers; that we may have unexpected increases in costs and expenses. These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

PART I

INDEX TO FINANCIAL STATEMENTS

Vinco Ventures, Inc. and Subsidiaries
(f/k/a Edison Nation, Inc.)
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2020 (Unaudited)	December 31, 2019
Assets		
Current assets:		
Cash and cash equivalents	$ 384,604	$ 412,719
Accounts receivable, net	3,145,530	2,108,099
Inventory	1,515,351	1,369,225
Prepaid expenses and other current assets	1,529,709	917,433
Income tax receivable	147,889	147,889
Total current assets	6,723,083	4,955,365
Property and equipment, net	1,012,375	931,968
Right of use assets – operating leases, net	505,933	732,100
Intangible assets, net	10,772,241	11,598,063
Goodwill	5,392,123	5,392,123
Total assets	$ 24,405,755	$ 23,609,619
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 3,024,689	$ 7,397,650
Accrued expenses and other current liabilities	1,620,230	1,594,669
Deferred revenues	1,009,838	159,591
Current portion of operating lease liabilities	279,719	272,215
Income tax payable	8,151	22,919
Line of credit, net of debt issuance costs of $0 and $15,573, respectively	1,616,668	456,995
Current portion of convertible notes payable, net of debt issuance costs of $61,997 and $0, respectively	498,002	-
Current portion of notes payable, net of debt issuance costs of $148,278 and $212,848, respectively	821,092	1,365,675
Current portion of notes payable – related parties	1,214,698	1,686,352
Due to related party	22,005	17,253
Total current liabilities	10,115,092	12,973,319
Operating lease liabilities, net of current portion	255,100	482,212
Convertible notes payable – related parties, net of debt discount of $291,667 and $366,666 related to the conversion feature, respectively	1,136,495	1,061,495
Notes payable, net of current portion	821,271	42,492
Notes payable – related parties, net of current portion	1,452,815	1,595,669
Total liabilities	13,780,773	16,155,187
Commitments and contingencies (Note 8)		
Stockholders' equity		
Preferred stock, $0.001 par value, 30,000,000 shares authorized; 0 shares issued and outstanding as of September 30, 2020 and December 31, 2019, respectively	$ -	$ -
Common stock, $0.001 par value, 250,000,000 shares authorized; 11,893,291 and 8,015,756 shares issued and outstanding as of September 30, 2020 and December 31, 2019, respectively	11,893	8,016
Additional paid-in-capital	33,427,702	26,259,575
Accumulated deficit	(21,684,394)	(18,495,461)
Total stockholders' equity attributable to Edison Nation, Inc.	11,755,201	7,772,130
Noncontrolling interests	(1,130,219)	(317,698)
Total stockholders' equity	10,624,982	7,454,432

Total liabilities and stockholders’ equity	$ 24,405,755	$ 23,609,619

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

Vinco Ventures, Inc. and Subsidiaries
(f/k/a Edison Nation, Inc.)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	**2019**	**2020**	**2019**
Revenues, net	$ 4,251,147	$ 3,532,645	$ 14,798,283	$ 15,239,434
Cost of revenues	2,668,864	2,544,058	9,977,060	10,413,868
Gross profit	1,582,283	988,587	4,821,223	4,825,566
Operating expenses:				
Selling, general and administrative	3,474,844	3,296,323	10,438,487	9,738,107
Operating loss	(1,892,561)	(2,307,736)	(5,617,264)	(4,912,541)
Other (expense) income:				
Rental income	25,704	25,704	77,111	77,111
Other income	-	-	4,911,760	-
Interest expense	(1,004,626)	(349,172)	(2,575,737)	(875,036)
Total other (expense) income	(978,922)	(323,468)	2,413,134	(797,925)
Loss before income taxes	(2,871,483)	(2,631,204)	(3,204,130)	(5,710,466)
Income tax expense	-	-	-	74,200
Net loss	(2,871,483)	(2,631,204)	(3,204,130)	(5,784,666)
Net income (loss) attributable to noncontrolling interests	(37,439)	(49,103)	(15,198)	(31,858)
Net loss attributable to Vinco Ventures, Inc.	$ (2,834,044)	$ (2,582,101)	$ (3,188,932)	$ (5,752,808)
Net loss per share				
- basic and diluted	$ (0.30)	$ (0.44)	$ (0.29)	$ (1.00)
Weighted average number of common shares outstanding – basic and diluted	9,324,023	5,834,167	10,853,242	5,733,379

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

Vinco Ventures, Inc. and Subsidiaries
(f/k/a Edison Nation, Inc.)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
(UNAUDITED)

	For the Three Months Ended September 30, 2020 and 2019					
	Common Stock		Additional Paid-in	Accumulated	Noncontrolling	Total Stockholders' Equity (Deficit)
	Shares	Amount	Capital	Deficit	Interest	
Balance, July 1, 2020	9,618,401	$ 9,618	$30,802,083	$ (18,850,350)	$ (1,020,849)	$ 10,940,502
Issuance of common stock to note holders	763,266	763	1,502,087	-	-	1,502,850
Issuance of common stock to employees	150,000	150	319,350	-	-	319,500
Issuance of common stock to consultants	371,624	372	1,192,246	-	-	1,192,618
Stock-based compensation	-	-	(387,074)	-	-	(387,074)
Issuance of common stock cancellation of non-voting membership interest in Edison Nation Holdings, LLC	990,000	990	(990)	-	-	-
Distributions	-	-	-	-	(71,931)	(71,931)
Net loss	-	-	-	(2,834,044)	(37,439)	(2,871,483)
Balance, September 30, 2020	11,893,291	$ 11,893	$33,427,702	$ (21,684,394)	$ (1,130,219)	$ 10,624,982
Balance, July 1, 2019	5,737,830	$ 5,738	$21,136,912	$ (8,736,463)	$ 968,821	$ 13,375,008
Issuance of common stock to note holders	201,005	201	136,279	-	-	136,480
Issuance of common stock to employees and directors	3,000	3	8,847			8,850
Issuance of common stock to vendors for services	92,000	92	252,908	-	-	253,000
Stock-based compensation	-	-	(86,666)	-	-	(86,666)
Net loss	-	-	-	(2,582,101)	(49,103)	(2,631,204)
Balance, September 30, 2019	6,033,835	$ 6,034	$21,448,280	$ (11,318,564)	$ 919,718	$ 11,055,468

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

Vinco Ventures, Inc. and Subsidiaries
(f/k/a Edison Nation, Inc.)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
(UNAUDITED)

	For the Nine Months Ended September 30, 2020 and 2019					
	Common Stock		Additional Paid-in	Accumulated	Noncontrolling	Total Stockholders' Equity
	Shares	Amount	Capital	Deficit	Interest	(Deficit)
Balance, January 1, 2020	8,015,756	$ 8,016	$26,259,576	$ (18,495,462)	$ (317,698)	$ 7,454,432
Issuance of common stock to note holders	1,202,666	1,202	2,291,662	-	-	2,292,864
Return of common stock from noteholder held as collateral	(153,005)	(153)	153	-	-	-
Issuance of common stock for divestiture	150,000	150	404,850	-	-	405,000
Issuance of common stock to consultants	1,237,874	1,238	1,754,142	-	-	1,755,380
Issuance of common stock to employees and directors	150,000	150	319,350			319,500
Stock-based compensation	-	-	681,306	-	-	681,306
Issuance of common stock for Global Clean Solutions, LLC acquisition	300,000	300	698,700	-	-	699,000
Conversion option	990,000	990	(990)	-	-	-
Issuance of warrants- noteholders	-	-	1,018,953	-	-	1,018,953
Divestiture of Cloud B	-	-	-	-	(26,392)	(26,392)
Distributions	-	-	-	-	(770,931)	(770,931)
Net loss				(3,188,932)	(15,198)	(3,204,130)
Balance, September 30, 2020	11,893,291	$ 11,893	$33,427,702	$ (21,684,394)	$ (1,130,219)	$ 10,624,982
Balance, January 1, 2019	5,654,830	$ 5,655	$20,548,164	$ (5,565,756)	$ 951,576	$ 15,939,639
Issuance of common stock to note holders	251,004	251	309,529	-	-	309,780
Issuance of common stock to employees	3,000	3	8,847			8,850
Issuance of common stock to vendors for services	125,000	125	394,000	-	-	394,125
Stock-based compensation	-	-	187,740	-	-	187,740
Net loss	-	-	-	(5,752,808)	31,858	(5,784,666)
Balance, September 30, 2019	6,033,835	$ 6,034	$21,448,280	$ (11,318,654)	$ 919,718	$ 11,055,468

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

Vinco Ventures, Inc. and Subsidiaries
(f/k/a Edison Nation, Inc.)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Nine Months Ended September 30,	
	2020	**2019**
Cash Flow from Operating Activities		
Net loss attributable to Vinco Ventures, Inc.	$ (3,188,932)	$ (5,752,808)
Net loss attributable to noncontrolling interests	(15,198)	(31,858)
Net loss	(3,204,130)	(5,784,666)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	938,844	952,019
Amortization of financing costs	2,015,422	658,126
Stock-based compensation	2,765,022	876,585
Amortization of right of use asset	226,167	217,189
Gain on divestiture	(4,911,760)	-
Changes in assets and liabilities:		
Accounts receivable	(1,037,432)	(12,355)
Inventory	(146,126)	(182,370)
Prepaid expenses and other current assets	(612,276)	(667,836)
Accounts payable	(367,355)	1,413,425
Accrued expenses and other current liabilities	1,237,169	549,072
Operating lease liabilities	(219,608)	-
Repayment of operating lease liabilities	-	(199,589)
Due from related party	4,753	(117,786)
Net cash used in operating activities	(3,311,310)	(2,298,186)
Cash Flows from Investing Activities		
Purchases of property and equipment	(193,429)	(113,612)
Net cash used in investing activities	(193,429)	(113,612)
Cash Flows from Financing Activities		
Borrowings under lines of credit	1,144,100	249,370
Borrowings under convertible notes payable	1,660,000	1,111,111
Borrowings under notes payable	1,739,852	1,670,000
Repayments under lines of credit	-	(340,766)
Repayments under notes payable	(947,127)	(570,587)
Repayments under notes payable – related parties	(14,508)	(82,612)
Fees paid for financing costs	(33,762)	(463,146)
Distributions	(71,931)	-
Net cash provided by financing activities	3,476,624	1,573,370
Net increase (decrease) in cash and cash equivalents	(28,115)	(838,428)
Cash and cash equivalents - beginning of period	412,719	2,052,731
Cash and cash equivalents - end of period	$ 384,604	1,214,303
Supplemental Disclosures of Cash Flow Information		
Cash paid during the period for:		
Interest	$ 239,682	$ 145,324
Income taxes	$ 235,275	$ -
Noncash investing and financing activity:		
Shares issued to note holders	$ 2,292,864	$ 309,780
Shares issued for the divestiture of Cloud B, Inc.	405,000	-
Conversions under notes payable	1,524,000	-

Issuance of warrants to note holders	1,018,953	-
Distribution for issuance of shares to noncontrolling interest members of Global Clean Solutions, LLC	699,000	-

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

Vinco Ventures, Inc. and Subsidiaries
(f/k/a Edison Nation, Inc.)
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 — Basis of Presentation and Nature of Operations

The condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial statements and with Form 10-Q and Article 10 of Regulation S-X of the United States Securities and Exchange Commission (the "SEC"). Accordingly, they do not contain all information and footnotes required by GAAP for annual financial statements. The condensed consolidated financial statements include the accounts of the Company and its wholly-owned and majority-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. In the opinion of the Company's management, the accompanying unaudited condensed consolidated financial statements contain all the adjustments necessary (consisting only of normal recurring accruals) to present the financial position of the Company as of September 30, 2020 and the results of operations, changes in stockholders' equity, and cash flows for the periods presented. The results of operations for the three and nine months ended September 30, 2020 are not necessarily indicative of the operating results for the full fiscal year or any future period.

These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2019 as filed with the Securities and Exchange Commission on May 29, 2020 and further amended on June 4, 2020. The Company's accounting policies are described in the Notes to Consolidated Financial Statements in its Annual Report on Form 10-K for the year ended December 31, 2019, and updated, as necessary, in this Quarterly Report on Form 10-Q.

As used herein, the terms the "Company," "Vinco Ventures" "we," "us," "our" and similar refer to Vinco Ventures, Inc. (f/k/a Edison Nation, Inc.), a Nevada corporation incorporated on July 18, 2017 under the laws of the State of Nevada as Idea Lab X Products, Inc. and also formerly known as Xspand Products Lab, Inc. prior to its name change on September 12, 2018, and/or its wholly-owned and majority-owned operating subsidiaries. On November 5, 2020, the Company (the "Parent") and its wholly owned subsidiary, Vinco Ventures, Inc. (the "Merger Sub"), entered into an Agreement and Plan of Merger (the "Agreement"). Under the terms of the Agreement, the Merger Sub merged with and into the Parent and the Parent became the surviving corporation of the Merger (the "Surviving Corporation"). The name of the Surviving Corporation became Vinco Ventures, Inc. The transaction closed on November 10, 2020.

Vinco Ventures is a vertically-integrated, end-to-end, consumer product research and development, manufacturing, sales and fulfillment company. The Company's proprietary web-enabled platform provides a low risk, high reward platform and process to connect innovators of new product ideas with potential licensees.

As of September 30, 2020, Vinco Ventures had six wholly-owned subsidiaries: S.R.M. Entertainment Limited ("SRM"), Scalematix, LLC ("Scalematix"), Ferguson Containers, Inc. ("Fergco"), CBAV1, LLC ("CB1"), Pirasta, LLC ("Pirasta") and Edison Nation Holdings, LLC. Vinco Ventures owns 50% of Best Party Concepts, LLC, Ed Roses, LLC and Global Clean Solutions, LLC, all of which are VIE's. Edison Nation Holdings, LLC is the single member of Edison Nation, LLC and Everyday Edisons, LLC. Edison Nation, LLC is the single member of Safe TV Shop, LLC.

COVID-19

COVID-19 has caused and continues to cause significant loss of life and disruption to the global economy, including the curtailment of activities by businesses and consumers in much of the world as governments and others seek to limit the spread of the disease, and through business and transportation shutdowns and restrictions on people's movement and congregation.

As a result of the pandemic, we have experienced, and continue to experience, weakened demand for our traditional products. Many of our customers have been unable to sell our products in their stores and theme parks due to government-mandated closures and have deferred or significantly reduced orders for our products. We expect these trends to continue until such closures are significantly curtailed or lifted. In addition, the pandemic has reduced foot traffic in the stores where our products are sold that remain open, and the global economic impact of the pandemic has temporarily reduced consumer demand for our products as they focus on purchasing essential goods.

In the United States and Asia, many of our key accounts remain closed or are operating at significantly reduced volumes. As a result, we have made the strategic decision to expand our operations through our Edison Nation Medical ("Ed Med") division. Through Ed Med, the

Company wholesales Personal Protective Equipment ("PPE") products and proprietary branded hand sanitizer through an online portal for hospitals, government agencies and distributors.

Given these factors, the Company anticipates that the greatest impact from the COVID-19 pandemic in fiscal 2020 occurred in the first quarter of 2020 and resulted in a net sales decline as compared to the first quarter of 2019. This statement is the Company's opinion based on current information, but you are cautioned not to give undue weight to such statement as we cannot give assurances about any future impacts of the pandemic.

In addition, certain of our suppliers and the manufacturers of certain of our products were adversely impacted by COVID-19. As a result, we faced delays or difficulty sourcing products, which negatively affected our business and financial results. Even if we are able to find alternate sources for such products, they may cost more and cause delays in our supply chain, which could adversely impact our profitability and financial condition.

We have taken actions to protect our employees in response to the pandemic, including closing our corporate offices and requiring our office employees to work from home. At our distribution centers, certain practices are in effect to safeguard workers, including a staggered work schedule, and we are continuing to monitor direction from local and national governments carefully. Additionally, our two retail locations have been closed until further notice.

As a result of the impact of COVID-19 on our financial results, and the anticipated future impact of the pandemic, we have implemented cost control measures and cash management actions, including:

- Furloughing a significant portion of our employees; and
- Implementing 20% salary reductions across our executive team and other members of upper level management; and
- Executing reductions in operating expenses, planned inventory levels and non-product development capital expenditures; and
- Proactively managing working capital, including reducing incoming inventory to align with anticipated sales.

Liquidity

For the nine months ended September 30, 2020, our operations lost $5,617,264, of which approximately $3,703,865 was non-cash and approximately $554,741 was related to transaction costs and restructuring charges for payroll and rents.

At September 30, 2020, we had total current assets of $6,723,083 and current liabilities of $10,115,092 resulting in negative working capital of $3,392,009, of which $1,214,697 was related party notes payable and $219,396 was accrued related party interest expense. At September 30, 2020, we had total assets of $24,405,755 and total liabilities of $13,780,773 resulting in stockholders' equity of $10,624,982.

The foregoing factors raised initial concerns about the Company's ability to continue as a going concern. The ability to continue as a going concern is dependent upon the Company's ability to attract significant new sources of capital, attain a reasonable threshold of operating efficiencies and achieve profitable operations from the sale of its products. The condensed consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. The following is additional information on our operating losses and working capital:

The Company's operating loss for the nine months ended September 30, 2020 included $3,703,865 related to depreciation, amortization and stock-based compensation, respectively. In addition, $554,741 was related to transaction costs, restructuring charges and other non-recurring and redundant costs which are being removed or reduced.

Management has considered possible mitigating factors within our management plan on our ability to continue for at least a year from the date these financial statements are filed. The following items are management plans to alleviate any going concern issues:

- Subsequent to September 30, 2020, the Company received $125,000 through a receivables financing agreement;
- Raise further capital through the sale of additional equity of between $5 to $10 million;
- Borrow money under debt securities;
- The deferral of payments to related party debt holders for both principal of $2,667,513 and related interest expense of $219,396;
- Cost saving initiatives related to synergies and the elimination of redundant costs of approximately $1,500,000, of which approximately $168,000 impacted the three months ended September 30, 2020;
- Possible sale of certain brands to other customers or manufacturers;
- Edison Nation Medical's procurement of Personal Protective Equipment ("PPE") and hand sanitizers and the subsequent sale of PPE items and hand sanitizers to governmental agencies, educational facilities, medical facilities and distributors;
- Entry into joint ventures or total/partial acquisitions of operational entities to expand the sale of PPE and proprietary hand sanitizer through Edison Nation Medical; and
- Additional headcount reductions.

Our operating needs include the planned costs to operate our business, including amounts required to fund working capital and capital expenditures. Our future capital requirements and the adequacy of our available funds will depend on many factors, including our ability to successfully commercialize our products and services, competing technological and market developments, and the need to enter into collaborations with other companies or acquire other companies or technologies to enhance or complement our product and service offerings.

Note 2 — Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Edison Nation, Inc. and its wholly-owned and majority owned subsidiaries. All intercompany balances and transactions have been eliminated.

Variable Interest Entity Assessment

A VIE is an entity (a) that has total equity at risk that is not sufficient to finance its activities without additional subordinated financial support from other entities, (b) where the group of equity holders does not have the power to direct the activities of the entity that most significantly impact the entity's economic performance, or the obligation to absorb the entity's expected losses or the right to receive the entity's expected residual returns, or both, or (c) where the voting rights of some investors are not proportional to their obligations to absorb the expected losses of the entity, their rights to receive the expected residual returns of the entity, or both, and substantially all of the entity's activities either involve or are conducted on behalf of an investor that has disproportionately few voting rights. In order to determine if an entity is considered a VIE, the Company first performs a qualitative analysis, which requires certain subjective decisions regarding its assessments, including, but not limited to, the design of the entity, the variability that the entity was designed to create and pass along to its interest holders, the rights of the parties, and the purpose of the arrangement. If the Company cannot conclude after a qualitative analysis whether an entity is a VIE, it performs a quantitative analysis. The qualitative analysis considered the design of the entity, the risks that cause variability, the purpose for which the entity was created, and the variability that the entity was designed to pass along to its variable interest holders.

Use of Estimates

Preparation of financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, together with amounts disclosed in the related notes to the financial statements.

The Company's significant estimates used in these financial statements include, but are not limited to, accounts receivable reserves, the valuation allowance related to the Company's deferred tax assets, the recoverability and useful lives of long-lived assets, debt conversion features, stock-based compensation, certain assumptions related to the valuation of the reserved shares and the assets acquired and liabilities assumed related to the Company's acquisitions. Certain of the Company's estimates could be affected by external conditions, including those unique to the Company and general economic conditions. It is reasonably possible that these external factors could have an effect on the Company's estimates and could cause actual results to differ from those estimates.

Reclassifications

Certain reclassifications have been made to prior year amounts to conform to current year presentation.

Cash and Cash Equivalents

The Company has cash on deposit in several financial institutions which, at times, may be in excess of Federal Deposit Insurance Corporation ("FDIC") insurance limits. The Company has not experienced losses in such accounts and periodically evaluates the creditworthiness of its financial institutions. The Company reduces its credit risk by placing its cash and cash equivalents with major financial institutions. The Company had $100,464 uninsured cash at September 30, 2020 of which $100,464 was held in foreign bank accounts not covered by FDIC insurance limits as of September 30, 2020.

Accounts Receivable

Accounts and notes receivable consist of trade receivables from customers. The Company's payment terms with customers are defined within each customer's invoice. All accounts receivables are considered current assets as the Company does not grant payment terms greater than one year. Accounts receivable initially are recorded at the gross amount and are recorded after the Company has an unconditional right to payment where only the passage of time is required before payment is received. The Company evaluates the collectability of outstanding receivable balances and records an allowance for doubtful accounts representing an estimate of future expected credit loss. Additions to the allowance for doubtful accounts are made by recording a charge to bad debt expense reported in selling, general and administrative expenses. As of September 30, 2020, no customers represented more than 10% of total accounts receivable.

Inventory

Inventory is recorded at the lower of cost or net realizable value on a first-in, first-out basis. The Company reduces the carrying value of inventories for those items that are potentially excess, obsolete, or slow moving based on changes in customer demand, technology developments, or other economic factors.

Revenue Recognition

Generally, the Company considers all revenues as arising from contracts with customers. Revenue is recognized based on the five-step process outlined in the Accounting Standards Codification ("ASC") 606:

Step 1 – Identify the Contract with the Customer – A contract exists when (a) the parties to the contract have approved the contract and are committed to perform their respective obligations, (b) the entity can identify each party's rights regarding the goods or services to be transferred, (c) the entity can identify the payment terms for the goods or services to be transferred, (d) the contract has commercial substance and it is probable that the entity will collect substantially all of the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Note 2 — Summary of Significant Accounting Policies — (Continued)

Step 2 – Identify Performance Obligations in the Contract – Upon execution of a contract, the Company identifies as performance obligations each promise to transfer to the customer either (a) goods or services that are distinct, or (b) a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer. To the extent a contract includes multiple promised goods or services, the Company must apply judgement to determine whether the goods or services are capable of being distinct within the context of the contract. If these criteria are not met, the goods or services are accounted for as a combined performance obligation.

Step 3 – Determine the Transaction Price – When (or as) a performance obligation is satisfied, the Company shall recognize as revenue the amount of the transaction price that is allocated to the performance obligation. The contract terms are used to determine the transaction price. Generally, all contracts include fixed consideration. If a contract did include variable consideration, the Company would determine the amount of variable consideration that should be included in the transaction price based on expected value method. Variable consideration would be included in the transaction price, if in the Company's judgement, it is probable that a significant future reversal of cumulative revenue under the contract would not occur.

Step 4 – Allocate the Transaction Price – After the transaction price has been determined, the next step is to allocate the transaction price to each performance obligation in the contract. If the contract only has one performance obligation, the entire transaction price will be applied to that obligation. If the contract has multiple performance obligations, the transaction price is allocated to the performance obligations based on the relative standalone selling price (SSP) at contract inception.

Step 5 – Satisfaction of the Performance Obligations (and Recognize Revenue) – Revenue is recognized when (or as) goods or services are transferred to a customer. The Company satisfies each of its performance obligations by transferring control of the promised good or service underlying that performance obligation to the customer. Control is the ability to direct the use of and obtain substantially all of the remaining benefits from an asset. It includes the ability to prevent other entities from directing the use of and obtaining the benefits from an asset. Indicators that control has passed to the customer include: a present obligation to pay; physical possession of the asset; legal title; risks and rewards of ownership; and acceptance of the asset(s). Performance obligations can be satisfied at a point in time or over time.

Substantially all of the Company's revenues continue to be recognized when control of the goods are transferred to the customer, which is upon shipment of the finished goods to the customer. All sales have fixed pricing and there are currently no material variable components included in the Company's revenue. Additionally, the Company will issue credits for defective merchandise, historically these credits for defective merchandise have not been material. Based on the Company's analysis of the new revenue standards, revenue recognition from the sale of finished goods to customers, which represents substantially all of the Company's revenues, was not impacted by the adoption of the new revenue standards.

Disaggregation of Revenue

The Company's primary revenue streams include the sale and/or licensing of consumer goods and packaging materials. The Company's licensing business is not material and has not been separately disaggregated for segment purposes. The disaggregated Company's revenues for the three and nine months ended September 30, 2019 and 2018 were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	**2019**	**2020**	**2019**
Revenues:				
Product sales	$ 4,137,254	$ 3,499,116	$ 14,593,266	$ 14,982,117
Service	800	19,442	800	67,753
Licensing	113,093	14,087	204,217	189,564
Total revenues, net	$4,251,147	$ 3,532,645	$ 14,798,283	$ 15,239,434

Note 2 — Summary of Significant Accounting Policies — (Continued)

For the three and nine months ended September 30, 2020 and 2019, the following customer represented more than 10% of total net revenues:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	2019	2020	2019
Customer:				
Customer A	*%	11%	*%	22%

* Customer did not represent greater than 10% of total net revenue.

For the three and nine months ended September 30, 2020 and 2019, the following geographical regions represented more than 10% of total net revenues:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	2019	2020	2019
Region:				
North America	79%	86%	89%	78%
Europe	17 %	*	10%	15%

* Region did not represent greater than 10% of total net revenue.

Fair Value of Financial Instruments

The Company measures the fair value of financial assets and liabilities based on the guidance of ASC 820 "Fair Value Measurements and Disclosures" ("ASC 820") which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 describes three levels of inputs that may be used to measure fair value:

Level 1 — quoted prices in active markets for identical assets or liabilities

Level 2 — quoted prices for similar assets and liabilities in active markets or inputs that are observable

Level 3 — inputs that are unobservable (for example, cash flow modeling inputs based on assumptions)

The carrying amounts of the Company's financial instruments, such as cash, accounts receivable, accounts payable, accrued expenses and other current liabilities approximate fair values due to the short-term nature of these instruments. The carrying amount of the Company's notes payable approximates fair value because the effective yields on these obligations, which include contractual interest rates, taken together with other features such as concurrent issuance of warrants, are comparable to rates of returns for instruments of similar credit risk. The loan held for investment was acquired at fair value, which resulted in a discount.

Note 2 — Summary of Significant Accounting Policies — (Continued)

Sequencing Policy

Under ASC 815-40-35, the Company follows a sequencing policy whereby, in the event that reclassification of contracts from equity to assets or liabilities is necessary pursuant to ASC 815 due to the Company's inability to demonstrate it has sufficient authorized shares as a result of certain securities with a potentially indeterminable number of shares, shares will be allocated on the basis of the earliest issuance date of potentially dilutive instruments, with the earliest grants receiving the first allocation of shares. Pursuant to ASC 815, issuance of securities to the Company's employees or directors are not subject to the sequencing policy.

Foreign Currency Translation

The Company uses the United States dollar as its functional and reporting currency since the majority of the Company's revenues, expenses, assets and liabilities are in the United States. Assets and liabilities in foreign currencies are translated using the exchange rate at the balance sheet date, while revenue and expense accounts are translated at the average exchange rates prevailing during the year. Equity accounts are translated at historical exchange rates. Gains and losses from foreign currency transactions and translation for the three and nine months ended September 30, 2020 and 2019 and the cumulative translation gains and losses as of September 30, 2020 and December 31, 2019 were not material.

Note 2 — Summary of Significant Accounting Policies — (Continued)

Net Earnings or Loss per Share

Basic net loss per common share is computed by dividing net loss by the weighted average number of vested common shares outstanding during the period. Diluted net income per common share is computed by dividing net income by the weighted average number vested of common shares, plus the net impact of common shares (computed using the treasury stock method), if dilutive, resulting from the exercise of dilutive securities. In periods when losses are reported, the weighted-average number of common shares outstanding excludes common stock equivalents because their inclusion would be anti-dilutive.

As of September 30, 2020, the Company excluded the common stock equivalents summarized below, which entitle the holders thereof to ultimately acquire shares of common stock, from its calculation of earnings per share, as their effect would have been anti-dilutive.

	September 30, 2020	September 30, 2019
Selling Agent Warrants	160,492	89,992
Shares reserved in exchange for the cancellation of certain non-voting membership interest in Edison Nation Holdings, LLC	-	990,000
Options	80,000	290,000
Convertible shares under notes payable	558,803	285,632
Warrants for noteholders	625,000	-
Restricted stock units	120,000	-
Shares to be issued	165,000	-
Total	1,709,295	1,655,624

Note 2 — Summary of Significant Accounting Policies — (Continued)

Recent Accounting Pronouncements

In October 2018, the FASB issued new accounting guidance for Variable Interest Entities, which requires indirect interests held through related parties in common control arrangements be considered on a proportional basis for determining whether fees paid to decision makers and service providers are variable interests. The guidance is effective for the Company's interim and annual reporting periods during the year ending December 31, 2020. Early adoption is permitted. The Company currently does not believe that the adoption of this accounting guidance will have a material impact on its consolidated financial statements and related disclosures.

In August 2020, the FASB issued ASU 2020-06, "Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40)". This ASU reduces the number of accounting models for convertible debt instruments and convertible preferred stock. As well as amend the guidance for the derivatives scope exception for contracts in an entity's own equity to reduce form-over-substance-based accounting conclusions. In addition, this ASU improves and amends the related EPS guidance. This guidance is effective for interim and annual reporting periods beginning after December 15, 2021; Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. Adoption is either a modified retrospective method or a fully retrospective method of transition. The Company is currently assessing the impact the new guidance will have on our consolidated financial statements.

Note 2 — Summary of Significant Accounting Policies — (Continued)

Subsequent Events

The Company has evaluated subsequent events through the date which the financial statements were issued. Based upon such evaluation, except for items described in Note 8 and Note 10, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the financial statements.

Segment Reporting

The Company uses "the management approach" in determining reportable operating segments. The management approach considers the internal organization and reporting used by the Company's chief operating decision maker for making operating decisions and assessing performance as the source for determining the Company's reportable segments. The Company's chief operating decision maker is the Chairman and Chief Executive Officer ("CEO") of the Company, who reviews operating results to make decisions about allocating resources and assessing performance for the entire Company. The Company deploys resources on a consolidated level to all brands of the Company and therefore the Company only identifies one reportable operating segment with multiple product offerings.

Note 3 — Acquisitions and Divestitures

Divestiture of Subsidiary

On February 17, 2020, the Company divested its Cloud B, Inc. subsidiary and entered into an Agreement for the Purchase and Sale of Cloud B, Inc.(the "Purchase Agreement"), with Pearl 33 Holdings, LLC (the "Buyer"), pursuant to which the Buyer purchased from the Company (and the Company sold and assigned) 80,065 shares of common stock of Cloud B (the "Cloud B Shares") for $1.00 and an indemnification agreement as described below, constituting a 72.15% ownership interest in Cloud B, based on 110,964 shares of Cloud B's common stock outstanding as of February 17, 2020. In accordance with the agreement, all of the liabilities of Cloud B were assumed by Pearl 33.

On February 17, 2020, as part of the sale of Cloud B, Inc., the Company entered into an indemnification agreement with Pearl 33 Holdings, LLC in connection with the divestiture of Cloud B, Inc., whereby pursuant to such agreement the Company is limited to the issuance of 150,000 shares of the Company's common stock to the Buyer for indemnification of claims against Cloud B Inc. In addition, the Company shall indemnify the Buyer for expenses (including attorneys' fees and all other costs, expenses and obligations) in connection with defending any Claim in connection with the Cloud B. The Company has recorded $405,000 related to the fair value of the 150,000 shares of common stock which were issued to the Buyer on June 30, 2020.

The table below shows the assets and liabilities that the Company was relieved of in the transaction:

	February 17, 2020
Accounts payable	4,005,605
Accrued Expenses	370,289
Income Tax Payable	14,473
Notes Payable	900,000
Non-Controlling Interest	26,393
Shares to be issued to Buyer	(405,000)
Gain on divestiture	$ 4,911,760

Asset Acquisition

On March 11, 2020, the Company issued 238,750 shares of our common stock to acquire the assets of HMNRTH, LLC. On July 1, 2020, the Company made payment in the amount of $70,850 to the principals of HMNRTH, LLC. The transaction was treated as an asset purchase and not accounted for as a business combination due to the limited inputs, processes and outputs, which did not meet the requirements to be a business.

Please *see* **Note 11 — Subsequent Events** for further information on acquisitions and divestitures.

Note 4 — Variable Interest Entities

The Company is involved in the formation of various entities considered to be Variable Interest Entities ("VIEs"). The Company evaluates the consolidation of these entities as required pursuant to ASC Topic 810 relating to the consolidation of VIEs. These VIEs are primarily partnerships formed to supply consumer goods to through various distribution and retail channels.

The Company's determination of whether it is the primary beneficiary of VIE is based in part on an assessment of whether or not the Company and its related parties are exposed to the majority of the risks and rewards of the entity. Typically, the Company is entitled to substantially all or portion of the economics of these VIEs. The Company is the primary beneficiary of the VIE entities.

The following table presents the carrying values of the assets and liabilities of entities that are VIEs and consolidated by the Company at September 30, 2020:

	September 30, 2020	December 31, 2019
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 114,875	$ 6,234
Accounts receivable, net	906,020	21,697
Inventory	249,896	51,090
Prepaid expenses and other current assets	1,072,378	379,561
Total current assets	2,343,169	458,582
Property and equipment, net	19,671	32,661
Total assets	$ 2,362,840	$ 491,243
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 198,704	$ 337,648
Accrued expenses and other current liabilities	80,631	-
Deferred revenues	857,500	-
Line of credit, net of debt issuance costs of $0 and $15,573, respectively	1,153,800	-
Notes payable, current	150,000	-
Due to related party	315,666	315,666
Total current liabilities	2,756,301	12,973,319

The following table presents the operations of entities that are VIEs and consolidated by the Company at September 30, 2020:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	2019	2020	2019
Revenues, net	$ 184,715	$ 80,120	$ 1,459,192	$ 285,542
Cost of revenues	69,191	49,590	1,064,114	124,659
Gross profit	115,524	30,530	395,078	160,883
Operating expenses:				
Selling, general and administrative	91,114	100,961	294,676	192,699
Operating income	24,410	(70,431)	100,402	(31,816)
Other (expense) income:				
Interest expense	(73,840)	-	(130,796)	-
Total other (expense) income	(73,840)	-	(130,796)	-
Loss before income taxes	(49,430)	(70,431)	(30,394)	(31,816)
Income tax expense	-	-	-	-
Net (loss) income	$ (49,430)	$ (70,431)	$ (30,394)	$ (31,816)

At September 30, 2020 and December 31, 2019, there were no unconsolidated VIEs for which the Company holds a variable interest.

On May 20, 2020 (the "Effective Date"), Edison Nation, Inc. (the "Company") entered into an Agreement and Plan of Share Exchange (the "Share Exchange Agreement") with PPE Brickell Supplies, LLC, a Florida limited liability company ("PPE"), and Graphene Holdings, LLC, a Wyoming limited liability company ("Graphene", and together with PPE, the "Sellers"), whereby the Company purchased 25 membership units of Global Clean Solutions, LLC, a Nevada limited liability company ("Global") from each of PPE and Graphene, for a total of fifty (50) units, representing fifty percent (50%) of the issued and outstanding units of Global (the "Purchase Units"). The Company issued 250,000 shares of its restricted common stock, $0.001 par value per share (the "Common Stock") to PPE, and 50,000 shares of Common Stock to Graphene, in consideration for the Purchase Units. Global Clean Solutions, LLC is a VIE. The fair value of the shares of $699,000 was treated as a distribution to the noncontrolling interest members.

Pursuant to the terms of the Share Exchange Agreement, the Sellers may earn additional shares of Common Stock upon Global realizing the following revenue targets: (i) In the event that Global's total orders equal or exceed $1,000,000, Graphene shall receive 200,000 shares of Common Stock; (ii) In the event that Global's total orders equal or exceed $10,000,000, PPE shall receive 100,000 shares of restricted Common Stock; and (iii) In the event that Global's total orders equal or exceed $25,000,000, Graphene shall receive 125,000 shares of restricted Common Stock. Additionally, the Company shall be entitled to appoint two managers to the Board of Managers of Global. The fair value of the shares is expensed over the estimated vesting period and is adjusted based on the number of shares that vest.

Amended Limited Liability Company Agreement

On the Effective Date, the Company entered into an Amended Limited Liability Company Agreement of Global (the "Amended LLC Agreement"). The Amended LLC Agreement amends the original Limited Liability Company Agreement of Global, dated May 13, 2020. The Amended LLC defines the operating rules of Global and the ownership percentage of each member: Edison Nation, Inc. 50%, PPE 25% and Graphene 25%.

Secured Line of Credit Agreement

On the Effective Date, the Company (as "Guarantor") entered into a Secured Line of Credit Agreement (the "Credit Agreement") with Global and PPE. Under the terms of the Credit Agreement, PPE is to make available to Global a revolving credit loan in a principal aggregate amount at any one time not to exceed $2,500,000. Upon each drawdown of funds against the credit line, Global shall issue a Promissory Note (the "Note") to PPE. The Note shall accrue interest at 3% per annum and have a maturity date of six (6) months. In the event of a default, any and all amounts due to PPE by Global, including principal and accrued but unpaid interest, shall increase by forty (40%) percent and the interest shall increase to five (5%) percent (the "Default Interest").

Security Agreement

On the Effective Date, the Company (as "Guarantor") entered into a Security Agreement (the "Security Agreement") with Global (as "Borrower") and PPE as the secured party, whereby the Company placed 1,800,000 shares of Common Stock (the "Reserve Shares") in reserve with its transfer agent in the event of default under the Credit Agreement. In the event of a default that is not cured by the defined cure period, the PPE may liquidate the Reserve Shares until the Global's principal, interest and associated expenses are recovered. The number of Reserve Shares may be increased through the issuance of True-Up shares in the event the original number of Reserve Shares is insufficient.

Note 5 — Accounts Receivable

As of September 30, 2020 and December 31, 2019, accounts receivable consisted of the following:

	September 30, 2020	December 31, 2019
Accounts receivable	$ 3,223,291	$ 2,185,859
Less: Allowance for doubtful accounts	(77,761)	(77,760)
Total accounts receivable, net	$ 3,145,530	$ 2,108,099

Note 6 — Inventory

As of September 30, 2020 and December 31, 2019, inventory consisted of the following:

	September 30, 2020	December 31, 2019
Raw materials	$ 34,737	$ 49,232
Finished goods	1,580,613	1,419,993
Reserve for obsolescence	(100,000)	(100,000)
Total inventory	$ 1,515,351	$ 1,369,225

Note 7 — Debt

As of September 30, 2020 and December 31, 2019, debt consisted of the following:

	September 30, 2020	December 31, 2019
Line of credit:		
Secured line of credit	$ 1,153,800	$ -
Receivables financing	462,868	472,567
Debt issuance costs	-	(15,573)
Total lines of credit	1,616,668	456,995
Convertible notes payable:		
Senior convertible notes payable – related parties	1,428,161	1,428,161
Convertible notes payable	560,000	-
Debt issuance costs	(353,664)	(366,666)
Total convertible notes payable	1,634,497	1,061,495
Less: current portion of long-term convertible notes payable	(498,002)	-
Noncurrent portion of long-term convertible notes payable	1,136,495	1,061,495
Notes payable:		
Notes payable	1,790,641	1,621,015
Debt issuance costs	(148,278)	(212,848)
Total long-term debt	1,642,363	1,408,167
Less: current portion of long-term debt	(821,092)	(1,365,675)
Noncurrent portion of long-term debt	821,271	42,492
Notes payable – related parties:		
Notes payable	2,667,513	3,282,021
Less: current portion of long-term debt – related parties	(1,214,698)	(1,686,352)
Noncurrent portion of long-term debt – related parties	$ 1,452,815	$ 1,595,669

Convertible Notes Payable

On January 23, 2020, the Company entered into a $1,100,000 loan agreement the ("Loan Agreement") with Greentree Financial Group, Inc. (the "Investor"), pursuant to which the Investor purchased a 10% Convertible Promissory Note (the "Note") from the Company, and the Company issued to the Investor a three year warrant (the "Warrant") to purchase 550,000 shares of the Company's common stock, $0.001 per share ("Common Stock"). The Note is convertible at any time at a price of $2.00 per share, subject to certain adjustments to the conversion price set forth in the Note. The Note reiterates the registration rights set forth in the Loan Agreement and the Warrant. There is no prepayment penalty on the Note. If the Note is not prepaid by the 90th day after the effective date of the Registration Statement, the Investor is required to convert the entire amount of principal and interest outstanding on the Note at that time, at a price of $2.00 per share, unless an event of default (as such events are described in the Note) under the Note has occurred, in which case the Note would be mandatorily converted at a price equal to 50% of the lowest trading price of the Common Stock for the last 10 trading days immediately prior to, but not including, the date that the Note mandatorily converts. In the event that the average of the 15 lowest closing prices for the Company's common stock on NASDAQ or other primary trading market for the Company's common stock (the average of such lowest closing prices being herein referred to, the "True-up Price") during the period beginning on the effective date of the Registration Statement and ending on the 90th day after the effective date of the Registration Statement (the "Subsequent Pricing Period") is less than $2.00 per share, then the Company will issue the Lender additional shares of the Company's common stock (the "True-up Shares") within three days. No value has been assigned to the True-up Shares due to the contingency of an effective Registration Statement. The warrant has an exercise price of $2.00 per share, subject to certain adjustments to the exercise price set forth in the Warrant. The Warrant, as amended, expires on January 23, 2023. If the closing price per share of the Common Stock reported on the day immediately preceding an exercise of the Warrant is greater than $2.00 per share, the Warrant may be exercised cashlessly, based on a cashless exercise formula.

The Warrant reiterates the registration rights set forth in the Loan Agreement and the Note. The Warrant also contains a repurchase provision, which at any time after the Registration Statement is effective and the Common Stock has traded at a price over $3.00 share for 20 consecutive days, gives the Company a 30-day option to repurchase any unexercised portion of the Warrant at a price of $1.00 per share. The $1,100,000 of proceeds from the Note will be used for general working capital purposes and for the repayment of debt. On January 24, 2020, the Company used $588,366 of the proceeds from the Note to pay off in full the 12% Convertible Promissory Note held by Labrys Fund, LP. Upon execution of the Loan Agreement, the Company issued to the Investor 100,000 shares of Common Stock (the "Origination Shares") as an origination fee, plus an additional 60,000 shares of Common Stock as consideration for advisory services. Pursuant to the Loan Agreement, the Company agreed to issue and sell to the Investor the Note, in the principal amount of $1,100,000.

Note 7 — Debt — (Continued)

On January 29, 2020, the Company and Greentree Financial Group, Inc. (the "Investor"), entered into an Amendment Agreement, amending the January 22, 2020 Loan Agreement, the Note, and the Warrant to: (i) correct the effective date set forth in the Loan Agreement, Note and Warrant to January 23, 2020 and the due date to October 23, 2020, (ii) clarify the terms of the registration right provision in the Loan Agreement such that the Company was required to register a total of 1,500,000 shares of Common Stock, which such amount of shares is the sum of 550,000 shares of Common Stock issuable upon conversion of the Note, 550,000 Warrant Shares, the 100,000 Origination Shares, and 300,000 shares of Common Stock to account for changes to the conversion and/or exercise price under the Note and Warrant, and (iii) to ensure that the total number of shares of Common Stock issued pursuant to the Loan Agreement, the Note, and/or the Warrant, each as amended, does not exceed 17.99% of the Company's issued and outstanding Common Stock as of January 23, 2020. The Company is subject to a $35,000 penalty on a monthly basis if a registration statement is not effective after 105 days from January 23, 2020. The Company recognized a beneficial conversion option of $586,785 related to the 550,000 shares of Common Stock issuable upon conversion of the Note, a debt discount of $296,891 based on the relative fair value related to the 550,000 Warrant Shares, a debt discount of $201,324 based on the relative fair value related to the 160,000 Origination and Advisory Shares. On July 23, 2020, the Company issued 320,000 shares of common stock valued at $1,158,400 to Greentree Financial Group, Inc. to satisfy $360,000 principal and $131,889 interest and fees and on August 4, 2020, the Company issued 370,000 shares of common stock valued at $1,394,900 to Greentree Financial Group, Inc. in satisfaction of $740,000 principal. The Note is paid in full.

On April 7, 2020, the Company entered into a Securities Purchase Agreement (the "Agreement") with Jefferson Street Capital, LLC (the "Investor") wherein the Company issued the Investor a Convertible Promissory Note (the "Note") in the amount of $168,000 ($18,000 OID). The $150,000 of proceeds from the Note will be used for general working capital purposes The Note has a term of six (6) months, is due on October 7, 2020 and has a one-time interest charge of 2%. In addition, the Company issued the Investor 10,700 shares of Common Stock (the "Origination Shares") as an origination fee. The transaction closed on April 9, 2020. The Investor shall have the right at any time to convert all or any part of the outstanding and unpaid principal, interest, fees, or any other obligation owed pursuant to this Note into fully paid and non-assessable shares of Common Stock at a conversion price equal to $2.05 per share. Upon an Event of Default, the Conversion Price shall equal the Alternate Conversion Price (as defined herein) (subject to equitable adjustments for stock splits, stock dividends or rights offerings by the Borrower relating to the Borrower's securities or the securities of any subsidiary of the Borrower, combinations, recapitalization, reclassifications, extraordinary distributions and similar events). The "Alternate Conversion Price" shall equal the lesser of (i) 80% multiplied by the average of the three lowest daily volume weighted average prices ("VWAP") during the previous twenty (20) Trading Days (as defined below) before the Issue Date of this Note (representing a discount rate of 20%) or (ii) 80% multiplied by the Market Price (as defined herein) (representing a discount rate of 20%). "Market Price" means the average of the three lowest daily VWAPs for the Common Stock during the twenty (20) Trading Day period ending on the latest complete Trading Day prior to the Conversion Date. Please *see* **Note 11 — Subsequent Events** for further information.

On April 7, 2020, the Company entered into a Securities Purchase Agreement (the "Agreement") with BHP Capital NY Inc. (the "Investor") wherein the Company issued the Investor a Convertible Promissory Note (the "Note") in the amount of $168,000 ($18,000 OID). The $150,000 of proceeds from the Note will be used for general working capital purposes The Note has a term of six (6) months, is due on October 7, 2020 and has a one-time interest charge of 2%. In addition, the Company issued the Investor 10,700 shares of Common Stock (the "Origination Shares") as an origination fee. The transaction closed on April 9, 2020. The Investor shall have the right at any time to convert all or any part of the outstanding and unpaid principal, interest, fees, or any other obligation owed pursuant to this Note into fully paid and non-assessable shares of Common Stock at a conversion price equal to $2.05 per share. Upon an Event of Default, the Conversion Price shall equal the Alternate Conversion Price (as defined herein) (subject to equitable adjustments for stock splits, stock dividends or rights offerings by the Borrower relating to the Borrower's securities or the securities of any subsidiary of the Borrower, combinations, recapitalization, reclassifications, extraordinary distributions and similar events). The "Alternate Conversion Price" shall equal the lesser of (i) 80% multiplied by the average of the three lowest daily volume weighted average prices ("VWAP") during the previous twenty (20) Trading Days (as defined below) before the Issue Date of this Note (representing a discount rate of 20%) or (ii) 80% multiplied by the Market Price (as defined herein) (representing a discount rate of 20%). "Market Price" means the average of the three lowest daily VWAPs for the Common Stock during the twenty (20) Trading Day period ending on the latest complete Trading Day prior to the Conversion Date.

On July 29, 2020, the Company entered into a Securities Purchase Agreement (the "Agreement") with Jefferson Street Capital, LLC (the "Investor") wherein the Company issued the Investor a Convertible Promissory Note (the "Note") in the amount of $224,000 ($24,000

OID). The $200,000 of proceeds from the Note will be used for general working capital purposes The Note has a term of six (6) months, is due on January 29, 2021 and has a one-time interest charge of 2%. In addition, the Company issued the Investor 14,266 shares of Common Stock (the "Origination Shares") as an origination fee. The transaction closed on July 29, 2020. The Investor shall not have the right to convert the Note into shares prior to 180 calendar days from the Issue Date. Provided that the Note remains unpaid, the Investor may elect to convert all or any part of the outstanding and unpaid principal, interest, fees, or any other obligation owed pursuant to the Note into fully paid and non-assessable shares of Common Stock at a conversion price equal to $2.05 per share after 180 calendar Days from the Issue Date. Upon an Event of Default, the Conversion Price shall equal the Alternate Conversion Price (as defined herein) (subject to equitable adjustments for stock splits, stock dividends or rights offerings by the Borrower relating to the Borrower's securities or the securities of any subsidiary of the Borrower, combinations, recapitalization, reclassifications, extraordinary distributions and similar events). The "Alternate Conversion Price" shall equal the lesser of (i) 80% multiplied by the average of the three lowest daily volume weighted average prices ("VWAP") during the previous twenty (20) Trading Days (as defined below) before the Issue Date of this Note (representing a discount rate of 20%) or (ii) 80% multiplied by the Market Price (as defined herein) (representing a discount rate of 20%). "Market Price" means the average of the three lowest daily VWAPs for the Common Stock during the twenty (20) Trading Day period ending on the latest complete Trading Day prior to the Conversion Date.

Note 7 — Debt — (Continued)

32E Financing

On December 4, 2019, the Company agreed to issue and sell to 32 Entertainment LLC ("32E") a 10% Senior Secured Note (the "32E Note"), in the principal amount of $250,000. The maturity date of the 32E Note is December 4, 2020. In addition, the Company issued to 32E 10,000 shares of common stock as an inducement to 32E to purchase the 32E Note. The $250,000 of proceeds from the 32E Note was used for general working capital needs of the Company and the repayment of debt related to Horberg Enterprises.

Pursuant to the terms of the 32E Note, on December 4, 2019, the Company also issued 32E a Common Stock Purchase Warrant (the "32E Warrant") to purchase 50,000 shares of common stock at an exercise price of $1.50 per share. The 32E Warrant expires on December 4, 2024. The 32E Warrant contains price protection provisions, as well as a provision allowing 32E to purchase the number of shares that 32E could have acquired if it held the number of shares of common stock acquirable upon complete exercise of the 32E Warrant, in the event that the Company grants, issues or sells common stock, common stock equivalents, rights to purchase common stock, warrants, securities or other property pro rate to holders of any class of the Company's securities. If there is no effective registration statement registering the resale of the shares of common stock underlying the 32E Warrant, then the 32E Warrant may be exercised, based on a cashless exercise formula. The 32E Warrant also contains a conversion limitation provision, which prohibits 32E from exercising the 32E Warrant in an amount that would result in the beneficial ownership of greater than 4.9% of the total issued and outstanding shares of common stock, provided that (i) such exercise limitation may be waived by 32E with 61 days prior notice, and (ii) 32E cannot waive the exercise limitation if conversion of the 32E Warrant would result in 32E having beneficial ownership of greater than 9.9% of the total issued and outstanding shares of common stock.

In connection with the sale of the 32E Note, also on December 4, 2019, the Company entered into a registration rights agreement whereby the Company agreed to register the 10,000 shares of common stock issued to 32E as an inducement on a registration statement on Form S-1 with the SEC. The Company was required to have such registration statement declared effective by the SEC within 90 calendar days (or 180 calendar days in the event of a "full review" by the SEC) following the earlier of 30 days from December 4, 2019 or the filing date of the registration statement on Form S-1, which such registration statement has not been filed or timely declared effective. If the registration statement is not filed or declared effective within the timeframe set forth in the registration rights agreement, the Company was supposed to be obligated to pay to 32E a monthly amount equal to 1% of the total subscription amount paid by 32E until such failure is cured. The Company has not made any such payment 32E. The registration rights agreement also contains mutual indemnifications by the Company and each investor, which the Company believes are customary for transactions of this type.

On May 19, 2020, the Company entered into an Amendment (the "Amendment") to the 32E Note. Under the terms of the Amendment, the Company issued to 32E an Amended Subordinate Secured Note (the "Replacement Note") in the principal amount of $200,000 that accrues interest at 16% annually and matures on May 21, 2021. On May 28, 2020, the Company paid $50,000 toward the principal plus interest in the amount of $6,250 for a total of $56,250. 32E shall also receive 40,000 restricted stock units and surrender the warrant issued to it in the December 4, 2019 financing transaction. The Company accounted for the Amendment as a modification.

Promissory Notes

On January 2, 2020, the Company entered into that certain Loan Agreement with Tiburon Opportunity Fund (the "Lender"), dated January 2, 2020 (the "Loan Agreement"). Pursuant to the terms of the Loan Agreement, the Lender agreed to loan the Company $400,000. The Loan is interest bearing at the rate of 1.5% per month through the term of the Loan. Additionally, the Loan Agreement provides that the Company shall pay the Lender the entire unpaid principal and all accrued interest upon thirty days' notice to the Company, but in any event, the notice shall not be sooner than June 1, 2020. On April 24, 2020, the Company and Lender entered into a Debt Conversion Agreement whereby the Lender was given the right and elected to exercise that right to convert principal and interest of $424,000 of funds loaned to the Company into shares of the Company's common stock. The fair value of the Company's common stock was $2.08 on the date of conversion and the conversion price was $2.00 per share for a total of 212,000 shares of restricted common stock issued by the Company.

Note 7 — Debt — (Continued)

On January 2, 2020, Ed Roses, LLC (the "Partnership") entered into a Loan Agreement (the "Agreement") with Sook Hyun Lee (the "Lender"). Under the terms of the Agreement, the Lender agreed to lend $150,000 to the Partnership for general working capital. The Loan was due on April 15, 2020 (the "Maturity Date") and accrues interest at 15% per annum. The Agreement shall automatically renew at the Maturity date for successive 90-day periods unless written notice is remitted by either party. On the Maturity date, the Partnership shall pay the Lender all unpaid principal and interest and a $30,000 commitment fee. The Lender shall have a collateral interest in the accounts receivable of the Partnership, including but not limited to 7 Eleven receivables. As collateral, the Company, Inc. placed 75,000 shares of common stock in reserve.

On January 10, 2020, the Company entered into a 5% Promissory Note Agreement with Equity Trust Company on behalf of Rawleigh Ralls ("Ralls") for an aggregate principal amount of $267,000 (the "Ralls Note"), pursuant to which Ralls purchased the Ralls Note from the Company for $250,000 and an original issue discount of $17,000, and the Company issued to Ralls a warrant (the "Ralls Warrant") to purchase 125,000 shares of the Company's common stock valued at $86,725 estimated using the Black-Scholes option-valuation model. The proceeds from the Ralls Note will be used for general working capital needs of the Company. The Company will also issue 33,000 incentive shares to Ralls valued at $79,860 based on the closing stock price on January 10, 2020. The fair value of the warrants and incentive shares have been recorded as debt discount. The original maturity date of the Ralls Note was July 10, 2020. On July 14, 2020, the Company entered into an Amendment to Note Agreement and Common Stock Purchase Warrant (the "Amendment") with Equity Trust Company, a Custodian FBO: Rawleigh H. Ralls IRA. Under the terms of the Amendment, the parties amended the terms of the January 10, 2020 Note Agreement (the "Agreement") and Common Stock Purchase Warrant (the "Warrant") such that; (i) the maturity date of the Agreement was extended to January 10, 2021, (ii) the Original Issue Discount ("OID") shall be increased to $34,000, (iii) the Lender shall be issued 33,000 Additional Incentive Shares and (iv) the Company shall prepare and file with the United States Securities and Exchange Commission a registration statement on Form S-1 within 30 days of the Effective Date of the Amendment, that registers a total of 191,000 shares of Common Stock, which such amount of shares is the sum of 125,000 Warrant Shares, the 33,000 Incentive Shares, and 33,000 Additional Incentive Shares. On July 14, 2020, the Company issued the 33,000 Additional Incentive Shares valued at $124,740.

On January 15, 2020, the Company entered into a 5% Promissory Note Agreement with Paul J. Solit & Julie B. Solit ("Solits") for an aggregate principal amount of $107,000 (the "Solit Note"), pursuant to which the Solits purchased the Solit Note from the Company for $100,000 and an original issue discount of $7,000, and the Company issued to the Solits a warrant (the "Solit Warrant") to purchase 50,000 shares of the Company's common stock valued at $31,755 estimated using the Black-Scholes option-valuation model. The proceeds from the Solit Note will be used for general working capital needs of the Company. The Company will also issue 13,000 incentive shares to the Solits valued at $30,420 based on the closing stock price on January 15, 2020. The fair value of the warrants and incentive shares have been recorded as debt discount. The original maturity date of the Solit Note was July 15, 2020. On July 14, 2020, the Company entered into an Amendment to Note Agreement and Common Stock Purchase Warrant (the "Amendment") with Paul J. Solit and Julie B. Solit. Under the terms of the Amendment, the parties amended the terms of the January 15, 2020 Note Agreement (the "Agreement") and Common Stock Purchase Warrant (the "Warrant") such that; (i) the maturity date of the Agreement was extended to December 15, 2020, (ii) the Original Issue Discount ("OID") shall be increased to $14,000 and (iii) the Lender shall be issued 13,000 Additional Incentive Shares. On July 14, 2020, the Company issued the 13,000 Additional Incentive Shares valued at $49,140.

On January 17, 2020, the Company entered into a 5% Promissory Note Agreement with Richard O'Leary ("O'Leary") ("Lender") for an aggregate principal amount of $53,500 (the "O'Leary Note"), pursuant to which O'Leary purchased the O'Leary Note from the Company for $50,000 and an original issue discount of $3,500, and the Company issued to O'Leary a warrant (the "O'Leary Warrant") to purchase 25,000 shares of the Company's common stock valued at $16,797 estimated using the Black-Scholes option-valuation model. The proceeds from the O'Leary Note will be used for general working capital needs of the Company. The Company will also issue 6,500 incentive shares to O'Leary valued at $15,535 based on the closing stock price on January 17, 2020. The fair value of the warrants and incentive shares have been recorded as debt discount. The original maturity date of the O'Leary Note was July 17, 2020. On July 14, 2020, the Company entered into an Amendment to the O'Leary Note and O'Leary Warrant (the "Amendment") with Richard O'Leary. Under the terms of the Amendment, the parties amended the terms such that; (i) the maturity date of the O'Leary Note was extended to January 17, 2021, (ii) the Original Issue Discount ("OID") shall be increased to $7,000, (iii) the Lender shall be issued 6,500 Additional Incentive Shares and (iv) the expiration date of the Warrant shall be extended to June 30, 2021. On July 14, 2020, the Company issued the 6,500 Additional Incentive Shares valued at $24,570.

Note 7 — Debt — (Continued)

On March 6, 2019, Edison Nation, Inc. (the “Company”) entered into a securities purchase agreement (the “SPA”) with an accredited investor (the “Investor”) pursuant to which the Investor purchased a 2% unsecured, senior convertible promissory note (the “Note”) from the Company. The Note was in the amount of $560,000 with an original issue discount of $60,000. The Company issued 15,000 shares of its common stock (“Common Stock”) valued at $74,100 based on the share price on the date of issuance to the Investor as additional consideration for the purchase of the Note. The Under the terms of the SPA, the Investor will have piggyback registration rights in the event the Company files a Form S-1 or Form S-3 within six months from March 6, 2019, as well as a pro rata right of first refusal in respect of participation in any debt or equity financings undertaken by the Company during the 18 months following March 6, 2019. The Company is also subject to certain customary negative covenants under the SPA, including but not limited to, the requirement to maintain its corporate existence and assets subject to certain exceptions, and to not to make any offers or sales of any security under circumstances that would have the effect of establishing rights or otherwise benefitting other investors in a manner more favorable in any material respect than those rights and benefits established in favor of the Investor under the terms of the SPA and the Note. The maturity date of the Note is six months from March 6, 2019. All principal amounts and the interest thereon are convertible into shares Common Stock only in the event that an Event of Default occurs. On January 24, 2020, the Company paid the Investor $588,366 to pay the Note in full.

Paycheck Protection Program

On April 15, 2020, Edison Nation, Inc. (the “Company”) entered into a loan agreement (“PPP Loan”) with First Choice Bank under the Paycheck Protection Program (the “PPP”), which is part of the recently enacted Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) administered by the United States Small Business Administration (“SBA”). The Company received proceeds of $789,852 from the PPP Loan. In accordance with the requirements of the PPP, the Company intends to use proceeds from the PPP Loan primarily for payroll costs, subject to thresholds, rent and utilities. The PPP Loan has a 1.00% interest rate per annum and matures on April 15, 2022 and is subject to the terms and conditions applicable to loans administered by the SBA under the PPP. Under the terms of the PPP, certain amounts of the PPP Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. The PPP Loan is included in notes payable on the consolidated balance sheet.

Receivables Financing

On August 12, 2020, the Company entered into an Amendment to a Purchase of Inventory and Repurchase Agreement (the “Amendment”) dated November 12, 2019. Under the terms of the Amendment, (i) the repurchase date is extended to December 10, 2020; and (ii) the Company agreed to pay the Purchaser-Assignee a commitment fee of $13,053, and (iii) the Company agreed to pay the Purchaser-Assignee 2% per month for extension periods commencing July 1, 2020 through December 10, 2020. The balance at September 30, 2020 is $128,077.

On February 21, 2020, the Company entered into a receivables financing arrangement for certain receivables of the Company not to exceed $1,250,000 at any one time. The agreement allows for borrowings up to 85% of the outstanding receivable based on the credit quality of the customer. The fee is between 1% and 2% of the total invoices financed. The balance at September 30, 2020 is $463,843.

In April 2019, we entered into a receivables financing arrangement for certain receivables of the Company. The agreement allows for borrowings up to 80% of the outstanding receivable based on the credit quality of the customer. The fee is between 1% and 2% of the total invoices financed.

On November 12, 2019, the Company entered into a Receivables Purchase Agreement with a financial institution (the “Receivables Purchase Agreement”), whereby the Company agreed to the sale of $250,000 of receivables for $200,000. The proceeds were used for general working capital.

On November 18, 2019, the Company entered into a Future Receivables Purchase Agreement with a financial institution (the “Future Receivables Purchase Agreement”), whereby the Company agreed to the sale of $337,500 of receivables for $250,000. The proceeds were used to fund our receivables for overseas distributors. Christopher B. Ferguson, our Chairman and Chief Executive Officer, personally guaranteed the prompt and complete performance of the Company’s obligations under the Future Receivables Purchase Agreement.

Note 7 — Debt — (Continued)

Line of Credit

On the Effective Date, the Company (as "Guarantor") entered into a Secured Line of Credit Agreement (the "Credit Agreement") with Global and PPE. Under the terms of the Credit Agreement, PPE is to make available to Global a revolving credit loan in a principal aggregate amount at any one time not to exceed $2,500,000. Upon each drawdown of funds against the credit line, Global shall issue a Promissory Note (the "Note") to PPE. The Note shall accrue interest at 3% per annum and have a maturity date of six (6) months. In the event of a default, any and all amounts due to PPE by Global, including principal and accrued but unpaid interest, shall increase by forty (40%) percent and the interest shall increase to five (5%) percent (the "Default Interest"). The balance at September 30, 2020 is $1,153,800.

The scheduled maturities of the debt for the next five years as of December 31st, are as follows:

For the Years Ended December 31,	Amount
2020 (excluding the nine months ended September 30, 2020)	4,206,810
2021	206,760
2022	2,209,137
2023	1,440,275
Thereafter	-
	8,062,982
Less: debt discount	(501,941)
	$ 7,561,041

For the three and nine months ended September 30, 2020, interest expense was $1,004,626 and $2,575,737, respectively of which $74,736 and $227,062 were related party interest expense. For the three and nine months ended September 30, 2019, interest expense was $349,172 and $875,036, respectively, of which $78,475 and $238,111 was related party interest expense, respectively.

Note 8 — Related Party Transactions

NL Penn Capital, LP and SRM Entertainment Group LLC

As of September 30, 2020 and December 31, 2019, due to related party consists of net amounts due to SRM Entertainment Group LLC ("SRM LLC") and NL Penn Capital, LP ("NL Penn"), the majority owner of both, which are owned by Chris Ferguson, our Chairman and Chief Executive Officer. The amount due to related parties is related to the acquisitions of Pirasta, LLC and Best Party Concepts, LLC offset by operating expenses that were paid by SRM and Edison Nation on behalf of SRM LLC and NL Penn. As of September 30, 2020 and December 31, 2019, the net amount due to related parties was $22,005 and $17,253, respectively. Such amounts are due currently. NL Penn and affiliated entities may lend additional capital to Edison Nation pursuant to terms and conditions similar to the current working capital lenders to Edison Nation such as Franklin Capital. In addition, Edison Nation borrows working capital from Franklin Capital, and Mr. Ferguson is a personal guarantor on the working capital facility provided to Edison Nation by Franklin Capital. In addition, there was accounts receivable of approximately $104,000 due from SRM LLC which was included as part of accounts receivable in the condensed consolidated balance sheet.

Note 9 — Commitments and Contingencies

Operating Leases

The Company has entered into non-cancellable operating leases for office, warehouse, and distribution facilities, with original lease periods expiring through 2021. In addition to minimum rent, certain of the leases require payment of real estate taxes, insurance, common area maintenance charges, and other executory costs. Differences between rent expense and rent paid are recognized as adjustments to operating lease right-of-use assets on the consolidated balance sheets.

As of September 30, 2020, the Company recorded operating lease liabilities of $534,819 and right of use assets for operating leases of $505,933. During the three and nine months ended September 30, 2020, operating cash outflows relating to operating lease liabilities was $71,090 and $219,608, respectively, and the expense for right of use assets for operating leases was $72,349 and $226,167, respectively. As of September 30, 2020, the Company's operating leases had a weighted-average remaining term of 3.7 years and weighted-average discount rate of 4.5%. Excluded from the measurement of operating lease liabilities and operating lease right-of-use assets were certain office, warehouse and distribution contracts that qualify for the short-term lease recognition exception.

On June 6, 2018, the Company's wholly owned subsidiary, Best Party Concepts, LLC, entered into a lease for office space in Newtown, PA, which expired on May 30, 2020 and was not renewed.

Total rent expense for the three and nine months ended September 30, 2020 was $116,183 and $332,492, respectively. Total rent expense for the three and nine months ended September 30, 2019 was $128,256 and $410,759, respectively. Rent expense is included in general and administrative expense on the consolidated statements of operations.

Rental Income

Fergco leases a portion of the building located in Washington, New Jersey that it owns under a month to month lease. Total rental income related to the leased space for both the three and nine months ended September 30, 2020 and 2019 was both $25,704 and $77,111, respectively, and is included in other income on the consolidated statements of operations.

Legal Contingencies

The Company is involved in claims and litigation in the ordinary course of business, some of which seek monetary damages, including claims for punitive damages, which are not covered by insurance. For certain pending matters, accruals have not been established because such matters have not progressed sufficiently through discovery, and/or development of important factual information and legal information is insufficient to enable the Company to estimate a range of possible loss, if any. An adverse determination in one or more of these pending matters could have an adverse effect on the Company's consolidated financial position, results of operations or cash flows.

We are, and may in the future become, subject to various legal proceedings and claims that arise in or outside the ordinary course of business.

On April 14, 2020, Oceanside Traders, LLC ("Plaintiff") filed a complaint against Cloud B, Inc. and Edison Nation, Inc. (together the "Defendants") with the Superior Court of Ocean County, New Jersey alleging a breach of contract in that the Defendants failed to pay Plaintiff for goods sold in the amount of $141,007 plus $138,180 for overpayments and $279,187 for lost profits for a total of $443,383. A default judgment was entered against Edison Nation in the case in the amount of $284,249. The same day the default judgment was entered, the Company filed a motion to vacate on the grounds that Edison Nation was not properly served with the complaint. The court granted Edison Nation, Inc.'s motion to vacate the judgment. On November 9, 2020, Plaintiff filed an amended complaint against Edison Nation, Inc., et al.

On March 13, 2019, Rosenberg Fortuna & Laitman LLP and Mark Principe (together the "Plaintiffs") filed a complaint against Safe TV Shop, LLC (the "Defendant") with the Supreme Court of the State of New York, County of Nassau alleging a breach of indemnification arising out of the use of a certain packaging material. On February 12, 2020, the parties entered a Stipulation and Settlement and Consent Agreement, whereby the Plaintiff entered into a Consent Judgment in the amount of $50,000. The Company has accrued $50,000 for the amount of the judgment, but there have been no operations by the Plaintiff since the date of acquisition by the Company.

On October 27, 2020, Gerald Whitt, Alexander Whitt, Matthew Whitt, Christopher Whitt, Deborah Milam and David Knecht, individually and in their personal capacities, and derivatively on behalf of Cloud B, Inc. (together the "Plaintiffs") filed a claim against the Company, CBAV1, LLC, SRM Idea Lab, Inc., Christopher B. Ferguson, Linda Suh, Jeff Johnson, Richard Brenner, Phillip McFillin, Kevin Ferguson, Brett Vroman and Does 1-100 (together the "Defendants") and Cloud B, Inc., as a nominal defendant, alleging fraudulent concealment, breach of fiduciary duty, breach of contract, breach of confidence, intentional misrepresentation, negligent misrepresentation, unfair business practices and civil conspiracy requesting judgment in excess of $8,000,000 for compensatory damages, punitive damages and attorneys' fees.

Note 10 — Stockholders' Equity

Preferred Stock

On March 25, 2020, the Company filed a certificate of amendment to the Company's articles of incorporation with the Secretary of State of the State of Nevada in order to: (i) increase the number of shares of the Company's authorized preferred stock, par value $0.001 per share, from 0 shares to 30,000,000 shares of preferred stock; (ii) clarify the application of the forum selection clause in the Company's amended and restated articles of incorporation, specifically that such clause does not apply to federal causes of actions arising under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and (iii) include affirmative changes to correspond to the Company's First Amended and Restated Bylaws, confirming that the Company's shareholders may vote by written consent. As of September 30, 2020 and December 31, 2019, there were 0 shares of preferred stock issued and outstanding, respectively. Please *see* **Note 11 — Subsequent Events** for further information.

Stock-Based Compensation

On September 6, 2018, the Company's board of directors approved an amendment and restatement of the Company's omnibus incentive plan solely to reflect the Company's name change to Edison Nation, Inc. Thus, the Vinco Ventures, Inc. Omnibus Incentive Plan (the "Plan") which remains effective as of February 9, 2018, provides for the issuance of up to 1,764,705 shares of common stock to help align the interests of management and our stockholders and reward our executive officers for improved Company performance. Stock incentive awards under the Plan can be in the form of stock options, restricted stock units, performance awards and restricted stock that are made to employees, directors and service providers. Awards are subject to forfeiture until vesting conditions have been satisfied under the terms of the award. The exercise price of stock options is equal to the fair market value of the underlying Company common stock on the date of grant.

On July 15, 2020, the Company filed a Registration Statement on Form S-8 registering 1,764,705 shares of common stock to be issued as stock-based incentives under the Company's Amended and Restated Edison Nation, Inc. Omnibus Incentive Plan.

The following table summarizes stock option award activity for the nine months ended September 30, 2020:

	Shares	Weighted Average Exercise Price	Remaining Contractual Life in Years	Aggregate Intrinsic Value
Balance, January 1, 2020	80,000	$ 7.01	3.7	-
Granted	-	-	-	-
Balance, September 30, 2020	80,000	$ 7.01	3.2	-
Exercisable, September 30, 2020	80,000	$ 7.01	3.2	-

As of September 30, 2020, there were no unvested options to purchase shares of the Company's common stock and there was no unrecognized equity-based compensation expense that the Company expected to recognize over a remaining weighted-average period.

From time to time, the Company grants shares of common stock to consultants and non-employee vendors for services performed. The awards are valued at the market value of the underlying common stock at the date of grant and vest based on the terms of the contract which is usually upon grant.

Note 11 — Subsequent Events

On September 29, 2020, the Company (as "Purchaser") entered into a Purchase and Sale Agreement (the "Agreement") with Graphene Holdings, LLC, Mercury FundingCo, LLC, Ventus Capital, LLC and Jetco Holdings, LLC (together the "Sellers") to acquire all outstanding Membership Units (the "Units") of TBD Safety, LLC ("TBD"). Collectively, the Sellers own all outstanding Units of TBD. Under the terms of the Agreement, the Company is to issue a total of Two Million Two Hundred Ten Thousand Three Hundred Eighty-Two (2,210,382) shares of the Company's common stock and a total of Seven Hundred Sixty Four Thousand Six Hundred Eighteen (764,618) shares of a newly designated Preferred Stock (the "Preferred"). In addition, the Company and Sellers shall enter into a Registration Rights Agreement (the "Registration Rights Agreement") in favor of the Sellers obligating the Company to register such Common Stock and shares of Common Stock to be issued upon conversion of the Preferred within 120 days after the Closing. The Sellers shall have an Earn Out Consideration - At such time as the Assets purchased in the Agreement achieve cumulative revenue of $10,000,000, the Sellers shall earn a total of One Hundred Twenty-Five Thousand (125,000) shares of Common Stock. The Closing of the transaction occurred on October 16, 2020.

On October 7, 2020, the Company (the "Borrower") and Jefferson Street Capital, LLC (the "Holder") entered into a Forbearance Agreement (the "Agreement") against the Note issued by the Borrower to the Holder dated April 7, 2020. Under the terms of the Agreement, the Borrower has requested and the Holder has agreed to temporarily forebear, until the earlier of (i) December 9, 2020 or (ii) at such time as a default shall occur under and pursuant to the Purchase Agreement, the Note or the Agreement, from exercising its right to convert amounts due under the Note into Common Stock of the Borrower, in exchange for a one time cash payment forbearance fee equal to $12,500 paid upon execution of the Agreement.

On October 8, 2020, the Company issued 1,132,209 shares of common stock to Mercury FundingCo, LLC, representing a 8.05% ownership in the Company, valued at $1,890,956 as per the terms of the Purchase and Sale Agreement dated September 29, 2020 for the purchase of TBD Safety, LLC.

On October 8, 2020, the Company issued 1,078,073 shares of common stock to Ventus Capital, LLC, representing a 7.64% ownership in the Company, valued at $1,800,382 as per the terms of the Purchase and Sale Agreement dated September 29, 2020 for the purchase of TBD Safety, LLC.

On October 12, 2020, the Company issued 125,000 shares of common stock to Ralls, valued at $250,000, related to the exercise of the Common Stock Purchase Warrant dated January 10, 2020.

On October 16, 2020, the Company filed a Certificate of Designation (the "Designation") with the Secretary of State of Nevada, which designates 1,000,000 shares of the Company's preferred stock, par value $0.001 per share, as Series B Convertible Preferred Stock ("Series B"). Pursuant to the terms of the Designation, holders of the Series B shall be entitled to dividends, a liquidation preference and shall have conversion rights. Each share of Series B shall be convertible into 1 share of Common Stock, on or after the twelve month anniversary of the Original Issue Date at the option of the Holder thereof, for a total not to exceed 1,000,000 shares of Common Stock. The holders of the Series B shall have no voting rights.

On October 27, 2020, Gerald Whitt, Alexander Whitt, Matthew Whitt, Christopher Whitt, Deborah Milam and David Knecht, individually and in their personal capacities, and derivatively on behalf of Cloud B, Inc. (together the "Plaintiffs") filed a claim against the Company, CBAV1, LLC, SRM Idea Lab, Inc., Christopher B. Ferguson, Linda Suh, Jeff Johnson, Richard Brenner, Phillip McFillin, Kevin Ferguson, Brett Vroman and Does 1-100 (together the "Defendants") and Cloud B, Inc., as a nominal defendant, alleging fraudulent concealment, breach of fiduciary duty, breach of contract, breach of confidence, intentional misrepresentation, negligent misrepresentation, unfair business practices and civil conspiracy requesting judgment in excess of $8,000,000 for compensatory damages, punitive damages and attorneys' fees.

On October 29, 2020, the Company, along with its subsidiaries, Edison Nation, LLC and Ferguson Containers, Inc., entered into a Futures Receivables Sale Agreement (the "Agreement") with Itria Ventures, LLC whereby the Company agreed to the sale of $155,000 of receivables for $125,000. The proceeds were used to fund our receivables for overseas distributors. Christopher B. Ferguson, our Chairman and Chief Executive Officer, personally guaranteed the prompt and complete performance of the Company's obligations under the Agreement.

On October 30, 2020, Edison Nation, Inc. (the "Company") received a letter of intent from a prospective purchaser dated October 22, 2020 setting forth the terms of an offer to purchase Cloud b assets from CBAV1, LLC ("CBAV1"), the Company's wholly owned subsidiary (the "LOI"). The Cloud b assets include but are not limited to intellectual property, know how, brand names, trade names, patents, models, internet websites, domains, social network assets, production facilities, including the molds of all products, and inventory ("Cloud b Assets").

On November 4, 2020, the Company filed Articles of Incorporation in the State of Nevada for a new wholly owned subsidiary, Vinco Ventures, LLC.

On November 4, 2020, the Company, through its new wholly owned subsidiary, Vinco Ventures, Inc. ("Vinco"), filed Articles of Formation in the State of Nevada for Honey Badger Media, LLC ("Honey Badger"). Honey Badger will become a wholly owned subsidiary of Vinco.

On November 5, 2020, the Company (the "Parent") and its wholly owned subsidiary, Vinco Ventures, Inc. (the "Merger Sub"), entered into an Agreement and Plan of Merger (the "Agreement"). Under the terms of the Agreement, the Merger Sub merged with and into the Parent and the Parent became the surviving corporation of the Merger (the "Surviving Corporation"). The name of the Surviving Corporation is Vinco Ventures, Inc. The transaction closed on November 10, 2020. The Articles of Merger were filed with the Secretary of State of the State of Nevada on November 11, 2020. Effective November 12, 2020, the Company's common stock, which trades on the Nasdaq Capital Market, ceased trading under the ticker symbol "EDNT" and commenced trading under the new ticker symbol "BBIG." Along with the ticker change, the Company's common stock was assigned a new CUSIP number of 927330100.

On November 10, 2020, the Company, through its wholly owned subsidiary, Honey Badger Media, LLC, entered into a series of transactions with Honey Badger Media, LLC, a Delaware limited liability company:

On November 10, 2020, under the terms of the Asset Purchase Agreement (the "Agreement"), the Company (the "Buyer") agreed to purchase from Honey Badger Media, LLC (the "Seller") all of the Seller's rights, title and interest in and to the Internet Websites, Domain Names, and all of the respective content (the "Domains"), and any other rights associated with the domains, including, without limitation, any intellectual property rights, all related Domains, logos, customer lists and agreements, email lists, passwords, usernames and trade names; and all of the related social media accounts including but not limited to, Instagram, Twitter, Facebook, Instagram, and Pinterest at closing (collectively the "Purchased Assets"). In consideration for the sale of the Purchased Assets, the Buyer agreed to pay the Seller the amount of Three Hundred Thousand Dollars (US $300,000).

On November 10, 2020, under the terms of the Platform License Agreement (the "License Agreement"), Honey Badger Media, LLC (the "Licensor") granted the Company (the "Licensee") a perpetual, exclusive, worldwide license (the "License") to implement and commercialize the assets connected with the Platform, including, but not limited to, the right to use all of Licensor's intellectual property rights comprising the Platform, owned by or licensed to Licensor that are utilized as part of the Platform ("Licensed Related Assets"). In consideration for the License, the Licensee agreed to pay to the Licensor a fee equal to thirty percent (30%) of the Net Profits generated from Licensee's clients through the Platform and Licensed Related Assets and the Licensee's parent company agreed to issue the Licensor 750,000 shares of common stock.

On November 10, 2020, under the terms of the Employment Agreement (the Employment Agreement"), Laurie Argall (the "Executive") retained the role of Vice President of Digital Commerce. The initial term of the Employment Agreement is for a period commencing on November 10, 2020 and ending on the two (2) year anniversary of the Employment Agreement. The Executive shall receive a base salary of Sixty Thousand Dollars ($60,000) per year. Executive shall be entitled to three (3) weeks of comprehensive paid time off (includes vacation, sick and personal days) each year.

On November 17, 2020, the Company, through its subsidiary, Edison Nation, LLC (the "Vendor"), entered into an Inventory Management Agreement (the "Agreement") with the Forever 8 Fund, LLC ("F8"), an entity which our President holds a 45% ownership interest. Under the terms of the Agreement, F8 desires to maintain inventory of and sell to Vendor certain Products pursuant to the terms and conditions set forth in the Agreement. As consideration for the inventory management services provided under this Agreement, Vendor agrees to pay F8 a fee for each unit of each Product sold on a Platform determined in accordance with the fee schedule set forth in the applicable Product Schedule (the "*Fee Schedule*") based on the Age of Inventory Sold set forth on the Fee Schedule (the "*F8 Fees*"). Prior to the signing of the agreement, F8 advanced the Vendor $239,283 that was utilized to pay for deposits with the Vendors factories. This Agreement shall commence on the Effective Date and shall continue in full force and effect until January 31, 2022 (the "*Initial Term*"), unless terminated earlier as provided in this Agreement.

On November 19, 2020, the Company issued 40,000 shares of common stock valued at $59,600 to a note holder for conversion of a restricted stock unit into shares of common stock.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Overview

Our Company was incorporated on July, 18 2017 in the State of Nevada under the name of Idea Lab X Products, Inc, On September 12, 2017, we filed an Amendment to our Articles of Incorporation changing the name to Xspand Products Lab, Inc., and then on September 7, 2018 we filed an Amendment to our Articles of Incorporation changing the name to Edison Nation, Inc. On November 5, 2020, the Company (the "Parent") and its wholly owned subsidiary, Vinco Ventures, Inc. (the "Merger Sub"), entered into an Agreement and Plan of Merger (the "Agreement"). Under the terms of the Agreement, the Merger Sub merged with and into the Parent and the Parent became the surviving corporation of the Merger (the "Surviving Corporation"). The name of the Surviving Corporation became Vinco Ventures, Inc. The transaction closed on November 10, 2020.

Vinco Ventures seeks to be involved with every step of the consumer product life cycle- from ideation, to research and development, manufacturing, sales, packaging and fulfillment. The Company also seeks to raise awareness of the Vinco Ventures brand name as a diversified consumer products business through a number of media channels.

The first stage of development for any consumer product is the impetus to turn an idea into a salable commodity. Considered to be the "go-to" resource for independent innovators with great consumer product invention ideas, Vinco Ventures maintains a consumer-facing online presence whereby innovators can submit ideas for consideration by us. If an idea is successfully chosen, Vinco Ventures will apply its proprietary, web-enabled new product development ("NPD") and commercialization platform that can take a product from idea through e-commerce final sale in a matter of months versus a year or more for capital intensive and inefficient new product development protocols traditionally used by legacy manufacturers serving "big box" retailers. Vinco Ventures presently engages with over 180,000 registered online innovators and entrepreneurs interested in accessing the Company's NPD platform to bring innovative, new products to market focusing on high-interest, high-velocity consumer categories. The Company generates revenue from its web presence by charging a fee for each idea submission, and also through subscription-based plans for innovators that wish to submit high volumes of ideas.

Since its inception, Vinco Ventures has received over 200,000 idea submissions, with products selling in excess of $250 million at retail through the management of over 300 client product campaigns with distribution across diverse channels including e-commerce, mass merchandisers, specialty product chains, entertainment venues, national drug chains, and tele-shopping. These clients include many of the largest manufacturers and retailers in the world including Amazon, Bed Bath and Beyond, HSN, Rite Aid, P&G, and Black & Decker. The Company generates revenue from licensing agreements with such manufacturers and retailers, which such agreements are entered into when innovators submit their ideas through Edison Nation's web portal. Occasionally, the Company also generates revenue from innovators that wish to use the Company's product development resources, but license or distribute products themselves.

Vinco Ventures has a number of internally developed brands "EN Brands" which act as a launchpad for new innovative items that have matriculated through the innovation portal. These EN Brands include Cloud B, Pirasta, Uber Mom, Best Party Concepts, Lily and Grey, Sol and Salud, Trillion Trees, Eco Quest, Smarter Specs, Barkley Lane, and Ngenious Fun. Additionally, the Company offers a partnership model for entrepreneurs and businesses that are seeking to elevate their existing brands. Recent partnerships for Vinco Ventures include 4Keeps Roses and Mother K. Within the partnership model, the Company seeks to identify new lines of distribution and provide innovation through development of new item that enhance the brands overall image and consumer adoption,

In addition to developing products for its EN Brands, the Company develops and manufactures products for well-known brands in the entertainment and theme park industry. For over 20 years, the Company has developed, manufactured and supplied the entertainment and amusement park industry with exclusive products that are often only available to consumers inside venues such as Disney Parks and Resorts, Disney Stores, Universal Resorts, Sea World, Sesame Place, Busch Gardens, Merlin Entertainment, and Madison Square Garden. For the customers listed above, the Company has developed products for core brands such as Harry Potter, Frozen, Marvel, and Star Wars.

Once most consumer products are ideated, developed, manufactured, and possibly even licensed, they must be packaged and distributed. Currently, we maintain a logistics center in Clearwater, FL. The Company generates revenue from the sale of custom packaging for many of the products that have run through our NPD or in-house product development process. The Company also sells packaging products to a number of other entities that are not related to the Company's product development process, including pharmaceutical and e-commerce companies. When packaging of products is complete, we typically ship products using our own trucks rather than relying on a common carrier. For packaging products, the Company does not have long-term agreements with customers, and instead manufactures and sells its packaging products subject to purchase orders from its customers.

Once a product is ready for distribution, consumer awareness must be raised in order to the sell the product. Accordingly, the Company has begun to pursue a three-prong media strategy. First, the Company is seeking to re-release episodes of the 'Everyday Edisons' television program, while simultaneously seeking a distribution partner for forthcoming episodes. The Company intends to generate revenue from the Everyday Edisons brand by entering into a contract with a broadcast network or online streaming service. Second, the Company is developing a proprietary e-learning platform. The Company intends to generate revenue from the e-learning platform through the sale of subscription-based plans. Third, the Company is seeking to expand its web presence by acquiring or creating other innovator-facing internet media properties. The Company intends to generate revenue from such internet media through the display of paid advertisements on its properties.

COVID-19

COVID-19 has caused and continues to cause significant loss of life and disruption to the global economy, including the curtailment of activities by businesses and consumers in much of the world as governments and others seek to limit the spread of the disease, and through business and transportation shutdowns and restrictions on people's movement and congregation.

As a result of the pandemic, we have experienced, and continue to experience, weakened demand for our traditional products. Many of our customers have been unable to sell our products in their stores and theme parks due to government-mandated closures and have deferred or significantly reduced orders for our products. We expect these trends to continue until such closures are significantly curtailed or lifted. In addition, the pandemic has reduced foot traffic in the stores where our products are sold that remain open, and the global economic impact of the pandemic has temporarily reduced consumer demand for our products as they focus on purchasing essential goods.

In the United States and Asia, many of our key accounts remain closed or are operating at significantly reduced volumes. As a result, we have made the strategic decision to expand our operations through our Edison Nation Medical ("Ed Med") division. Through Ed Med, the Company wholesales Personal Protective Equipment ("PPE") products and proprietary branded hand sanitizer through an online portal for hospitals, government agencies and distributors.

Given these factors, the Company anticipates that the greatest impact from the COVID-19 pandemic in fiscal 2020 occurred in the first quarter of 2020 and resulted in a net sales decline as compared to the first quarter of 2019.

In addition, certain of our suppliers and the manufacturers of certain of our products were adversely impacted by COVID-19. As a result, we faced delays or difficulty sourcing products, which negatively affected our business and financial results. Even if we are able to find alternate sources for such products, they may cost more and cause delays in our supply chain, which could adversely impact our profitability and financial condition.

We have taken actions to protect our employees in response to the pandemic, including closing our corporate offices and requiring our office employees to work from home. At our distribution centers, certain practices are in effect to safeguard workers, including a staggered work schedule, and we are continuing to monitor direction from local and national governments carefully. Additionally, our two retail locations have been closed until further notice.

As a result of the impact of COVID-19 on our financial results, and the anticipated future impact of the pandemic, we have implemented cost control measures and cash management actions, including:

- Furloughing a significant portion of our employees; and
- Implementing 20% salary reductions across our executive team and other members of upper level management; and
- Executing reductions in operating expenses, planned inventory levels and non-product development capital expenditures; and
- Proactively managing working capital, including reducing incoming inventory to align with anticipated sales.

Business Model

New product ideas have little value without the ability and skill required to commercialize them. The considerable investment and executional "know how" needed to initiate a process - from idea to product distribution - has always been a challenge for the individual innovator.

Vinco Ventures' business model is designed to take advantage of online marketplace and crowdfunding momentum for our future growth, in order to mitigate new product development risk while allowing for optimized product monetization based on a product's likelihood to succeed.

To that end, Vinco Ventures empowers and enables innovators and entrepreneurs to develop and launch products, gain consumer adoption and achieve commercial scale efficiently at little to no cost.

The Vinco Venture New Product Development & Commercialization Platform

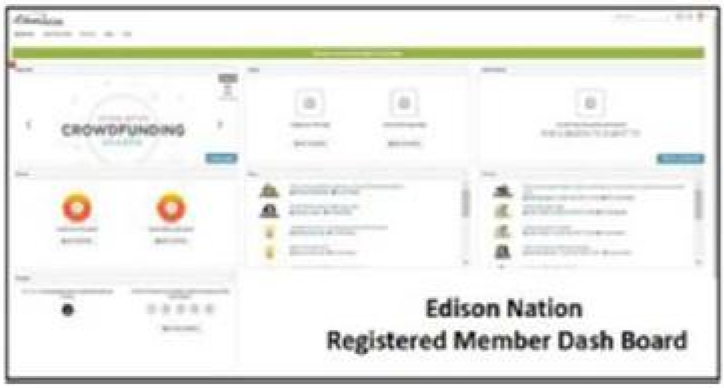
Indeed, the cornerstone of Vinco Ventures' competitive advantage is its proprietary and web-enabled new product development ("NPD") and commercialization platform. The platform can take a product from idea through ecommerce final sale in a matter of months versus a year or more for capital intensive and inefficient new product development protocols traditionally used by legacy manufacturers serving "big box" retailers.

The Company's web-enabled NPD platform is designed to optimize product licensing and commercialization through best-in-class digital technologies, sourcing / manufacturing expertise and one of the largest sets of go-to-market solutions. This unique set of resources and capabilities have proven to be a reliable catalyst for sales success.

In order to expand the Company's universe of registered innovators and entrepreneurs submitting ideas on the Edison Nation NPD web platform, the Company has entered a global agreement for distribution of two existing 13-episode seasons of the Company's Everyday Edison TV series with a leading digital media service company. The series will be available in its original English version as well as voiceover adaptations in German, French, and Spanish. Distribution is planned for Europe and the Middle East through digital content providers such as Amazon Prime Video.

Product Submission Aggregation

Interested innovators enter the Vinco Ventures web site to register for a free account by providing one's name and email address. The member then creates a username and password to use on the site. Once registered, the member is provided with their own unique, password protected dashboard by which they can begin submitting ideas and join online member forums to learn about industry trends, ask and seek answers to common questions, engage in member chats, and stay informed of the latest happenings at Vinco Ventures. They can also track the review progress of ideas they submit through their dashboard.



Vinco Ventures accepts ideas through a secure online submission process. Once a member explores the active searches in different product categories being run on the platform for potential licensees seeking new product ideas to be commercialized, the member can submit their new product ideas for processing. Vinco Ventures regularly works with different companies and retailers in various product categories to help them find new product ideas.

Registered members pay $25 to submit an idea. This submission fee covers a portion of the cost to review each idea submitted to the platform. There are no additional fees after the submission fee.

Although the platform might not have an active search that matches the innovator's idea, the Edison Nation Licensing Team hosts an ongoing search for new consumer product ideas in all categories.

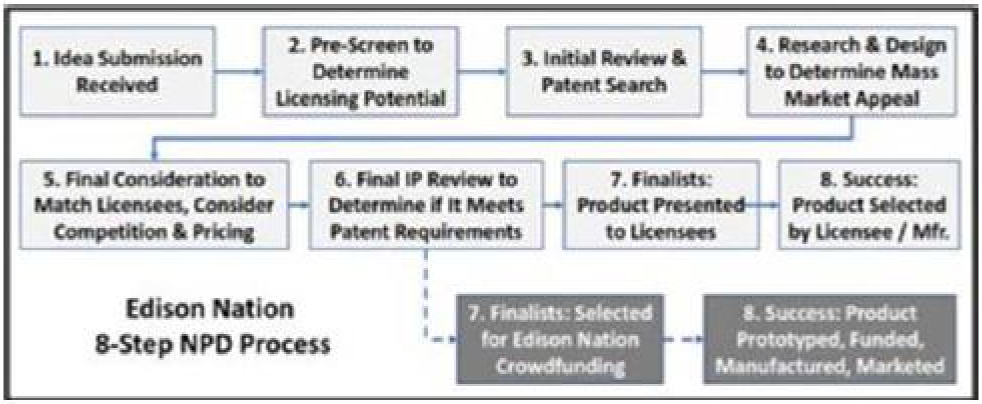
"Insider Membership" is Vinco Ventures' premium level of membership. Insiders receive feedback on all their ideas submitted and gain access to online features that are not available to registered members. In addition, Insiders pay $20 for each idea submitted (20% discount vs. a registered member), can opt-in ideas for free, as well as receive other benefits. An annual membership costs $99, or $9.25 / month automatically debited from a credit card each month. Also included online is feedback to the innovator on the status of each stage of the process and notification when ideas are not selected to move forward during any stage in the review process.

Insiders also have access to the Insider Licensing Program (the "ILP"). The primary benefit of the ILP is having the Vinco Ventures Licensing team working directly on an innovator's behalf to help secure a licensing agreement with one of the company's manufacturing partners. If an idea is selected for commercialization by a retail partner, Edison Nation will invest in any necessary patent applications, filings and maintenance. The innovator's name is included on any patent or patent application that Vinco Ventures files on the member's behalf after the idea has been selected.

In addition to the above member programs, the Vinco Ventures ASOTV (*"As Seen on TV"*) Team hosts a search for new products suitable for marketing via DRTV and subsequent distribution in national retail chains including mass merchandisers, specialty retail, drug chains and department stores.

Product Submission Review

Led by the Company's NPD Licensing Team (which has over 150 years of combined experience in a variety of industries and product categories), all ideas submitted by innovators through the Company's website are reviewed and assessed through an 8-stage process. Vinco Ventures' product idea review process is confidential with non-disclosure agreements executed with every participating registered or "Insider" member.



The NPD platform's database of over 85,000 product ideas helps determine which inventions have a substantial market opportunity quickly through proprietary algorithms that have been developed incorporating continuous learning from marketplace experience and changes in category requirements.

Selected ideas are assessed by the NPD Licensing Team based on nine key factors: competing products, uniqueness, retail pricing, liability & safety, marketability, manufacturing cost, patentability, consumer relevant features and benefits, and commercial-ability.

The time required to review ideas depends upon different variables, such as: the number of searches concurrently running on the Vinco Ventures platform, idea volume and complexity of the search, how many presentation dates to licensees are pending, and the date an idea is submitted.

Presentation dates to potential licensees are usually set a few weeks following the close of the search. After the presentation has been given to a licensing / retail partner, the partner has 45 days to 6 months to select ideas on which they will move forward.

The Insider Licensing Program (ILP program) incorporates a four-stage process:

- **Stage #1 — Preliminary Review:** The NPD licensing team performs a preliminary review to ensure an invention meets the program criteria. Factors that might stall an idea from moving forward include: an invention is cost-prohibitive, has engineering challenges, and/or major players in the marketplace have already launched products like it. If none of these apply, an idea will be approved and move on to the preparation phase.

- **Stage #2 — Preparation:** The NPD licensing team performs a best partner review. Vinco Ventures' retail and manufacturing contacts are assessed, and the team begins to plan which licensors would be the best fit for an idea. A gap analysis and visits the store shelves are executed to gain greater understanding of marketplace potential.

- **Stage #3 — Pitching:** At this phase, an idea can become a "Finalist." The NPD team begins to proactively pitch an idea to potential licensees using a proprietary presentation system. When a company expresses interest, the team proceeds into term sheets and negotiations while staying in constant contact with the prospect until the best possible deal is struck for the innovator.

- **Stage #4 — Outcome:** In the end, the market decides what products will be successful. There are no guarantees. If for some reason Edison Nation is not successful in finding a licensing partner, a complete debrief is given to the Insider.

Due to the public nature of licensing, Vinco Ventures only accepts ideas from Insiders that are patented or patent-pending. A valid provisional patent application is required. The cost of submitting an idea to the Insider Licensing Program is $100, and a member must be an "Insider" to be considered.

The Vinco Ventures ASOTV new product development process follows a six-stage protocol appropriate for the broadcast-based sales channel. For more information regarding the ASOTV process, the Edison Nation NPD platform, its features and member benefits, visit https://app.edisonnation.com/faq.

Acquisition of Intellectual Property

Once an innovator's idea is judged to be a potentially viable, commercial product and selected for potential commercialization, the Company acquires intellectual property rights from the innovator.

Once an innovator's intellectual property is secured, the innovator's product idea can then either be licensed to a manufacturer or retailer or developed and marketed directly by Vinco Ventures. In either case, Vinco Ventures serves as the point-of-contact with the innovator for term sheets, royalty negotiation and concluding licensing agreements. Edison Nation also maintains contact with the innovator to keep them engaged during product development.

In general, innovators are paid a percentage of the Company's revenue from the commercialization of the innovator's intellectual property. This percentage varies with the Company's investment in the development of the intellectual property, including whether the Company decides to license the innovator's idea for commercialization or instead, to directly develop and market the innovator's idea.

One Company Initiative

During the first quarter of 2019, Vinco Ventures began the process to consolidate all operating companies' businesses into distinct business units of Edison Nation, which allows the Company to focus on growing sales and leveraging operations. The units consist of:

● Innovate. The Vinco Ventures Platform. Responsible for the innovation platform that helps innovators go from idea to reality. This is accomplished by optimizing new product election processes through deeper analytics to predict success on platforms like crowdfunding and web market places like Amazon, while simultaneously driving brand awareness of the platform by producing content for innovators and innovators on media platforms including our own Everyday Edison's television show.

● Build and launch. Consolidating our teams of product designers and developers who take the product from the concept to the consumers' hand. These are distributed by geography, industry skillset and expertise in the development process to ensure efficient product build and launch. The bulk of operations are part of this business unit, and the company will continue to develop this unit to meet the needs of our product launch schedule.

● Sell. Our Omni-channel sales effort is divided into three groups; (1) business-to-business revenue opportunities including traditional brick and mortar retailers (2) online market places and direct-to-consumer revenue opportunities, and (3) our NiTRO Team (Near Term Revenue Opportunities). NiTRO, identifies brands and products lines that would benefit from being part of Vinco Ventures. The team seeks to a find a mutually beneficial transaction to accomplish that goal.

Product Design and Development

With product design, product prototyping and creation of marketing assets all resourced with expert Vinco Ventures in-house capabilities, we have made protracted, high-cost, high-risk research and development models obsolete.

Vinco Ventures custom designs most products in-house for specific customers and their needs. We utilize our existing tooling to produce samples and prototypes for customer reviews, refinement and approval, as well as our in-house packaging design and fabrication resources.

The Company's design and product development professionals are dedicated to the commercialization and marketability of new product concepts advanced through the company's NPD platform and for licensors / partners like Disney World and Universal Studios.

No matter the product, Vinco Ventures' objective is to optimize its marketability, function, value and appearance for the benefit of the consumer end user. From concept and prototyping, through design-for-manufacture, special attention is paid to a product's utility, ease of use, lowest cost bill of materials, and how it "communicates" its features and benefits through design.

The combined experience and expertise of the Company's team spans many high-demand categories including household items, small appliances, kitchenware, and toys. The Company's in-house capabilities are complimented by third-party engineering and prototyping contractors, like Enventys Partners, and category-specific expert resources within select manufacturers.

Paths to Market

After an innovator's idea has been selected and then developed, Vinco Ventures' NPD and commercialization platform - powered by team of experienced licensing experts and backed by our scalable manufacturing and fulfillment supply chain infrastructure - provides innovators with a clear and unencumbered set of paths to market.

Matching the Innovation with the Licensing Community

Vinco Ventures partners with many of the biggest and most well-known consumer products companies and retailers. They use the Company's platform as a "think engine" to develop targeted products, significantly reduce research and development expense, and expedite time to market.

Each potential licensee of an innovator's idea publishes an exclusive page on the Vinco Ventures web site with innovation goals and a timeline for their search. Appropriate new product ideas are submitted in 100% confidence with all intellectual property safely guarded.

Once the search concludes, Vinco Ventures presents each with the best patent protected, or patentable ideas that can be selected for development.

Licensing partners and customers include Amazon, Bed, Bath & Beyond, Church & Dwight, Black & Decker, HSN, Worthington Industries, Pampered Chef, Boston America Corp., Walmart, Target, PetSmart, "As Seen on TV," Sunbeam, Home Depot, and Apothecary Products.

Online Marketplace and Crowdfunding

Vinco Ventures has established a commercialization path to include the development and management of crowdfunding campaigns. This is evolving to be a engine for future growth. The benefits of crowdfunding include increased product testing efficiency, decreased financial risk, and the ability to get closer to the end consumer, simultaneously.

The ability for consumers to re-order product not only gauges marketplace demand, but it can also be leveraged as a quantitative "proof point" for potential sales to licensees. Most importantly, the money pledged for orders can be used to finance manufacturing and ecommerce launch marketing costs as negative working capital.

Manufacturing, Materials and Logistics

Once a product's path to market is successfully identified, Vinco Ventures produces and commercializes the product either through (1) licensing partnerships, or (2) through a direct-to-market path via ecommerce or traditional retail distribution.

To provide greater flexibility in the manufacturing and delivery of products, and as part of a continuing effort to reduce manufacturing costs, Vinco Ventures has concentrated production of most of the Company's products in third-party manufacturers located in China and Hong Kong. The Company maintains a fully staffed Hong Kong office for sourcing, overseeing manufacturing and quality assurance.

Vinco Ventures' contracted manufacturing base continues to expand, from two major facilities to 4 to-date. These include two manufacturers required to produce Cloud B children's sleep products. Based on anticipated manufacturing requirements, this footprint may expand significantly by the end of 2019. The Company also continues to explore more efficient and expert manufacturing partners to gain greater economies of scale, potential consolidation, and cost savings on an on-going basis.

Products are also purchased from unrelated enterprises with specific expertise in the design, development, and manufacture those specialty products.

We base our production schedules on customer orders and forecasts, considering historical trends, results of market research, and current market information. Actual shipments of ordered products and order cancellation rates are affected by consumer acceptance of product lines, strength of competing products, marketing strategies of retailers, changes in buying patterns of both retailers and consumers, and overall economic conditions. Unexpected changes in these factors could result in a lack of product availability or excess inventory in a product line.

Most of our raw materials are available from numerous suppliers but may be subject to fluctuations in price.

Sales, Marketing and Advertising

Our Omni-channel sales effort is divided into three groups: (1) business-to-business revenue opportunities including traditional brick and mortar retailers, (2) online market places and direct-to-consumer revenue opportunities, and (3) our NiTRO Team (Near Term Revenue Opportunities). NiTRO, identifies brands and products lines that would benefit from being part of Edison Nation. The team seeks to a find a mutually beneficial transaction to accomplish that goal.

Vinco Ventures' business to business team sells products through a diverse network of manufacturers, distributors and retailers. New customer prospects are gained through outbound sales calls, trade show participation, web searches, referrals from existing customers.

The online team for the Company has expertise in selling products on platforms such as the Amazon marketplace as well as portals like Walmart.com and "crowd-funded" websites such as Kickstarter and Indiegogo.

The NiTRO team identifies small, unique brands that could benefit from becoming part of a larger consumer products organization with more resources. The team seeks to negotiate a mutually beneficial agreement whereby the respective branded products become part of Vinco Ventures' portfolio of consumer products.

In order to expand the Company's universe of registered innovators and entrepreneurs submitting ideas on the Vinco Ventures NPD web platform, the Company has entered a global agreement for distribution of two existing 13-episode seasons of the Company's Everyday Edison TV series with a leading digital media service company. The series will be available in its original English version as well as voiceover adaptations in German, French, and Spanish. Distribution is planned for Europe and the Middle East through digital content providers such as Amazon Prime Video.

Sources of Revenue

The Company aggressively pursues the following three sources of sales volume:

- Our branded products sold through traditional retail channels of distribution and other channels of business to business distribution.
- Our branded products sold through direct to consumer platforms such as the Amazon marketplace as well as portals like Walmart.com and "crowd-funded" websites such as Kickstarter and Indiegogo.
- Custom products and packaging solutions that the Company develops and manufactures for partners such as Disney, Marvel, Madison Square Garden and Universal Studios.
- Member idea submission and ILP program fees: $25 per submission (registered members); $20 per submission (Insider members); $100 per submission (ILP members)
- *Licensing agents*: We match an innovator's intellectual property with vertical product category leaders in a licensing structure whereby the innovator can earn up to 50% of the contracted licensing fee. Product categories include kitchenware, small appliances, toys, pet care, baby products, health & beauty aids, entertainment venue merchandise, and housewares.
- *Product principals*: We work with innovators directly, providing such innovators direct access to all of Vinco Ventures' resources. Depending on case-by-case factors, innovators may receive a range of up to 35% - 50% of profits.

Market Overview

The process for developing and launching consumer products has changed significantly in recent years. Previously, Fortune 500 and specialty consumer product companies funded multimillion-dollar NPD divisions to develop and launch products. These products were sold primarily on “big box” retail shelves supported by large marketing investments.

The emergence of ecommerce giants, including Amazon and Walmart.com, has disrupted traditional NPD and commercialization paths and has accelerated a consumer shift away from “brick and mortar” retailers. The result has been the bankruptcy or downsizing of many iconic retailers, including Toys R Us, JC Penney, Macy’s, Sears, Kmart, Office Depot, Family Dollar, and K-B Toys, with a commensurate loss of shelf space and accessible locations.

Moreover, crowdfunding sites, like Kickstarter and Indiegogo, have also disrupted NPD process cycles and are now “mainstream.” In fact, as of October 2018, Kickstarter’s cumulative pledged funding exceeded $3.9 billion according to Kickstarter published data. Statista.com estimates that crowdfunded sales of products will exceed $18.9 billion by 2021.

These crowdfunding sites have enabled individual innovators and entrepreneurs to design, prototype and market unique products to millions of potential customers with significantly lower acquisition costs when compared to the capital and time required by legacy NPD processes.

Leveraging Evolving Market Opportunities for Growth

The Company believes that its anticipated growth will be driven by five macro factors including:

- The significant growth of ecommerce (14% CAGR, estimated to reach $4.9 trillion by 2021 (eMarketer 2018);
- The increasing velocity of “brick and mortar” retail closures, now surpassing Great Recession levels (Cushman & Wakefield / Moody’s Analytics 2018);
- Product innovation and immediate delivery gratification driving consumer desire for next-generation products with distinctive sets of features and benefits without a reliance on brand awareness and familiarity;
- The rapid adoption of crowdsourcing to expedite successful new product launches; and
- Utilizing the opportunities to market products over the internet, rather than through traditional, commercial channels, to reach a much broader, higher qualified target market for brands and products.

In addition, we believe that by leveraging our expertise in helping companies launch thousands of new products and our ability to create unique, customized packaging, we intend to acquire small brands that have achieved approximately $1 million in retail sales over the trailing twelve-month period with a track record of generating free cash flow. In addition, we will seek to elevate the value of these acquired brands by improving each part of their launch process, based on our own marketing methodologies.

We believe our acquisition strategy will allow us to acquire small brands using a combination of shares of our common stock, cash and other consideration, such as earn-outs. We intend to use our acquisition strategy in order to acquire ten or more small brands per year for the next three years. In situations where we deem that a brand is not a “fit” for acquisition or partnership, we may provide the brand with certain manufacturing or consulting services that will assist the brand to achieve its goals.

One example is Cloud B (www.cloudb.com), a leading manufacturer of products and accessories that help parents and children sleep better. The Company distributes its products nationally and in over 100 countries worldwide.

Founded in 2002 and acquired by Vinco Ventures in October 2018, Cloud B's highly regarded, award-winning products are developed in consultation with an Advisory Board of pediatricians and specialists. The Company recently won the Toy of the Year award from The Toy Association. Cloud B's best-known products are Twilight Turtle™ and Sleep Sheep™.

Cloud B's products can be purchased on-line (through its own ecommerce site and other online e-tailers), in specialty boutiques, gift stores, and worldwide at major retailers including Barnes & Noble, Bloomingdales, Dillard's, Nordstrom, Von Maur, Harrods of London, and FNAC in France.

Immediate synergies from the Company's acquisition of Cloud B include expanding Vinco Ventures' West coast footprint by leveraging Cloud B's sizeable distribution, sales and fulfillment operations. In addition, Cloud B is leveraging the Vinco Ventures proprietary NPD platform, Hong Kong-based manufacturer sourcing and management capabilities, and marketing and packaging resources.

The Company's primary focus since the Cloud B acquisition has been to optimize existing product performance, while helping to develop new product lines leveraging the Vinco Ventures NPD platform.

Factors Which May Influence Future Results of Operations

The following is a description of factors that may influence our future results of operations, and which we believe are important to an understanding of our business and results of operations.

Edison Nation Holdings, LLC Transaction

On September 4, 2018, the Company completed the acquisition of all of the voting membership interest of Edison Nation Holdings, LLC ("EN") for a total purchase price of $11,776,696 comprised of (i) $700,000 in cash to Edison Nation ($550,000 of which was subsequently used to purchase the membership interests of Access Innovation, LLC, which membership interests were then distributed to the Members), and $250,000 in cash used to pay off a portion of the indebtedness owed by EN to holders of certain senior convertible debt), (ii) the assumption of the remaining balance of EN's senior convertible debt through the issuance of new 4%, 5-year senior convertible notes (the "New Convertible Notes"), in the aggregate principal and interest amount of $1,428,161 (which amount was previously disclosed in the Company's Current Report on Form 8-K filed with the SEC on September 6, 2018 as $1,436,159 due to final adjustments for principal and accrued interest), which are convertible into 285,632 shares of the Company's common stock, at the option of the holder of the New Convertible Notes, (iii) the reservation of 990,000 shares of the Company's common stock that may be issued in exchange for the redemption of certain non-voting membership interests of EN, and (iv) the issuance of 557,084 shares of the Company's common stock in satisfaction of the indebtedness represented by promissory notes payable by EN with a total principal balance of $4,127,602. On August 19, 2020, the Company issued the 990,000 shares of common stock to the members of EN, resulting in the Company owning 100% of EN.

Cloud B, Inc. Transaction

On October 29, 2018, the Company entered into a Stock Purchase Agreement with the Cloud B Sellers. Pursuant to the terms of such Stock Purchase Agreement, the Company purchased 72.15% of the outstanding capital stock of Cloud B in exchange for 489,293 shares of restricted common stock of the Company. In addition, the Company entered into an Earn Out Agreement with the Cloud B Sellers, whereby, beginning in 2019, the Company will pay the Cloud B Sellers an annual amount equal to 8% multiplied by the incremental gross sales of Cloud B over its 2018 gross sales level. The Earn Out Agreement expires on December 31, 2021. CBAV1, LLC ("CB1"), a wholly-owned subsidiary of Edison Nation, Inc., owns the senior secured position on the promissory note to Cloud B, Inc. in the amount of $2,270,000. In February 2019, CB1, LLC, pursuant to an Article 9 foreclosure action, perfected its secured UCC interest in all the assets of Cloud B, Inc. to partially satisfy the outstanding balance on the note and thereby making any payments of such Cloud B trade payables and notes unlikely in the future.

On February 17, 2020, the Company divested its Cloud B, Inc. subsidiary and entered into an Agreement for the Purchase and Sale of Cloud B, Inc.(the "Purchase Agreement"), with Pearl 33 Holdings, LLC (the "Buyer"), pursuant to which the Buyer purchased from the Company (and the Company sold and assigned) 80,065 shares of common stock of Cloud B (the "Cloud B Shares") for $1.00, constituting a 72.15% ownership interest in Cloud B, based on 110,964 shares of Cloud B's common stock outstanding as of February 17, 2020. In accordance with the agreement, all of the liabilities of Cloud B were assumed by Pearl 33.

On February 17, 2020, the Company entered into an indemnification agreement with Pearl 33 Holdings, LLC in connection with the divestiture of Cloud B, Inc., whereby pursuant to such agreement the Company is limited to the issuance of 150,000 shares of the Company's common stock to the Buyer for indemnification of claims against Cloud B Inc. Please *see* **Note 3 — Acquisitions and Divestitures** for further information.

Impairment

For the year end December 31, 2019, the Company recorded an impairment charge of $4,443,000 related to our annual impairment assessment. The impairment was a result of decreased profitability as compared to anticipated profitability in our businesses acquired in 2018. The Company utilized the simplified test for goodwill impairment. The amount recognized for impairment is equal to the difference between the carrying value and the asset's fair value. The valuation methods used in the quantitative fair value assessment was a discounted cash flow method and required management to make certain assumptions and estimates regarding certain industry trends and future profitability of our reporting units.

Non-Employee Director Compensation

On September 26, 2018, the Compensation Committee of the board of directors approved the terms of compensation to be paid to non-employee directors for fiscal year 2018. Compensation for non-employee directors includes an annual retainer of $15,000, an annual committee meeting fee of $5,000, if such director chairs a committee of the board of directors, and an award of options to purchase 20,000 shares of the Company's common stock (the "Options"). The restricted stock underlying such Options were to vest one year after the grant date. However, the Options were never granted.

Accordingly, on November 15, 2019, in lieu of granting the Options, the Company granted the board of directors restricted stock units of 20,000 shares which vested immediately. In addition, on November 15, 2019, the Company granted each non-employee director restricted stock units of 30,000 shares, which vested on January 1, 2020.

Acquisition of Uber Mom, LLC

On November 6, 2019, the Company acquired the assets of Uber Mom, LLC for $52,352, which was the approximate value of Uber Mom, LLC inventory, and 22,500 shares of our common stock.

Ed Roses, LLC Joint Venture

On August 23, 2019, the Company formed Ed Roses, LLC, a 50% joint venture with 4Keeps Roses, Inc., to distribute preserved roses, flowers and associated gift products.

Acquisition of HMNRTH, LLC Assets

On March 11, 2020, the Company and its wholly owned subsidiary, Scalematix, LLC (together the "Buyer"), entered into an Asset Purchase Agreement (the "Agreement") with HMNRTH, LLC (the "Seller") and TCBM Holdings, LLC (the "Owner") (together Seller and Owner the "Selling Parties") for the purchase of certain assets in the health wellness industry and related consumer products industry. Under the terms of the Agreement, Buyer was to remit $70,850 via wire transfer at Closing and shall issue to a representative of the Selling Parties Two Hundred Thirty-Eight Thousand Seven Hundred and Fifty (238,750) shares of restricted common stock. The shares were issued on March 16, 2020 and valued at $477,500 and cash compensation was made on July 1, 2020.

In addition, the Selling Parties shall have the right to additional earn out compensation based upon the following metrics: (i) at such time as the purchased assets achieve cumulative revenue of $2,500,000, the Selling Parties shall earn One Hundred Twenty-Five Thousand (125,000) shares of common stock; and (ii) at such time as the purchased assets achieve cumulative revenue of $5,000,000, the Selling Parties shall earn One Hundred Twenty-Five Thousand (125,000) shares of common stock. The transaction closed on March 11, 2020.

Global Clean Solutions Agreement and Plan of Share Exchange

On May 20, 2020 (the "Effective Date"), Edison Nation, Inc. (the "Company") entered into an Agreement and Plan of Share Exchange (the "Share Exchange Agreement") with PPE Brickell Supplies, LLC, a Florida limited liability company ("PPE"), and Graphene Holdings, LLC, a Wyoming limited liability company ("Graphene", and together with PPE, the "Sellers"), whereby the Company purchased 25 membership units of Global Clean Supplies, LLC, a Nevada limited liability company ("Global") from each of PPE and Graphene, for a total of fifty (50) units, representing fifty percent (50%) of the issued and outstanding units of Global (the "Purchase Units"). The Company issued 250,000 shares of its restricted common stock, $0.001 par value per share (the "Common Stock") to PPE, and 50,000 shares of Common Stock to Graphene, in consideration for the Purchase Units.

Pursuant to the terms of the Share Exchange Agreement, the Sellers may earn additional shares of Common Stock upon Global realizing the following revenue targets: (i) In the event that Global's total orders equal or exceed $1,000,000, Graphene shall receive 200,000 shares of Common Stock; (ii) In the event that Global's total orders equal or exceed $10,000,000, PPE shall receive 100,000 shares of restricted Common Stock; and (iii) In the event that Global's total orders equal or exceed $25,000,000, Graphene shall receive 125,000 shares of restricted Common Stock. Additionally, the Company shall be entitled to appoint two managers to the Board of Managers of Global.

Amended Limited Liability Company Agreement

On the Effective Date, the Company entered into an Amended Limited Liability Company Agreement of Global (the "Amended LLC Agreement"). The Amended LLC Agreement amends the original Limited Liability Company Agreement of Global, dated May 13, 2020. The Amended LLC Agreement defines the operating rules of Global and the ownership percentage of each member: Edison Nation, Inc. 50%, PPE 25% and Graphene 25%.

Secured Line of Credit Agreement

On the Effective Date, the Company (as "Guarantor") entered into a Secured Line of Credit Agreement (the "Credit Agreement") with Global and PPE. Under the terms of the Credit Agreement, PPE is to make available to Global a revolving credit loan in a principal aggregate amount at any one time not to exceed $2,500,000. Upon each drawdown of funds against the credit line, Global shall issue a Promissory Note (the "Note") to PPE. The Note shall accrue interest at 3% per annum and have a maturity date of six (6) months. In the event of a default, any and all amounts due to PPE by Global, including principal and accrued but unpaid interest, shall increase by forty (40%) percent and the interest shall increase to five (5%) percent (the "Default Interest").

Security Agreement

On the Effective Date, the Company (as "Guarantor") entered into a Security Agreement (the "Security Agreement") with Global (as "Borrower") and PPE (as "Secured Party"), whereby the Company placed 1,800,000 shares of Common Stock (the "Reserve Shares") in reserve with its transfer agent in the event of default under the Credit Agreement. In the event of a default that is not cured by the defined cure period, the PPE may liquidate the Reserve Shares until the Global's principal, interest and associated expenses are recovered. The number of Reserve Shares may be increased through the issuance of True-Up shares in the event the original number of Reserve Shares is insufficient.

Acquisition of TBD Safety, LLC

On September 29, 2020, the Company (as "Purchaser") entered into a Purchase and Sale Agreement (the "Agreement") with Graphene Holdings, LLC, Mercury FundingCo, LLC, Ventus Capital, LLC and Jetco Holdings, LLC (together the "Sellers") to acquire all outstanding Membership Units (the "Units") of TBD Safety, LLC ("TBD"). Collectively, the Sellers own all outstanding Units of TBD. Under the terms of the Agreement, the Company is to issue a total of Two Million Two Hundred Ten Thousand Three Hundred Eighty-Two (2,210,382) shares of the Company's common stock and a total of Seven Hundred Sixty Four Thousand Six Hundred Eighteen (764,618) shares of a newly designated Preferred Stock (the "Preferred"). In addition, the Company and Sellers shall enter into a Registration Rights Agreement (the "Registration Rights Agreement") in favor of the Sellers obligating the Company to register such Common Stock and shares of Common Stock to be issued upon conversion of the Preferred within 120 days after the Closing. The Sellers shall have an Earn Out Consideration - At such time as the Assets purchased in the Agreement achieve cumulative revenue of $10,000,000, the Sellers shall earn a total of One Hundred Twenty-Five Thousand (125,000) shares of Common Stock. The Closing of the transaction occurred on October 16, 2020.

Edison Nation Medical Operations

Edison Nation Holdings, LLC formed Edison Nation Medical ("EN Medical") in May of 2012. It was a partnership between Edison Nation and Carolinas Healthcare Systems (now called Atrium). Atrium is the 2nd largest healthcare system in the US. Carolina Health (Atrium) wanted a way to aggregate and commercialize the healthcare related innovations that were coming from their physicians, nurses, and patients, and Edison Nation offered a platform to provide that function.

EN Medical built out a separate platform, leveraging the Edison Nation model to look for ideas that improved patient care and lowered costs. Over the past three years, EN Medical collected some great ideas, but the market shifted and EN found that the licensing model was very difficult as big medical device companies wanted to acquire companies with sales versus just buying IP and prototypes. In 2019, certain less complex devices such as Ezy Dose were licensed to third parties by the Company. Additionally, EN Medical has continued to explore opportunities in the health and wellness space for products that do not require FDA approval. Examples of product lines in the health wellness space that are currently being evaluated include an organic skin care line, essential oils, supplements for breast feeding, and an all-natural nutritional supplement.

Based upon the emergence of COVID 19 and the increased demand for certain medical supplies, hand sanitizers and personal protective equipment, Edison Nation made the strategic decision to have EN Medical develop an online portal granting hospitals, government agencies and distributors access to its catalog of medical supplies and hand sanitizers. EN Medical's website is located at www.edisonnationmedical.com. For purposes of this business description, the activities of EN Medical are inclusive of Global Clean Solutions ("Global") as well.

EN Medical is focused primarily on its proprietary brand of hand sanitizer, Purple Mountain Clean, that is being produced and sold by the operating subsidiary, Global. The Purple Mountain Clean Brand is 100% USA Made and is offered in both gel and liquid formulas. The Purple Mountain Clean sanitizer is produced with 70% Ethyl Alcohol and is FDA certified. EN Medical offers a variety of sizes and pumps for Purple Mountain Clean and recently initiated the production of sanitizer stands that can be customized with a customer's logo or other promotional artwork. The launching of our EN Medical's brand of sanitizer did delay certain shipments for the second quarter in 2020 as EN Medical needed to develop EN Medical's specific formulas and packaging for Purple Mountain Clean.

As a secondary focus, EN Medical offers medical supplies and personal protective equipment to government agencies, counties, municipalities and business customers, Since March 2020, EN Medical has established a network of more than thirty suppliers located both domestically and abroad. EN Medical primarily utilizes approximately six core suppliers and has flexibility with its terms based on the specific terms and conditions of the respective purchase orders for the respective end customers. The product lines that have received the highest amount of interest from customers include but are not limited to face coverings, gloves, medical grade gowns, and wipes.

The competitive landscape for sanitizer and personal protective equipment is frequently changing. Recently the FDA announced the recall of numerous hand sanitizer brands. Additionally, many suppliers of personal protective equipment have failed to complete deliveries and failed to meet order specifications for the specific products. EN Medical has benefited from successfully fulfilling orders for government agencies and large business customers that have provided referrals on behalf of EN Medical which has assisted the Company in winning other business opportunities. Due to the high demand for items related to the pandemic, pricing of products can change relatively quickly and customer expectations for delivery times are often aggressive. EN Medical works diligently with its core suppliers to meet these challenges and satisfy all customer requirements in a timely fashion.

EN Medical verifies all FDA certificates of the Company's suppliers and all compliance documents for our manufacturers and importers. For certain product lines, EN Medical may consider applying for its own FDA certifications, and the Company closely monitors the updates with respect to the regulation of personal protective equipment and hand sanitizers.

COVID-19 has created both opportunity and a considerable amount of uncertainty across many markets including the sourcing and sale of Personal Protective Equipment. While we were initially excited regarding the confirmed orders that we received, we have realized that the supply side of the industry is unable to keep up with the current global demand. In response, we have adjusted our corporate guidance in the PPE space from fiscal year 2020 to include the initial two quarters of 2021 to allow sufficient time for delivery. While we still remain confident in our confirmed demand and ability to supply the products required, we have taken a different approach moving forward due to the uncertainty of timing of production and transportation which has caused the additional time added to our initial guidance.

Receivables Financing

On November 17, 2020, the Company, through its subsidiary, Edison Nation, LLC (the "Vendor"), entered into an Inventory Management Agreement (the "Agreement") with the Forever 8 Fund, LLC ("F8"), an entity which our Chief Executive Officer holds a 45% ownership interest. Under the terms of the Agreement, F8 desires to maintain inventory of and sell to Vendor certain Products pursuant to the terms and conditions set forth in the Agreement. As consideration for the inventory management services provided under this Agreement, Vendor agrees to pay F8 a fee for each unit of each Product sold on a Platform determined in accordance with the fee schedule set forth in the applicable Product Schedule (the "*Fee Schedule*") based on the Age of Inventory Sold set forth on the Fee Schedule (the "*F8 Fees*"). This Agreement shall commence on the Effective Date and shall continue in full force and effect until January 31, 2022 (the "*Initial Term*"), unless terminated earlier as provided in this Agreement.

On October 29, 2020, the Company, along with its subsidiaries, Edison Nation, LLC and Ferguson Containers, Inc., entered into a Futures Receivables Sale Agreement (the "Agreement") with Itria Ventures, LLC whereby the Company agreed to the sale of $155,000 of receivables for $125,000. The proceeds were used to fund our receivables for overseas distributors. Christopher B. Ferguson, our Chairman and Chief Executive Officer, personally guaranteed the prompt and complete performance of the Company's obligations under the Agreement.

On August 12, 2020, the Company entered into an Amendment to a Purchase of Inventory and Repurchase Agreement (the "Amendment") dated November 12, 2019. Under the terms of the Amendment, (i) the repurchase date is extended to December 10, 2020; and (ii) the Company agreed to pay the Purchaser-Assignee a commitment fee of $13,053, and (iii) the Company agreed to pay the Purchaser-Assignee 2% per month for extension periods commencing July 1, 2020 through December 10, 2020.

On February 21, 2020, the Company entered into a receivables financing arrangement for certain receivables of the Company not to exceed $1,250,000 at any one time. The agreement allows for borrowings up to 85% of the outstanding receivable based on the credit quality of the customer. The fee is between 1% and 2% of the total invoices financed.

On March 31, 2019, the Company entered into a receivables financing arrangement for specific customer receivables. The agreement allowed for borrowing up to 80% of the outstanding receivable based on the credit quality of the customer. The Company's Chairman and Chief Executive Officer personally guaranteed all amounts due under the agreement. The fee is between 1% and 2% of the total invoice financed. The proceeds were used for funding the purchase of products sold on HSN, but the Company is not currently utilizing this receivables financing arrangement, and therefore no amounts are outstanding under the agreement as of February 12, 2020.

On November 12, 2019, the Company entered into a Receivables Purchase Agreement with a financial institution (the "Receivables Purchase Agreement"), whereby the Company agreed to purchase $225,000 of receivables for $200,000. The Company's Chairman and Chief Executive Officer as well as NL Penn Capital, LP personally guaranteed all amounts due under the agreement. NL Penn Capital, LP is owned by Christopher B. Ferguson, our Chairman and Chief Executive Officer. The proceeds were used for general working capital.

On November 18, 2019, the Company entered into a Future Receivables Purchase Agreement with a financial institution (the "Future Receivables Purchase Agreement"), whereby the Company agreed to purchase of $337,500 of receivables for $250,000. The proceeds were used to fund our orders with our factories for overseas distributors as such receivables were not eligible as collateral under our current working capital facility. Christopher B. Ferguson, our Chairman and Chief Executive Officer, personally guaranteed the prompt and complete performance of the Company's obligations under the Future Receivables Purchase Agreement.

Tiburon Loan Agreement

On January 2, 2020, the Company entered into that certain Loan Agreement (the "Second Loan Agreement") with Tiburon Opportunity Fund (the "Lender"), dated January 2, 2020 (the "Second Loan"). Pursuant to the terms of the Second Loan Agreement, the Lender agreed to loan the Company $400,000. The Second Loan bears interest at the rate of 1.5% per month through the term of the Second Loan. Additionally, the Second Loan Agreement provides that the Company shall pay the Lender the entire unpaid principal and all accrued interest upon thirty days' notice to the Company, but in any event, the notice shall not be sooner than June 1, 2020. The Second Loan proceeds are being used to fund general working capital needs of the Company. If the Company defaults on the performance of any obligation under the Second Loan Agreement, the Lender may declare the principal amount of the Second Loan owing under the Second Loan Agreement at the time of default to be immediately due and payable. Furthermore, the Second Loan Agreement grants the Lender a collateral interest in certain accounts receivable of SRM. On April 24, 2020, the Company and Lender entered into a Debt Conversion Agreement whereby the Lender was given the right and elected to exercise that right to convert principal and interest of $424,000 of funds loaned to the Company into shares of the Company's common stock. The fair value of the Company's common stock was $2.08 on the date of conversion and the conversion price was $2.00 per share for a total of 212,000 shares of restricted common stock issued by the Company.

32E Financing

On December 4, 2019, the Company agreed to issue and sell to 32 Entertainment LLC ("32E") a 10% Senior Secured Note (the "32E Note"), in the principal amount of $250,000. The maturity date of the 32E Note is December 4, 2020. In addition, the Company issued to 32E 10,000 shares of common stock as an inducement to 32E to purchase the 32E Note. The $250,000 of proceeds from the 32E Note was used for general working capital needs of the Company and the repayment of debt related to Horberg Enterprises.

Pursuant to the terms of the 32E Note, on December 4, 2019, the Company also issued 32E a Common Stock Purchase Warrant (the "32E Warrant") to purchase 50,000 shares of common stock at an exercise price of $1.50 per share. The 32E Warrant expires on December 4, 2024. The 32E Warrant contains price protection provisions, as well as a provision allowing 32E to purchase the number of shares that 32E could have acquired if it held the number of shares of common stock acquirable upon complete exercise of the 32E Warrant, in the event that the Company grants, issues or sells common stock, common stock equivalents, rights to purchase common stock, warrants, securities or other property pro rate to holders of any class of the Company's securities. If there is no effective registration statement registering the resale of the shares of common stock underlying the 32E Warrant, then the 32E Warrant may be exercised cashlessly, based on a cashless exercise formula. The 32E Warrant also contains a conversion limitation provision, which prohibits 32E from exercising the 32E Warrant in an amount that would result in the beneficial ownership of greater than 4.9% of the total issued and outstanding shares of common stock, provided that (i) such exercise limitation may be waived by 32E with 61 days prior notice, and (ii) 32E cannot waive the exercise limitation if conversion of the 32E Warrant would result in 32E having beneficial ownership of greater than 9.9% of the total issued and outstanding shares of common stock.

In connection with the sale of the 32E Note, also on December 4, 2019, the Company entered into a registration rights agreement whereby the Company agreed to register the 10,000 shares of common stock issued to 32E as an inducement on a registration statement on Form S-1 with the SEC. The Company was required to have such registration statement declared effective by the SEC within 90 calendar days (or 180 calendar days in the event of a "full review" by the SEC) following the earlier of 30 days from December 4, 2019 or the filing date of the registration statement on Form S-1, which such registration statement has not been filed or timely declared effective. If the registration statement is not filed or declared effective within the timeframe set forth in the registration rights agreement, the Company was supposed to be obligated to pay to 32E a monthly amount equal to 1% of the total subscription amount paid by 32E until such failure is cured. The Company has not made any such payment 32E. The registration rights agreement also contains mutual indemnifications by the Company and each investor, which the Company believes are customary for transactions of this type.

On May 19, 2020, the Company entered into an Amendment (the "Amendment") to the 32E Note. Under the terms of the Amendment, the Company issued to 32E an Amended Subordinate Secured Note (the "Replacement Note") in the principal amount of $200,000 that accrues interest at 16% annually and matures on May 21, 2021. On May 28, 2020, the Company paid $50,000 toward the principal plus interest in the amount of $6,250 for a total of $56,250. 32E shall also receive 40,000 restricted stock units and surrender the warrant issued to it in the December 4, 2019 financing transaction. The Company accounted for the Amendment as a modification.

Other Financing Notes

On January 10, 2020, the Company entered into a 5% Promissory Note Agreement with Equity Trust Company on behalf of Rawleigh Ralls ("Ralls")("Ralls Financing") for an aggregate principal amount of $267,000 (the "Ralls Note"), pursuant to which Ralls purchased the Ralls Note from the Company for $250,000 and an original issue discount of $17,000, and the Company issued to Ralls a warrant (the "Ralls Warrant") to purchase 125,000 shares of the Company's common stock valued at $86,725 estimated using the Black-Scholes option-valuation model. The proceeds from the Ralls Note will be used for general working capital needs of the Company. The Company will also issue 33,000 incentive shares to Ralls valued at $79,860 based on the closing stock price on January 10, 2020. The fair value of the warrants and incentive shares have been recorded as debt discount. The maturity date of the Ralls Note is July 10, 2020. On July 14, 2020, the Company entered into an Amendment to Note Agreement and Common Stock Purchase Warrant (the "Amendment") with Equity Trust Company, a Custodian FBO: Rawleigh H. Ralls IRA. Under the terms of the Amendment, the parties amended the terms of the January 10, 2020 Note Agreement (the "Agreement") and Common Stock Purchase Warrant (the "Warrant") such that; (i) the maturity date of the Agreement was extended to January 10, 2021, (ii) the Original Issuer Discount ("OID") shall be increased to $34,000, (iii) the Lender shall be issued 33,000 Additional Incentive Shares and (iv) the Company shall prepare and file with the United States Securities and Exchange Commission a registration statement on Form S-1 within 30 days of the Effective Date of the Amendment, that registers a total of 191,000 shares of Common Stock, which such amount of shares is the sum of 125,000 Warrant Shares, the 33,000 Incentive Shares, and 33,000 Additional Incentive Shares. On July 14, 2020, the Company issued the 33,000 Additional Incentive Shares valued at $124,740. On October 12, 2020, the Company issued 125,000 shares of common stock to Ralls, valued at $250,000, related to the exercise of the Ralls Warrant.

On January 15, 2020, the Company entered into a 5% Promissory Note Agreement with Paul J. Solit & Julie B. Solit ("Solits")("Solit Financing") for an aggregate principal amount of $107,000 (the "Solit Note"), pursuant to which the Solits purchased the Solit Note from the Company for $100,000 and an original issue discount of $7,000, and the Company issued to the Solits a warrant (the "Solit Warrant") to purchase 50,000 shares of the Company's common stock valued at $31,755 estimated using the Black-Scholes option-valuation model. The proceeds from the Solit Note will be used for general working capital needs of the Company. The Company will also issue 13,000 incentive shares to the Solits valued at $30,420 based on the closing stock price on January 15, 2020. The fair value of the warrants and incentive shares have been recorded as debt discount. The maturity date of the Solit Note is July 15, 2020. On July 14, 2020, the Company entered into an Amendment to Note Agreement and Common Stock Purchase Warrant (the "Amendment") with Paul J. Solit and Julie B. Solit. Under the terms of the Amendment, the parties amended the terms of the January 15, 2020 Note Agreement (the "Agreement") and Common Stock Purchase Warrant (the "Warrant") such that; (i) the maturity date of the Agreement was extended to December 15, 2020, (ii) the Original Issuer Discount ("OID") shall be increased to $14,000 and (iii) the Lender shall be issued 13,000 Additional Incentive Shares. On July 14, 2020, the Company issued the 13,000 Additional Incentive Shares valued at $49,140.

On January 17, 2020, the Company entered into a 5% Promissory Note Agreement with Richard O'Leary ("O'Leary")("O'Leary Financing") for an aggregate principal amount of $53,500 (the "O'Leary Note"), pursuant to which O'Leary purchased the O'Leary Note from the Company for $50,000 and an original issue discount of $3,500, and the Company issued to O'Leary a warrant (the "O'Leary Warrant") to purchase 25,000 shares of the Company's common stock valued at $16,797 estimated using the Black-Scholes option-valuation model. The proceeds from the O'Leary Note will be used for general working capital needs of the Company. The Company will also issue 6,500 incentive shares to O'Leary valued at $15,535 based on the closing stock price on January 17, 2020. The fair value of the warrants and incentive shares have been recorded as debt discount. The maturity date of the O'Leary Note is July 17, 2020. On July 14, 2020, the Company entered into an Amendment to Note Agreement and Common Stock Purchase Warrant (the "Amendment") with Richard O'Leary. Under the terms of the Amendment, the parties amended the terms of the January 17, 2020 Note Agreement (the "Agreement") and Common Stock Purchase Warrant (the "Warrant") such that; (i) the maturity date of the Agreement was extended to January 17, 2021, (ii) the Original Issuer Discount ("OID") shall be increased to $7,000, (iii) the Lender shall be issued 6,500 Additional Incentive Shares and (iv) the expiration date of the Warrant shall be extended to June 30, 2021. On July 14, 2020, the Company issued the 6,500 Additional Incentive Shares valued at $24,570.

On April 7, 2020, the Company entered into a Securities Purchase Agreement (the “Agreement”) with BHP Capital NY Inc. (the “Investor”) wherein the Company issued the Investor a Convertible Promissory Note (the “Note”) in the amount of $168,000 ($18,000 OID). The $150,000 of proceeds from the Note will be used for general working capital purposes The Note has a term of six (6) months, is due on October 7, 2020 and has a one-time interest charge of 2%. In addition, the Company is to issue the Investor 10,700 shares of Common Stock (the “Origination Shares”) as an origination fee. The transaction closed on April 9, 2020. The Investor shall have the right at any time to convert all or any part of the outstanding and unpaid principal, interest, fees, or any other obligation owed pursuant to this Note into fully paid and non-assessable shares of Common Stock at a conversion price equal to $2.05 per share.

On April 7, 2020, the Company (the “Borrower”) entered into a Securities Purchase Agreement (the “Agreement”) with Jefferson Street Capital, LLC (the “Investor”) wherein the Company issued the Investor a Convertible Promissory Note (the “Note”) in the amount of $168,000 ($18,000 OID). The $150,000 of proceeds from the Note will be used for general working capital purposes The Note has a term of six (6) months, is due on October 7, 2020 and has a one-time interest charge of 2%. In addition, the Company is to issue the Investor 10,700 shares of Common Stock (the “Origination Shares”) as an origination fee. The transaction closed on April 9, 2020. The Investor shall have the right at any time to convert all or any part of the outstanding and unpaid principal, interest, fees, or any other obligation owed pursuant to this Note into fully paid and non-assessable shares of Common Stock at a conversion price equal to $2.05 per share. On October 7, 2020, the Borrower and Investor entered into a Forbearance Agreement (the “Agreement”) against the Note issued by the Borrower to the Holder dated April 7, 2020. Under the terms of the Agreement, the Borrower has requested and the Holder has agreed to temporarily forebear, until the earlier of (i) December 9, 2020 or (ii) at such time as a default shall occur under and pursuant to the Purchase Agreement, the Note or the Agreement, from exercising its right to convert amounts due under the Note into Common Stock of the Borrower, in exchange for a one time cash payment forbearance fee equal to $12,500.00 paid upon execution of the Agreement.

On July 29, 2020, the Company issued Jefferson Street Capital, LLC (the “Investor”) a Convertible Promissory Note (the “Note”) in the amount of $224,000 ($24,000 OID) under the terms of the April 7, 2020 Securities Purchase Agreement entered into by the parties. The $200,000 of proceeds from the Note will be used for general working capital purposes The Note has a term of six (6) months, is due on January 29, 2021 and has a one-time interest charge of 2%. In addition, the Company issued the Investor 14,266 shares of Common Stock (the “Origination Shares”) as an origination fee. The transaction closed on July 31, 2020. With regard to conversion of the Note, the Investor shall not have the right to convert the Note into shares prior to 180 calendar days from the Issue Date. Provided that the Note remains unpaid, the Investor may elect to convert all or any part of the outstanding and unpaid principal, interest, fees, or any other obligation owed pursuant to this Note into fully paid and non-assessable shares of Common Stock at a conversion price equal to $2.05 per share after 180 calendar Days from the Issue Date.

Paycheck Protection Program

On April 15, 2020, Edison Nation, Inc. (the “Company”) entered into a loan agreement (“PPP Loan”) with First Choice Bank under the Paycheck Protection Program (the “PPP”), which is part of the recently enacted Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) administered by the United States Small Business Administration (“SBA”). The Company received proceeds of $789,852 from the PPP Loan. In accordance with the requirements of the PPP, the Company intends to use proceeds from the PPP Loan primarily for payroll costs, rent and utilities. The PPP Loan has a 1.00% interest rate per annum and matures on April 15, 2022 and is subject to the terms and conditions applicable to loans administered by the SBA under the PPP. Under the terms of the PPP, certain amounts of the PPP Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.

Greentree Financing

On January 23, 2020, the Company entered into a financing transaction (the “Greentree Financing”) by executing a loan agreement (the “Greentree Loan Agreement”) with Greentree Financial Group, Inc. (“Greentree”), pursuant to which Greentree purchased a $1,100,000 10% Convertible Promissory Note (the “Greentree Note”) from the Company, and the Company issued to Greentree a warrant (the “Greentree Warrant”) to purchase 550,000 shares of the Company’s common stock. The $1,100,000 in proceeds from the Greentree Note will be used for general working capital needs of the Company and for the repayment of debt. On January 24, 2020, the Company used $588,366 of the proceeds from the Greentree Note to pay off in full the Labrys Note.

On January 29, 2020, the Company and the Greentree entered into an Amendment Agreement, amending the Greentree Loan Agreement, the Greentree Note, and the Greentree Warrant to: (i) correct the effective date set forth in the Greentree Loan Agreement, Greentree Note, and Greentree Warrant to January 23, 2020, (ii) clarify the terms of the registration right provision in the Greentree Loan Agreement, and (iii) to ensure that the total number of shares of common stock issued pursuant to the Greentree Loan Agreement, the Greentree Note, and/or the Greentree Warrant, each as amended, does not exceed 17.99% of the Company's issued and outstanding common stock as of January 23, 2020. The Amendment Agreement also contains a liquated damages provision which requires the Company to pay Greentree an amount in cash equal to $2.50 per share for any amount of shares that Greentree would have received pursuant to the Greentree Loan Agreement, the Greentree Note, and/or the Greentree Warrant, but does not so receive such shares as a result of the 17.99% cap described above.

Greentree Loan Agreement

Upon execution of the Greentree Loan Agreement, the Company issued to Greentree 100,000 shares of common stock (the "Greentree Origination Shares") as an origination fee, plus an additional 60,000 shares of common stock as consideration for advisory services.

Pursuant to the Greentree Loan Agreement, the Company agreed to pay certain costs of Greentree, including $15,000 for Greentree's legal fees and transfer agent fees resulting from conversion of the Note. The Greentree Loan Agreement also contains representations and warranties by the Company and Greentree, which the Company believes are customary for transactions of this type. Furthermore, the Company is subject to certain negative covenants under the Greentree Loan Agreement, which the Company also believes are also customary for transactions of this type.

The Greentree Loan Agreement, as amended, also contains a registration rights provision, pursuant to which the Company is required to prepare and file a registration statement with the SEC under the Securities Act of 1933, as amended, registering a total of 1,200,000 shares of common stock issued to Greentree pursuant to the Greentree Loan Agreement, Greentree Note and Greentree Warrant. The Company will be required to have such registration statement filed within 30 days of the effective date of the Greentree Loan Agreement (which, as amended, is January 23, 2020) and declared effective by the SEC within 105 calendar days following the effective date of the Greentree Loan Agreement. If the Company fails to file or have declared effective the registration statement within the timeframe set forth in the Greentree Loan Agreement, or certain other events occur as set forth in the Greentree Loan Agreement, the Company is obligated to pay Greentree an amount of liquidated damages equal to $35,000 per month until such failure is cured. As of the date of this filing, the Company has failed to have its Registration Statement deemed Effective. In addition to the registration rights granted to Greentree, the Greentree Loan Agreement contains a "true up" provision, which requires the Company to issue Greentree additional shares of common stock during the period beginning on the effective date of the registration statement until the 90th day after the effective date of the registration statement, if the average of the 15 lowest daily closing prices of the Company's common stock is less than $2.00.

Greentree Note

Pursuant to the Greentree Loan Agreement, the Company agreed to issue and sell to Greentree the Greentree Note, in the principal amount of $1,100,000. The Greentree Note, as amended, is due and payable October 23, 2020, and is convertible at any time at a price of $2.00 per share, subject to certain adjustments to the conversion price set forth in the Greentree Note. The Greentree Note reiterates the registration rights set forth in the Greentree Loan Agreement and the Greentree Warrant. There is no prepayment penalty on the Greentree Note. If the Greentree Note is not prepaid by the 90th day after the effective date of the Registration Statement, the Greentree is required to convert the entire amount of principal and interest outstanding on the Greentree Note at that time, at a price of $2.00 per share, unless an event of default (as such events are described in the Greentree Note) under the Greentree Note has occurred, in which case the Greentree Note would be mandatorily converted at a price equal to 50% of the lowest trading price of the common stock for the last 10 trading days immediately prior to, but not including, the date that the Greentree Note mandatorily converts. The Greentree Note also contains a conversion limitation provision, which prohibits Greentree from converting the Greentree Note in an amount that would result in the beneficial ownership of greater than 4.9% of the total issued and outstanding shares of common stock, provided that (i) such conversion limitation may be waived by Greentree with 61 days prior notice, and (ii) Greentree cannot waive the conversion limitation if conversion of the Greentree Note would result in Greentree having beneficial ownership of greater than 9.9% of the total issued and outstanding shares of common stock. On July 23, 2020, the Company issued 320,000 shares of common stock to Greentree Financial Group, Inc. to satisfy $360,000 principal and $131,889 interest and fees against a note issued on January 23, 2020. On August 4, 2020, the Company issued 370,000 shares of common stock to Greentree Financial Group, Inc.in satisfaction of $740,000 principal against a note issued on January 23, 2020. As of the date of this filing, the Greentree Note is paid in full.

Greentree Warrant

Pursuant to the Greentree Loan Agreement, the Company also issued Greentree a warrant to purchase 550,000 shares of common stock at an exercise price of $2.00 per share, subject to certain adjustments to the exercise price set forth in the Greentree Warrant. The Greentree Warrant, as amended, expires on January 23, 2023. If the closing price per share of the common stock reported on the day immediately preceding an exercise of the Greentree Warrant is greater than $2.00 per share, the Greentree Warrant may be exercised cashlessly, based on a cashless exercise formula. The Greentree Warrant reiterates the registration rights set forth in the Greentree Loan Agreement and the Greentree Note. The Greentree Warrant also contains a repurchase provision, which at any time after the Company's registration statement is effective and the Company's common stock has traded at a price over $3.00 share for 20 consecutive days, gives the Company a 30-day option to repurchase any unexercised portion of the Greentree Warrant at a price of $1.00 per share.

Critical Accounting Policies and Significant Judgments and Estimates

Our management's discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP. The preparation of these consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the consolidated financial statements as well as the reported expenses during the reporting periods. The accounting estimates that require our most significant, difficult and subjective judgments have an impact on revenue recognition, the determination of share-based compensation and financial instruments. We evaluate our estimates and judgments on an ongoing basis. Actual results may differ materially from these estimates under different assumptions or conditions.

Our significant accounting policies are more fully described in Note 2 to our consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Components of our Results of Operations

Revenues

We sell consumer products across a variety of categories, including toys, plush, homewares and electronics, to retailers, distributors and manufacturers. We also sell consumer products directly to consumers through e-commerce channels.

Cost of Revenues

Our cost of revenues includes inventory costs, materials and supplies costs, internal labor costs and related benefits, subcontractor costs, depreciation, overhead and shipping and handling costs.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist of selling, marketing, advertising, payroll, administrative, finance and professional expenses.

Rental Income

We earn rental income from a month-to-month lease on a portion of the building located in Washington, New Jersey that we own.

Interest Expense, Net

Interest expense includes the cost of our borrowings under our debt arrangements.

Results of Operations

Three Months Ended September 30, 2020 versus Three Months Ended September 30, 2019

The following table sets forth information comparing the components of net (loss) income for the three months ended September 30, 2020 and 2019:

	Three Months Ended September 30,		Period over Period Change	
	2020	**2019**	**$**	**%**
Revenues, net	$ 4,251,147	$ 3,532,645	$ 718,502	20.34%
Cost of revenues	2,668,864	2,544,058	124,806	4.91%
Gross profit	1,582,283	988,587	593,696	60.06%
Operating expenses:				
Selling, general and administrative	3,474,844	3,296,323	178,521	5.42%
Operating loss	(1,892,561)	(2,307,736)	415,175	-17.99%
Other (expense) income:				
Rental income	25,704	25,704	-	0.00%
Interest expense	(1,004,626)	(349,172)	(655,454)	187.72%
Total expense	(978,922)	(323,468)	(655,454)	202.63%
Loss before income taxes	(2,871,483)	(2,631,204)	(240,279)	9.13%
Income tax expense	-	-	-	0.00%
Net loss	(2,871,483)	(2,631,204)	(240,279)	9.13%
Net loss attributable to noncontrolling interests	(37,439)	(49,103)	11,664	-23.75%
Net loss attributable to Vinco Ventures, Inc.	$ (2,834,044)	$ (2,582,101)	$ (251,943)	9.76%

Revenue

For the three months ended September 30, 2020, revenues increased by $718,502 or 20.34%, as compared to the three months ended September 30, 2019. The increase was primarily attributable to the increases in the Company's revenue through its Ferguson Containers subsidiary and Cloud B branded products compared to the prior year.

Cost of Revenues

For the three months ended September 30, 2020, cost of revenues increased by $124,806 or 4.91%, as compared to the three months ended September 30, 2019. The increase was primarily attributable to the increase in total consolidated revenues.

Gross Profit

For the three months ended September 30, 2020, gross profit increased by $593,696, or 60.06%, as compared to the three months ended September 30, 2019. The increase was primarily a result of the increase in revenues. For the three months ended September 30, 2020, gross profit percentage increased to 37.2%, as compared to 28.0% for the three months ended September 30, 2019. The increase in gross margin was due to the increase in the Ferguson Containers business and fixed costs included in cost of goods sold that did not increase with the revenue increase. In addition, the Company had favorable product mix of goods sold to customers related to increased sales in our higher margin Cloud B branded business.

Operating Expenses

Selling, general and administrative expenses were $3,474,828 and $3,296,323 for the three months ended September 30, 2020 and 2019, respectively, representing an increase of $178,521, or 5.42%. The largest increases included an increase of stock-based compensation of approximately $1,008,000 and approximately $329,000 selling expense offset by wages and benefits of approximately $318,000, general expense of approximately $244,000, investor relations of approximately $157,000, legal of approximately $155,000, professional fees of approximately $222,000, and travel of approximately $96,000.

Rental Income

Rental income was $25,704 for both the three months ended September 30, 2020 and 2019.

Interest expense

Interest expense was $1,004,626 for the three months ended September 30, 2020 versus $349,172 in the previous three months ended September 30, 2019. The increase in interest expense was related to increased borrowings of debt during 2020.

Income tax expense

There was no income tax expense for the three months ended September 30, 2020 and September 30, 2019.

Nine Months Ended September 30, 2020 versus Nine Months Ended September 30, 2019

The following table sets forth information comparing the components of net (loss) income for the nine months ended September 30, 2020 and 2019:

	Nine Months Ended September 30,		Period over Period Change	
	2020	**2019**	**$**	**%**
Revenues, net	$ 14,798,283	$ 15,239,434	$ (441,151)	-2.89%
Cost of revenues	9,977,060	10,413,868	(436,808)	-4.19%
Gross profit	4,821,223	4,825,566	(4,343)	-0.09%
Operating expenses:				
Selling, general and administrative	10,438,487	9,738,107	700,380	7.19%
Operating loss	(5,617,264)	(4,912,541)	(704,723)	14.35%
Other (expense) income:				
Rental income	77,111	77,111	-	0.00%
Other income	4,911,760	-	4,911,760	100.00%
Interest expense	(2,575,737)	(875,036)	(1,700,701)	194.36%
Total other expense	2,413,134	(797,925)	3,211,059	-402.43%
Loss before income taxes	(3,204,130)	(5,710,466)	2,506,336	-43.89%
Income tax expense	-	74,200	(74,200)	-100.00%
Net loss	(3,204,130)	(5,784,666)	2,580,536	-44.61%
Net income attributable to noncontrolling interests	(15,198)	(31,858)	16,660	-52.29%
Net loss attributable to Vinco Ventures, Inc.	$ (3,188,932)	$ (5,752,808)	$ 2,563,876	-44.57%

Revenue

For the nine months ended September 30, 2020, revenues decreased by $441,151 or 2.89%, as compared to the nine months ended September 30, 2019. The decrease was primarily the result of lower revenues from our amusement park business offset by increases in our Edison Medical business.

Cost of Revenues

For the nine months ended September 30, 2020, cost of revenues decreased by $436,808 or 4.19%, as compared to the nine months ended September 30, 2019. The decrease was primarily attributable to the decrease in total consolidated revenues.

Gross Profit

For the nine months ended September 30, 2020, gross profit decreased by $4,343, or 0.09%, as compared to the nine months ended September 30, 2019. The decrease was primarily a result of the decrease in revenues. For the nine months ended September 30, 2020, gross profit percentage increased to 32.6%, as compared to 31.7% for the nine months ended September 30, 2019. The increase in gross margin was due to the increase in the Ferguson Containers business and fixed costs included in cost of goods sold that did not increase with the revenue increase.

Operating Expenses

Selling, general and administrative expenses were $10,438,487 and $9,738,107 for the nine months ended September 30, 2020 and 2019, respectively, representing an increase of $700,380, or 7.19%. The largest increases included an increase of stock-based compensation of approximately $1,900,00 and approximately $900,000 selling expense offset by wages and benefits of approximately $143,000, general expenses of approximately $233,000, investor relations of approximately $209,000, legal of approximately $128,000, professional fees of approximately $950,000 and travel of approximately $214,000.

Rental Income

Rental income was $77,111 for both the nine months ended September 30, 2020 and 2019.

Interest expense

Interest expense was $2,575,737, an increase of 194.36%, for the nine months ended September 30, 2020 versus $875,036 in the previous nine months ended September 30, 2019. The increase in interest expense was related to increased borrowings of debt during 2020.

Income tax expense

Income tax expense was $0 for the nine months ended September 30, 2020, a decrease of $74,200 or 100.0%, compared to $74,200 for the nine months ended September 30, 2019. The decrease was primarily due to the decrease in income from our foreign operations as well as net operating losses for our domestic operations.

Non-GAAP Measures

EBITDA and Adjusted EBITDA

The Company defines EBITDA as net loss before interest, taxes and depreciation and amortization. The Company defines Adjusted EBITDA as EBITDA, further adjusted to eliminate the impact of certain non-recurring items and other items that we do not consider in our evaluation of our ongoing operating performance from period to period. These items will include stock-based compensation, restructuring and severance costs, transaction costs, acquisition costs, certain other non-recurring charges and gains that the Company does not believe reflects the underlying business performance.

For the three and nine months ended September 30, 2020 and 2019, EBITDA and Adjusted EBITDA consisted of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	**2019**	**2020**	**2019**
Net (loss) income	$ (2,871,483)	$ (2,631,204)	$ (3,204,130)	$ (5,784,666)
Interest expense, net	1,004,624	349,172	2,575,735	875,036
Income tax expense	-	-	-	74,200
Depreciation and amortization	326,437	318,449	938,843	952,019
EBITDA	(1,540,422)	(1,963,583)	310,448	(3,883,411)
Stock-based compensation	1,176,595	168,097	2,765,022	876,585
Restructuring and severance costs	168,074	153,182	599,219	324,164
Transaction and acquisition costs	-	224,370	82,736	447,908
Other non-recurring costs	13,109	100,772	53,969	724,137
Gain on divestiture	-	-	(4,911,760)	-
Adjusted EBITDA	$ (182,644)	$ (1,317,162)	$ (1,100,366)	$ (1,510,617)

EBITDA and Adjusted EBITDA is a financial measure that is not calculated in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Management believes that because Adjusted EBITDA excludes (a) certain non-cash expenses (such as depreciation, amortization and stock-based compensation) and (b) expenses that are not reflective of the Company's core operating results over time (such as restructuring costs, litigation or dispute settlement charges or gains, and transaction-related costs), this measure provides investors with additional useful information to measure the Company's financial performance, particularly with respect to changes in performance from period to period. The Company's management uses EBITDA and Adjusted EBITDA (a) as a measure of operating performance, (b) for planning and forecasting in future periods, and (c) in communications with the Company's board of directors concerning the Company's financial performance. The Company's presentation of EBITDA and Adjusted EBITDA are not necessarily comparable to other similarly titled captions of other companies due to different methods of calculation and should not be used by investors as a substitute or alternative to net income or any measure of financial performance calculated and presented in accordance with U.S. GAAP. Instead, management believes EBITDA and Adjusted EBITDA should be used to supplement the Company's financial measures derived in accordance with U.S. GAAP to provide a more complete understanding of the trends affecting the business.

Although Adjusted EBITDA is frequently used by investors and securities analysts in their evaluations of companies, Adjusted EBITDA has limitations as an analytical tool, and investors should not consider it in isolation or as a substitute for, or more meaningful than, amounts determined in accordance with U.S. GAAP. Some of the limitations to using non-GAAP measures as an analytical tool are (a) they do not reflect the Company's interest income and expense, or the requirements necessary to service interest or principal payments on the Company's debt, (b) they do not reflect future requirements for capital expenditures or contractual commitments, and (c) although depreciation and amortization charges are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and non-GAAP measures do not reflect any cash requirements for such replacements.

Liquidity and Capital Resources

For the nine months ended September 30, 2020, our operations lost $5,617,264, of which approximately $3,703,865 was non-cash and approximately $544,741 was related to transaction costs and restructuring charges for payroll and rents.

At September 30, 2020, we had total current assets of $6,723,083 and current liabilities of $10,115,092 resulting in negative working capital of $3,392,009, of which $1,214,698 was related party notes payable and $219,396 was accrued related party interest expense. At September 30, 2020, we had total assets of $24,405,755 and total liabilities of $13,780,773 resulting in stockholders' equity of $10,624,982.

The foregoing factors raised initial concerns about the Company's ability to continue as a going concern. The ability to continue as a going concern is dependent upon the Company's ability to attract significant new sources of capital, attain a reasonable threshold of operating efficiencies and achieve profitable operations from the sale of its products. The condensed consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. The following is additional information on our operating losses and working capital:

The Company's operating loss for the three and nine months ended September 30, 2020 included $3,703,865 and related to depreciation, amortization and stock-based compensation, respectively. In addition, approximately $554,741 was related to transaction costs, restructuring charges and other non-recurring and redundant costs which are being removed or reduced.

Management has considered possible mitigating factors within our management plan on our ability to continue for at least a year from the date these financial statements are filed. The following items are management plans to alleviate any going concern issues:

- Subsequent to September 30, 2020, the Company received $125,000 through a receivables financing agreement;
- Raise further capital through the sale of additional equity of between $5 to $10 million;
- Borrow money under debt securities;
- The deferral of payments to related party debt holders for both principal of $2,667,513 and related interest expense of $219,396;
- Cost saving initiatives related to synergies and the elimination of redundant costs of approximately $1,500,000, of which approximately $168,000 impacted the three months ended September 30, 2020;
- Possible sale of certain brands to other customers or manufacturers;
- Edison Nation Medical's procurement of Personal Protective Equipment ("PPE") and hand sanitizers and the subsequent sale of PPE items and hand sanitizers to governmental agencies, educational facilities, medical facilities and distributors;
- Entry into joint ventures or total/partial acquisitions of operational entities to expand the sale of PPE and proprietary hand sanitizer through Edison Nation Medical; and
- Additional headcount reductions.

Our operating needs include the planned costs to operate our business, including amounts required to fund working capital and capital expenditures. Our future capital requirements and the adequacy of our available funds will depend on many factors, including our ability to successfully commercialize our products and services, competing technological and market developments, and the need to enter into collaborations with other companies or acquire other companies or technologies to enhance or complement our product and service offerings.

Cash Flows

During the nine months ended September 30, 2020 and 2019, our sources and uses of cash were as follows:

Cash Flows from Operating Activities

Net cash used in operating activities for the nine months ended September 30, 2020 was $3,311,310, which included a net loss of $3,204,130. The net loss included $1,140,875 of cash used by changes in operating assets and liabilities which was offset by stock-based compensation of $2,765,022 and amortization of debt issuance costs of $2,015,422. Net cash used in operating activities for the nine months ended September 30, 2019 was $2,298,186, which included a net loss of $5,784,666. That net loss included $782,561 of cash provided by changes in operating assets and liabilities, which were offset by stock-based compensation of $876,585, depreciation and amortization of $952,019, amortization of debt issuance costs of $658,126 and amortization of right of use assets of $217,189.

Cash Flows from Investing Activities

Cash used in investing activities for the nine months ended September 30, 2020 was $193,429 which related to the purchase of property and equipment of $193,429. Cash used in investing activities for the nine months ended September 30, 2019 was $113,612 which related to the purchase of property and equipment.

Cash Flows from Financing Activities

Cash provided by financing activities for the nine months ended September 30, 2020 was $3,476,624 which related to borrowings under lines of credit, convertible notes payable and notes payable. Cash provided by financing activities for the nine months ended September 30, 2019 was $1,573,370 which related mostly to net cash received borrowings under new debt instruments offset by repayments.

Off-Balance Sheet Arrangements

We did not have, during the periods presented, and we do not currently have, any relationships with any organizations or financial partnerships, such as structured finance or special purpose entities, that would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not Applicable.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Principal Executive Officer and Principal Financial and Accounting Officer has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly report. Based on such evaluation, the Company's Principal Executive Officer and Principal Financial and Accounting Officer have concluded that, as of the end of such period covered by this Quarterly Report, the Company's disclosure controls and procedures were not effective to provide reasonable assurance that information that it is required to disclose in reports that the Company files with the SEC is recorded, processed, summarized and reported within the time periods specified by the Exchange Act rules and regulations.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) under the Exchange Act.

Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected.

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. In our assessment of the effectiveness of internal control over financial reporting as of September 30, 2020, we determined that, there were control deficiencies existing that constituted a material weakness.

This Quarterly Report on Form 10-Q does not include an attestation report of the Company's independent registered public accounting firm regarding internal controls over financial reporting because this is not required of the Company pursuant to Regulation S-K Item 308(b).

Changes in Internal Control over Financial Reporting

During the three months ended September 30, 2020, there were no changes in our internal control over financial reporting that materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Because of the inherent limitations of internal control, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting.

However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

As of September 30, 2020, management has not completed an effective assessment of the Company's internal control over financial reporting based on the COSO framework. Management, with the participation of our principal executive officer, has concluded that as of September 30, 20120, our internal control over financial reporting was not effective to detect the inappropriate application of U.S. GAAP. Management identified the following material weaknesses set forth below in our internal control over financial reporting.

1. We did not perform an effective risk assessment or monitor internal controls over financial reporting.
2. With the acquisitions of EN and Cloud B, there are risks related to the timing and accuracy of the integration of information from various accounting and ERP systems. The Company has experienced delays in receiving information in a timely manner from its subsidiaries.
3. Due to the demands of integrating the accounting and finance functions, along with turnover in the accounting department, the impact of new accounting standards were not completed on a timely basis.

In April 2019, the Company engaged an outside consultant to assist in monitoring and testing our internal controls. The Company expects improvements to be made on the integration of information issues in the remainder of 2019 as we plan to move towards transferring the data to one accounting and a single ERP system. The Company is continuing to further remediate the material weakness identified above as its resources permit.

We are not required by current SEC rules to include, and do not include, an auditor's attestation report regarding our internal controls over financial reporting. Accordingly, our registered public accounting firm has not attested to management's reports on our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

From time to time, the Company is party to legal actions that are routine and incidental to its business. However, based upon available information and in consultation with legal counsel, management does not expect the ultimate disposition of any or a combination of these actions to have a material adverse effect on the Company's assets, business, cash flow, condition (financial or otherwise), liquidity, prospects and\or results of operations.

On April 14, 2020, Oceanside Traders, LLC ("Plaintiff") filed a complaint against Cloud B, Inc. and Edison Nation, Inc. (together the "Defendants") with the Superior Court of Ocean County, New Jersey alleging a breach of contract in that the Defendants failed to pay Plaintiff for goods sold in the amount of $141,007 plus $138,180 for overpayments and $279,187 for lost profits for a total of $443,383. A default judgment was entered against Edison Nation in the case in the amount of $284,248.91. The same day the default judgment was entered, the Company filed a motion to vacate on the grounds that Edison Nation was not properly served with the complaint. The court granted Edison Nation, Inc.'s motion to vacate the judgment. On November 9, 2020, Plaintiff filed an amended complaint against Edison Nation, Inc. et al.

On March 13, 2019, Rosenberg Fortuna & Laitman LLP and Mark Principe (together the "Plaintiffs") filed a complaint against Safe TV Shop, LLC (the "Defendant") with the Supreme Court of the State of New York, County of Nassau alleging a breach of indemnification arising out of the use of a certain packaging material. On February 12, 2020, the parties entered a Stipulation and Settlement and Consent Agreement, whereby the Plaintiff entered into a Consent Judgment in the amount of $50,000. The Company has accrued $50,000 for the amount of the judgment, but there have been no operations by the Plaintiff since the date of acquisition by the Company.

On October 27, 2020, Gerald Whitt, Alexander Whitt, Matthew Whitt, Christopher Whitt, Deborah Milam and David Knecht, individually and in their personal capacities, and derivatively on behalf of Cloud B, Inc. (together the "Plaintiffs") filed a claim against the Company, CBAV1, LLC, SRM Idea Lab, Inc., Christopher B. Ferguson, Linda Suh, Jeff Johnson, Richard Brenner, Phillip McFillin, Kevin Ferguson, Brett Vroman and Does 1-100 (together the "Defendants") and Cloud B, Inc., as a nominal defendant, alleging fraudulent concealment, breach of fiduciary duty, breach of contract, breach of confidence, intentional misrepresentation, negligent misrepresentation, unfair business practices and civil conspiracy requesting judgment in excess of $8,000,000 for compensatory damages. punitive damages and attorneys' fees.

ITEM 1A. RISK FACTORS

Not applicable to smaller reporting companies.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Recent Sales of Unregistered Securities; Uses of Proceeds from Registered Securities

In connection with the foregoing, the common shares issued were not registered under the Securities Act of 1933, as amended, in reliance upon the exemption from registration provided by Section 4(a)(2) of that Act and Regulation D promulgated thereunder, which exempts transactions by an issuer not involving any public offering. These securities may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. Certificates representing these securities contain a legend stating the same.

In connection with the foregoing, the Company relied upon the exemptions from registration provided by Rule 701 and Section 4(a)(2) under the Securities Exchange Act of 1933, as amended:

Issuance of common stock – Nine months ended September 30, 2020

On January 23, 2020, we issued 160,000 shares of our common stock to Greentree valued at $374,400 in connection with the Greentree Financing.

On March 16, 2020, we issued 238,750 shares of common stock valued at $477,500 as per the terms of the Asset Purchase Agreement dated March 11, 2020.

On April 24, 2020, we issued 10,700 shares of our common stock valued at $21,935 to BHP Capital NY Inc. as origination shares as per the terms of the Securities Purchase Agreement dated April 7, 2020.

On April 24, 2020, we issued 10,700 shares of our common stock valued at $21,935 to Jefferson Street Capital, LLC as origination shares as per the terms of the Securities Purchase Agreement dated April 7, 2020.

On May 21, 2020, the Company issued 200,000 shares of common stock valued at $456,000 to PPE Brickell Supplies, LLC as per the terms of the Agreement and Plan of Share Exchange dated May 20, 2020.

On May 21, 2020, the Company issued 50,000 shares of common stock valued at $114,000 to Graphene Holdings, LLC as per the terms of the Agreement and Plan of Share Exchange dated May 20, 2020.

On May 21, 2020, the Company issued 50,000 shares of common stock valued at $114,000 to a Consultant for consulting services.

On May 22, 2020, the Company issued 200,000 shares of common stock valued at $466,000 to Graphene Holdings as per the terms of the Agreement and Plan of Share Exchange dated May 20, 2020.

On June 30, 2020, the Company issued 212,000 shares of common stock valued at $440,960 to Tiburon Opportunity Fund in satisfaction of a note payable.

On June 30, 2020, the Company issued 150,000 shares of common stock valued at $405,000 to a designee of the Buyer of the Company's former subsidiary, Cloud B, Inc.

On June 30, 2020, the Company issued 33,000 shares of common stock valued at $79,860 as incentive shares in connection with the Ralls financing.

On June 30, 2020, the Company issued 13,000 shares of common stock valued at $30,420 as incentive shares in connection with the Solit financing.

On July 2, 2020, the Company issued 6,500 shares of common stock valued at $15,535 as incentive shares in connection with the O'Leary financing.

On July 8, 2020, the Company issued 25,000 shares of common stock valued at $61,000 to a Consultant for consulting services.

On July 14, 2020, the Company issued 6,500 shares of common stock valued at $24,570 as Additional Incentive shares in connection with the O'Leary financing.

On July 14, 2020, the Company issued 33,000 shares of common stock valued at $124,740 as Additional Incentive shares in connection with the Ralls financing.

On July 14, 2020, the Company issued 13,000 shares of common stock valued at $49,140 as Additional Incentive shares in connection with the Solit financing.

On July 23, 2020, the Company issued 320,000 shares of common stock valued at $1,158,400 to Greentree Financial Group, Inc. to satisfy $360,000 principal and $131,889 interest and fees against a note issued on January 23, 2020.

On August 3, 2020, the Company issued 14,266 shares of common stock valued at $56,065 to Jefferson Street Capital, LLC as origination shares in connection with the Jefferson financing.

On August 3, 2020, the Company issued 30,000 shares of common stock valued at $110,400 to a Consultant for consulting services.

On August 4, 2020, the Company issued 20,000 shares of common stock valued at $75,400 to a Consultant for consulting services.

On August 4, 2020, the Company issued 370,000 shares of common stock valued at $1,394,900 to Greentree Financial Group, Inc. in satisfaction of $740,000 principal against a note issued on January 23, 2020.

On August 19, 2020, the Company issued 990,000 shares of common stock valued at $3,168,000 to the members of Edison Nation Holdings, LLC ("EN") in exchange for the redemption of certain non-voting membership interests of EN as per the terms of the transaction dated September 4, 2018, resulting in the Company owning 100% of EN.

On September 2, 2020, the Company issued 30,000 shares of common stock valued at $61,500 to a Consultant for advisory services.

On October 12, 2020, the Company issued 125,000 shares of common stock to Ralls, valued at $250,000, related to the exercise of the Common Stock Purchase Warrant dated January 10, 2020.

On November 19, 2020, the Company issued 40,000 shares of common stock valued at $59,600 to a note holder for conversion of a restricted stock unit into shares of common stock.

Issuance of common stock - 2019

On March 6, 2019, we issued 15,000 shares of our common stock valued at $74,100 related to the borrowing of funds under a note payable.

On May 24, 2019, we issued 20,000 shares of our common stock valued at $62,000 to a note holder related to the borrowing of funds.

On June 18, 2019, we issued 15,000 shares of our common stock valued at $37,200 to a note holder to satisfy a portion of the payoff of one of our notes.

On July 16, 2019, we issued 20,000 shares of our common stock valued at $70,920 to note holders related to the borrowing of funds.

On August 26, 2019, we issued 181,005 shares of our common stock, of which 153,005 shares were reserved shares which were returnable upon repayment, valued at $713,159.70 to a note holder related to the borrowing of funds. These shares were returned in 2020 and are no longer outstanding.

On November 4, 2019, we issued 15,000 shares of our common stock valued at $29,880 to one of our note holders related to our borrowing of funds.

On November 21, 2019, we issued 1,175,000 shares of our common stock to investors at a purchase price of $2.00 per share in connection with the PIPE Transaction.

On December 5, 2019, we issued 45,000 shares of our common stock valued at $90,000 related to the acquisition of the assets of Uber Mom, LLC.

On December 19, 2019, we issued 10,000 shares of our common stock valued at $20,000 to 32 Entertainment, LLC, related to the borrowing of funds.

On December 31, 2019, we issued 10,000 shares of our common stock valued at $20,000 to Joseph Tropea, a note holder, related to the borrowing of funds.

Issuance of common stock under the Company's Equity Compensation Plan:

On May 8, 2018, we issued 61,900 shares of our common stock valued at $306,000 to various employees.

On August 17, 2018, we issued 50,000 shares of our common stock valued at $250,000 to a consultant for services provided.

On September 10, 2018, we issued 20,000 shares of our common stock valued at $100,000 to a consultant for services performed.

On September 20, 2018, we issued 5,000 shares of our common stock valued at $25,000 to a consultant for services performed.

On October 23, 2018, we issued 10,000 shares of our common stock valued at $50,000 to a consultant for services performed.

On November 6, 2018, we issued 2,000 shares of our common stock valued at $10,000 to a consultant for services performed.

On December 21, 2018, we issued 50,000 shares of our common stock valued at $251,000 to a consultant for services performed.

On December 27, 2018, we issued 18,797 shares of our common stock valued at $100,000 to a consultant for services performed.

On December 27, 2018, we issued 41,736 shares of our common stock valued at $250,000 to 2 employees.

On December 28, 2018, we issued 3,000 shares of our common stock valued at $15,000 to a consultant for services performed.

On March 13, 2019, we issued 10,500 shares of our common stock valued at $52,500 to two consultants for services performed.

On May 6, 2019, we issued 12,500 shares of our common stock valued at $47,625 to an innovator for the licensing of their product.

On May 24, 2019, we issued 10,000 shares of our common stock valued at $30,000 to a consultant for strategic consulting services.

On July 16, 2019, we issued 25,000 shares of our common stock valued at $98,500 to a consultant for strategic consulting services.

On July 16, 2019, we issued 50,000 shares of our common stock valued at $197,000 to a consultant for investor relations services.

On September 4, 2019, we issued 17,000 shares of our common stock under our plan valued at $54,250 to consultants for strategic consulting services.

On September 4, 2019, we issued 3,000 shares of our common stock under our plan valued at $8,850 to an employee.

On December 17, 2019, we issued 10,000 shares of our common stock valued at $20,000 to a consultant for strategic consulting services for our Amazon.com business.

On December 23, 2019, we issued 100,000 shares of our common stock valued at $200,000 to Phil Anderson, former Chief Strategic Officer, for satisfaction of surrendering his outstanding options.

On December 23, 2019, we issued 32,813 shares of our common stock valued at $65,626 to Phil Anderson, our former Chief Financial Officer and Chief Strategic Officer, for satisfaction of his remaining payments under his strategic consulting contract.

On December 31, 2019, we issued 23,923 shares of our common stock valued at $47,846 to 4 Keeps Roses, Inc, related to the joint venture of Ed Roses, LLC.

On January 13, 2020, we issued 50,000 shares of our common stock valued at $100,000 to Ridgewood LLC, a consultant for strategic consulting services for assistance with sales on Amazon.com.

On February 7, 2020, we issued 15,000 shares of our common stock to MZHCI, LLC valued at $40,350 in connection with the satisfaction of outstanding amounts due under a settlement agreement.

On March 16, 2020, the Company issued 300,000 shares of our common stock valued at $600,000 to a Consultant as per the terms of the Consulting Agreement dated September 12, 2019.

On March 16, 2020, the Company issued 50,000 shares of our common stock valued at $100,000 to a Consultant as per the terms of the Consulting Agreement dated September 12, 2019.

On April 13, 2020, we issued 12,500 shares of 12,500 shares of our common stock valued at $31,625 to Caro Partners, LLC for consulting services.

On May 22, 2020, the Company issued 200,000 shares of common stock valued at $466,000 to Graphene Holdings as per the terms of the Agreement and Plan of Share Exchange dated May 20, 2020.

On July 24, 2020, the Company issued 113,312 shares of common stock valued at $379,595 to a Consultant for consulting services based on achieving set revenue targets within the agreement.

On July 24, 2020, the Company issued 113,312 shares of common stock valued at $379,595 to a Consultant for consulting services based on achieving set revenue targets within the agreement.

On August 3, 2020, the Company issued 30,000 shares of common stock valued at $116,700 to a Consultant for advisory services.

On August 4, 2020, the Company issued 20,000 shares of common stock valued at $75,400 to a Consultant for advisory services.

On September 2, 2020, the Company issued 25,000 shares of common stock valued at $61,000 to a Consultant for advisory services.

On September 2, 2020, the Company issued 15,000 shares of common stock valued at $32,400 to a Consultant for advisory services.

On September 29, 2020, the Company issued 50,000 shares of common stock valued at $106,500 to Louis Foreman, a director of the Company, in exchange for a Restricted Stock Unit.

On September 29, 2020, the Company issued 50,000 shares of common stock valued at $106,500 to Kevin O’Donnell, a director of the Company, in exchange for a Restricted Stock Unit.

On September 29, 2020, the Company issued 50,000 shares of common stock valued at $106,500 to Frank Jennings, a director of the Company, in exchange for a Restricted Stock Unit.

Use of Proceeds

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit Number	Description	Incorporated By Reference to Form	Exhibit	Filing Date	Filed Herewith
2.1	Articles of Merger between Edison Nation, Inc. and Vinco Ventures, Inc. dated November 11, 2020	8-K	2.1	November 12, 2020	
3.1	Second Amended and Restated Articles of Incorporation of Edison Nation, Inc.	8-K	3.3	March 26, 2020	
3.2	Certificate of Designation of Series B Convertible Preferred Stock	8-K	3.1	October 16, 2020	
10.1	Loan Agreement with Tiburon Opportunity Fund, dated January 2, 2020	S-1	10.29	February 12, 2020	
10.2	5% Note Agreement with Equity Trust Company, Custodian FBO: Rawleigh H. Ralls, dated January 10, 2020	S-1	10.30	February 12, 2020	
10.3	Common Stock Purchase Warrant with Equity Trust Company, Custodian FBO: Rawleigh H. Ralls, dated January 10, 2020	S-1	10.31	February 12, 2020	
10.4	5% Note Agreement with Paul J. Solit and Julie B. Solit, dated January 15, 2020	S-1	10.32	February 12, 2020	
10.5	Common Stock Purchase Warrant with Paul J. Solit and Julie B. Solit, dated January 15, 2020	S-1	10.33	February 12, 2020	
10.6	5% Note Agreement with Richard O'Leary, dated January 17, 2020	S-1	10.34	February 12, 2020	
10.7	Common Stock Purchase Warrant with Richard O'Leary, dated January 15, 2020	S-1	10.35	February 12, 2020	
10.8	Loan Agreement with Greentree Financial Group, Inc., dated January 23, 2020	8-K	10.1	January 29, 2020	
10.9	10% Convertible Promissory Note with Greentree Financial Group, Inc., dated January 23, 2020	8-K	10.2	January 29, 2020	
10.10	Common Stock Purchase Warrant with Greentree Financial Group, Inc., dated January 23, 2020	8-K	10.3	January 29, 2020	
10.11	Amendment Agreement with Greentree Financial Group, Inc., dated January 29, 2020	8-K	10.4	January 29, 2020	
10.12	Agreement for the Purchase and Sale of Common Stock of Cloud B, Inc. dated February 17, 2020	8-K	10.1	February 21, 2020	
10.13	Asset Purchase Agreement between HMNRTH, LLC, TCBM Holdings, LLC and Edison Nation, Inc. and Scalematix, LLC dated March 11, 2020	8-K	10.1	March 12, 2020	
10.14	Securities Purchase Agreement between Edison Nation, Inc. and Jefferson Street Capital, LLC dated April 7, 2020	8-K	10.3	April 27, 2020	
10.15	Convertible Promissory Note between Edison Nation, Inc. and Jefferson Street Capital, LLC dated April 7, 2020	8-K	10.4	April 27, 2020	
10.16	Securities Purchase Agreement between Edison Nation, Inc. and BHP Capital NY Inc. dated April 7, 2020	8-K	10.1	April 27, 2020	
10.17	Convertible Promissory Note between Edison Nation, Inc. and BHP Capital NY Inc dated April 7, 2020	8-K	10.2	April 27, 2020	
10.18	Promissory Note Small Business Administration-Paycheck Protection Program dated April 15, 2020	8-K	10.8	April 27, 2020	
10.19	Consulting Agreement between Edison Nation, Inc. and Tiburon dated April 24, 2020	8-K	10.5	April 27, 2020	
10.20	Debt Conversion Agreement between Edison Nation, Inc. and Tiburon Opportunity Fund dated April 24, 2020	8-K	10.6	April 27, 2020	
10.21	Distributor Agreement between Edison Nation Holdings, LLC and Marrone Bio Innovations, Inc. dated May 13, 2020	10-K	10.45	May 29, 2020	
10.22	Secured Line of Credit Agreement between Global Solutions, LLC, Edison Nation, Inc. and PPE Brickell Supplies, LLC dated May 20, 2020	8-K	10.1	May 26, 2020	
10.23	Security Agreement between Global Solutions, LLC, Edison Nation, Inc. and PPE Brickell Supplies, LLC dated May 20, 2020	8-K	10.2	May 26, 2020	

10.24	Agreement and Plan of Share Exchange Agreement between Edison Nation, Inc. PPE Brickell Supplies, LLC and Graphene Holdings, LLC dated May 20, 2020	8-K	10.3	May 26, 2020	
10.25	Amended Limited Liability Company Agreement of Global Clean Solutions, LLC dated May 20, 2020	8-K	10.4	May 26, 2020	
10.26	Purchase of Inventory and Repurchase Agreement between Edison Nation, Inc. and Fergco Bros, dated May 7, 2020	10-K	10.50	May 29, 2020	
10.27	Amendment to Purchase of Inventory and Repurchase Agreement between Edison Nation, Inc. and Fergco Bros, dated May 15, 2020	10-K	10.51	May 29, 2020	
10.28	Amendment to Senior Secured Note between Edison Nation, Inc. and 32 Entertainment, LLC dated May 19, 2020	10-K	10.52	May 29, 2020	
10.29	Amended Subordinate Secured Note between Edison Nation, Inc and 32 Entertainment, LLC dated May 19, 2020	10-K	10.53	May 29, 2020	
10.30	Convertible Promissory Note between Edison Nation, Inc. and Jefferson Street Capital, LLC dated July 29, 2020	10-Q	10.30	August 18, 2020	
10.31	Memorandum of Understanding between the Global Clean Solutions, LLC, Office Mart, Inc. and ZAAZ Medical, Inc. dated June 8, 2020	10-Q	10.31	August 18, 2020	
10.32	Amendment to Memorandum of Understanding dated August 6, 2020	10-Q	10.32	August 18, 2020	
10.33	Forbearance Agreement between the Company and Jefferson Street Capital, LLC dated October 7, 2020				*
10.34	Asset Purchase Agreement between Honey Badger Media, LLC and Honey Badger, LLC dated November 10, 2020	8-K	10.1	November 12, 2020	
10.35	Platform License Agreement between Honey Badger Media, LLC and Honey Badger Media, LLC dated November 10, 2020	8-K	10.2	November 12, 2020	
10.36	Inventory Management Agreement between Edison Nation, LLC and Forever 8 Fund, LLC dated November 17, 2020				*
21.1	Articles of Incorporation of Vinco Ventures, Inc. filed with the State of Nevada	8-K	21.1	November 12, 2020	
21.2	Articles of Formation of Honey Badger Media, LLC filed with the State of Nevada	8-K	21.1	November 12, 2020	
31.1	Chief Executive Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				*
31.2	Chief Financial Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				*
32.1	Certifications of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				*
101.INS*	XBRL Instance Document				*
101.SCH*	XBRL Taxonomy Extension Schema Document				*
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document				*
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document				*
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document				*
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document				*

* Filed herewith.

** Furnished herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 23, 2020

VINCO VENTURES, INC.

By: */s/ Christopher B. Ferguson*

Christopher B. Ferguson
Chairman and Chief Executive Officer
(Principal Executive Officer)

Exhibit 10.33

EDISON NATION INC.
1 W BROAD STREET, SUITE 1004
BETHLEHEM, PA 18018

October 7, 2020

Jefferson Street Capital LLC
720 Monroe Street, Suite C401B
Hoboken, New Jersey 07030
Attn: Brian Goldberg, Managing Member

Re. Securities Purchase Agreement, dated as of April 7, 2020

Sir/Madam:

Reference is hereby made to that certain Securities Purchase Agreement, dated as of April 7, 2020 (as may hereafter be further amended or restated from time to time, the "Purchase Agreement"), made by and between Edison Nation, Inc., a Nevada corporation (the "Borrower"), and Jefferson Street Capital LLC, a New Jersey limited liability company (the "Holder"), pursuant to which Holder agreed to purchase from the Borrower, and the Borrower agreed to sell and issue to the Holder, a Convertible Promissory Note in the principal amount of $168,000.00 (the "Note"). The Holder has exercised the Mandatory Prepayment Option under Section 1.10 of the Note and the Borrower hereby acknowledges that the Mandatory Prepayment Amount (as defined in the Note) is currently owed to the Holder consisting of principal in the amount of $168,000.00, interest in the amount of $3,360.00, and a fee in the amount of $25,704.00 and, as such, the total outstanding balance under the Note equals $197,064.00 as of the date hereof, immediately prior to the fee contemplated below. Except as otherwise defined herein, terms defined in the Note shall have the same meaning when used herein. The Borrower and the Holder shall be referred to herein as the "Parties".

The Borrower has requested and the Holder has agreed to temporarily forebear, until the earlier of (i) December 9, 2020 or (ii) at such time as a default shall occur under and pursuant to the Purchase Agreement, the Note or this letter agreement, from exercising its right to convert amounts due under the Note into Common Stock of the Borrower, in exchange for a one time cash payment forbearance fee equal to $12,500.00 paid upon execution hereof.

The Borrower hereby affirms its obligations to the Holder under the Purchase Agreement, Note, Transfer Agent Instruction Letter, Unanimous Written Consent of the Board of Directors, and the other documents executed in connection therewith (the "Transaction Documents") and further affirms as follows: (i) subject to the terms and conditions herein provided, that the Borrower shall continue to perform each and every covenant, agreement and condition set forth in the Transaction Documents, and continue to be bound by each and all of the terms and provisions thereof and hereof; and (ii) as of the date hereof, other than as provided herein, no default or Event of Default has occurred or is continuing under the Transaction Documents, and no event has occurred that, with the passage of time, the giving of notice, or both, would constitute a default or an Event of Default under the Transaction Documents.

The Borrower hereby acknowledges, represents, warrants and confirms to Holder that: (i) each of the Transaction Documents are valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their respective terms; and (ii) there are no defenses, setoffs, counterclaims, cross-actions or equities in favor of the Borrower to or against the enforcement of any of the Transaction Documents, and to the Borrower has any defenses, setoffs, counterclaims, cross-actions or equities against the Holder and/or against the enforceability of any of the Transaction Documents, the Borrower acknowledges and agrees that same are hereby fully and unconditionally waived by the Borrower.

The Borrower hereby represents and warrants to the Holder that the execution and delivery by the Borrower of this letter agreement and the performance by the Borrower of its obligations hereunder has been duly and validly authorized and approved by the Borrower and its Board of Directors pursuant to all applicable laws. No other corporate action or consent on the part of the Borrower, its Boards of Directors, stockholders or any other person or entity is necessary or required to execute this letter agreement to consummate the transactions contemplated herein and therein, or perform all of obligations hereunder and thereunder. This letter agreement has been duly and validly executed by the Borrower (and the officer executing this letter agreement is duly authorized to act and execute same on behalf of the Borrower) and constitutes the valid and legally binding agreements of the Borrower, enforceable against the Borrower in accordance with its respective terms.

The Borrower hereby indemnifies and holds the Holder harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and distributions of any kind or nature payable by the Holder to any person or entity, including reasonable attorneys' and paralegals' fees and expenses, court costs, settlement amounts, costs of investigation and interest thereon from the time such amounts are due at the highest non-usurious rate of interest permitted by applicable law, through all negotiations, mediations, arbitrations, trial and appellate levels (collectively, the "Claims"), as a result of, or arising out of, or relating to any matters relating to this letter agreement.

As a material inducement for Holder to execute this letter agreement, the Borrower hereby releases, waives, discharges, covenants not to sue, acquits, satisfies and forever discharges the Holder and their respective successors and assigns, from any and all Claims whatsoever in law or in equity which the Borrower ever had, now have, or which any successor or assign of the Borrower hereafter can, shall or may have against any of the Holder and their respective successors and assigns, for, upon or by reason of any matter, cause or thing whatsoever related to the Transaction Documents through the date hereof. In addition to, and without limiting the generality of foregoing, the Borrower further covenant with and warrant unto the Holder that there exist no claims, counterclaims, defenses, objections, offsets or other Claims against Holder.

This letter agreement and the Transaction Documents contain the entire understanding between and among the Parties and supersedes any prior understandings and agreements among them respecting the subject matter of this letter agreement. This letter agreement shall be governed by and construed in accordance with the laws of the State of Nevada without regard to choice of law principles. Any dispute arising under or relating to or in connection with this letter agreement shall be subject to the exclusive jurisdiction and venue of the State and/or Federal courts located in New York. This letter agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one and the same instrument. The Parties hereby consent and agree that if this letter agreement shall at any time be deemed by the Parties for any reason insufficient, in whole or in part, to carry out the true intent and spirit hereof or thereof, the Parties will execute or cause to be executed such other and further assurances and documents as in the reasonable opinion of the Parties may be reasonably required in order more effectively to accomplish the purposes of this letter agreement. In case any provision of this letter agreement shall be held to be invalid, illegal or unenforceable, such provision shall be severable from the rest of this letter agreement, and the validity legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Please indicate your agreement with and acceptance of the terms of this letter agreement by signing in the space provided and returning this letter agreement to our attention at the address above.

[- signature page follows -]

By execution hereof, the undersigned hereby agrees to the terms and conditions of this letter agreement.

Very truly yours,

EDISON NATION INC.

By: ______________________________
Name: Christopher B. Ferguson
Title: Chief Executive Officer

ACCEPTED AND AGREED:

JEFFERSON STREET CAPITAL LLC

By: ______________________________
Name: Brian Goldberg
Title: Managing Member

Exhibit 10.36

Inventory Management Agreement

This Inventory Management Agreement ("***Agreement***") is entered into as of the earliest Product Land Date set forth on Schedule A (the "***Effective Date***") by and between the vendor identified on Schedule A ("***Vendor***"), and Forever 8 Fund, LLC, a limited liability company organized and existing under the laws of Delaware ("***F8***"). Vendor and F8 are sometimes individually referred to herein as a "***Party***" and collectively as the "***Parties***." The owner of Vendor identified on Schedule A ("***Owner***") joins this Agreement for the limited purposes described in the Agreement.

WHEREAS, Vendor is in the business of selling the product(s) described on Schedule A, (each, a "***Product***" and, collectively, the "***Products***") though the e-commerce or direct-to-consumer platform(s) identified on Schedule A (the "***Platform***"); and

WHEREAS, F8 desires to maintain inventory of and sell to Vendor the Products pursuant to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the above declarations and the mutual covenants and conditions set forth herein, and other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. Product Schedules.

(a) Product Schedules. Each Product under this Agreement is identified on a separate Product sub-schedule of Schedule A commencing with Schedule A-1 for the first Product and continuing in sequence for each additional Product (each, a "***Product Schedule***"). When used in this Agreement, "Schedule A" shall refer to all Product Schedules collectively.

(b) Definitions. Capitalized terms used but not otherwise defined in this Agreement shall have the meaning given on Schedule A or as set forth below:

(i) "***Actual Cost Per Unit***" means, with respect to a Product, the actual cost, on a per-unit basis, of such Product purchased from the Supplier (not including Shipping Costs required to transport and deliver the Product to the Facility).

(ii) "***Actual Inventory Turn Weeks***" means, with respect to a Product, the amount of time (measured in weeks) required for Vendor to sell a number of units of the Product to its customers on Platform(s) equal to the Minimum Inventory Amount.

(iii) "***Actual Lead Time***" means, with respect to a Product, the time elapsed between the date units of such Product are purchased from the Supplier by F8 and the date on which such units are received by a Third Party Facility.

(iv) "***Daily Inventory History Report***" means the Daily Inventory History report (API) provided through Vendor's Amazon Seller Central account (or a comparable report in the case of a Platform other than Amazon).

(v) "***Inventory Event Detail***" means the Inventory Event Detail report (API) provided through Vendor's Amazon Seller Central account (or such comparable report in the case of a Platform other than Amazon).

(vi) "***Planned Inventory Turn Weeks***" means, with respect to a Product, the anticipated amount of time (measured in weeks) it will take to Vendor to sell the Minimum Inventory Amount, using the Projected Monthly Sales rate of such Product.

(vii) "***Product Land Date***" means, with respect to a Product, the first date on which any Inventory of such Product lands at the Facilities as set forth on the applicable Product Schedule.

(viii) "***Projected Monthly Sales***" means, with respect to a Product, the estimated amount of unit sales of such Product per month, as provided by the Vendor.

(ix) "***Receipts in Period***" means, with respect to a Product, the "Receipts in Period" of units of such Product set forth on the Inventory Event Detail (or a comparable amount in the case of an Inventory Event Detail from a Platform other than Amazon).

(x) "***Shipping Costs***" means all costs of shipping, handling, duties, taxes, tariffs, and other similar costs and expenses incurred in connection with transportation of units of Products under this Agreement.

(xi) "***Ending Sellable Units***" means, with respect to a Product, the number of "Sellable" units of such Product set forth on the Daily Inventory History Report (or such comparable amount of units in the case of a Daily Inventory History Report from a Platform other than Amazon) reflecting the number of units available for sale as of the close of business on the date of the Daily Inventory History Report.

(c) Historical SKU Information. On or prior to the Effective Date, Vendor has provided to F8 the Historical Cost Per Unit, the Historical Lead Time, the Projected Monthly Sales, the Planned Inventory Turn Weeks for the completion of each Product Schedule (collectively, the "***SKU Information***"). Vendor acknowledges that F8 has relied on the SKU Information provided with respect to each Product for purposes of determining the Fee Schedule and other information set forth on the respective Product Schedule. Vendor hereby represents and warrants to F8 that all SKU Information and any supporting documentation provided to F8 are true, accurate, and complete in all respects.

2. Purchase of Inventory.

(a) Starting Inventory Units. The Parties agree that for each Product F8 shall initially purchase the number of inventory units of such Product set forth on the respective Product Schedule ("***Starting Inventory Units***") as follows: (i) on the Effective Date, F8 shall purchase from Vendor those units of the Product in Vendor's existing inventory and those that have been purchased by Vendor and are in transit from the Supplier, in each case that are in saleable condition and for which Vendor shall have provided documentation acceptable to F8 sufficient to identify such inventory and its supplier cost, as determined by F8 in its sole discretion, and are free and clear of all liens, security interests, or other encumbrances of any nature, in such quantity and for the aggregate purchase price as set forth on the respective Product Schedule (the "***Agreed Existing Inventory Units***"); and (ii) within a reasonable time after the Effective Date, F8 shall purchase a number of additional units of the Product equal to the Starting Inventory Units less the Agreed Existing Inventory Units (the "***Additional Starting Inventory Units***") from the supplier(s) identified on the respective Product Schedule (each a, or collectively, as the context requires, the "***Supplier***"). F8 shall have no obligation to find a replacement supplier of any Product in the event such Product cannot be purchased, for any reason, from the applicable Supplier.

(b) Minimum Inventory Amount; Additional Inventory; Adjustments.

(i) F8 shall purchase additional units of a Product from the Supplier ("***Additional Inventory***") as necessary to maintain the minimum number of units of such Product set forth on the respective Product Schedule ("***Minimum Inventory Amount***").

(ii) The Minimum Inventory Amount consists of Inventory on hand in the Facilities plus Additional Inventory on order from the Supplier.

(iii) The Minimum Inventory Amount of a Product shall remain in effect during the Product Term; provided, however, that in the event that the Actual Inventory Turn Weeks of such Product falls below the Minimum Inventory Turn Weeks of such Product (each as set forth on the Product Schedule for such Product), the Minimum Inventory Amount of such Product may be revised by mutual written agreement of the Parties.

(iv) F8 shall not be obligated to maintain the Minimum Inventory Amount if a Party provides written notice to terminate this Agreement at least 10 weeks prior to the end of the Term under Section 7(a).

(c) Additional Inventory Orders. Vendor shall initiate all orders of Additional Inventory by submitting a purchase order request to F8 via the Vendor dashboard or delivering a purchase order (or similar document in such form required by the Supplier) ("***Inventory Order Request***"). The Inventory Order Request must include all necessary information for the Supplier to fulfill the order (including, without limitation, quantity of units of the Product, unit price, requested delivery date, delivery location, and reason for reorder). Subject to the terms and conditions of this Agreement, within 7 days following receipt of the Inventory Order Request from Vendor, F8 shall submit a purchase order and payment for such Additional Inventory to the Supplier.

(d) Inspection; Costs of Delivery. Vendor shall be solely responsible for inspecting each order of Additional Inventory for, and remedying any issue with, non-conformity, including, but not limited to, non-conformity for quantity, quality, and/or defects ("***Product Non-Conformity***"). Vendor shall provide F8 with written notice of any Product Non-Conformity within 5 days of inspection, identifying all defects and steps taken by Vendor to remedy such Product Non-Conformity with the Suppler. Vendor shall be responsible for all Shipping Costs with respect to transportation and delivery of all Products under this Agreement. If at any time F8 is required to incur any Shipping Costs directly, F8 shall invoice such amounts to Vendor and payment will be due from Vendor immediately upon receipt of the invoice. In the event F8 has not received timely payment from Vendor, the amount of such Shipping Costs (and any applicable late charges) may be treated as COGS and reimbursed to F8 in the next distribution from the DACA Account.

(e) Storage. Unless agreed otherwise in writing, all Starting Inventory Units and Additional Inventory of all Products (collectively, the "***Inventory***") shall be stored by Vendor on a consignment basis at one or more Amazon fulfillment centers or other third-party Platform warehouse/storage locations as set forth on the Product Schedule(s) or otherwise agreed by the Parties from time to time (a "***Third-Party Facility***"). Vendor shall (i) use commercially reasonable efforts to cause each Third Party Facility to (x) clearly and conspicuously label Inventory stored at such Third-Party Facility as property of F8, and (y) segregate all Inventory stored at such Third-Party Facility from other goods; and (ii) take reasonable measures, at its cost and expense, at least equal to those it uses to protect its own goods, to secure and protect the Inventory stored at a Third-Party Facility from loss or damage. At F8's election, Inventory may be stored by F8 at F8's facilities (the "***F8 Facilities***" and, collectively with each Third-Party Facility, the "***Facilities***"). Vendor shall be solely responsible for all storage costs and expenses in connection with the storage of units of all Products at the Facilities.

(f) Fulfillment. Vendor is solely responsible for overseeing the Third-Party Facilities, which shall pack, mark, and ship Products to such customer or Platform fulfillment center (as applicable) in the quantities, to the locations, and by the delivery dates specified in purchase orders submitted through the Platform. Vendor will be solely responsible for all Shipping Costs incurred in delivery of the Products to the site designated by the customer.

3. Sale of Products; Account Administration.

(a) Sharing of Information. F8 and Vendor agree to share all data and information required to support the Inventory management services to be provided by F8 under this Agreement. Vendor shall provide F8 access to all of Vendor's systems (including those set forth on Schedule A) as necessary to provide F8 with current sales information and any other information reasonably required for the purchase of Inventory and fulfillment of F8's obligations pursuant to this Agreement. Each Party shall be responsible for ensuring that its data and information relating to the Inventory shall be maintained in a current and accurate manner throughout the Term.

(b) Account Administration. On the Effective Date, Vender shall designate F8 as the "Administrator" of, and take all other steps required to transfer to F8 administrative control of, Vendor's Amazon Seller Central account and/or comparable seller account on each Platform identified on Schedule A (as applicable, a "***Vendor Sale Account***"). F8 shall enable Vendor to access each Vendor Sale Account and modify certain settings of such Vender Sale Account during the Term; *provided*, *however*, that only F8 will have the authority to change the payment, Processor settings, and such other settings as may be determined to be necessary to be controlled by F8 in order to comply with the terms and conditions of this Agreement in the Vendor Sale Account. In the event that Vendor sells other products (SKUs) that are not part of this Agreement, Vendor shall remove such SKUs from each Vendor Sale Account on or prior to the Effective Date and take such other actions as F8 may reasonably request in order for the Parties to fulfill their obligations under this Agreement.

(c) Sales.

(i) During the Term, all sales of a Product shall originate exclusively on a Platform through the corresponding Vendor Sale Account. All sales of a Product to Vendor's customers on a Platform are made solely by Vendor. Upon receipt of an order by Vendor's customer for a Product on a Platform, F8 shall sell units of such Product held as Inventory to Vendor (on an "as is" basis) for the purpose of immediate resale of such units of the Product by Vendor to its customer. Vendor shall remain responsible for the design, development, marketing, advertising, pricing, logistics, customs, order fulfillment, customer service, and sale of the Products during the Term.

(ii) The sales of units of a Product sold on a Platform on a given day shall be calculated as follows:

Ending Sellable Units (Day 1) + Receipts in Period (Day 1*) – Ending Sellable Units (Day 0**) = Units sold (Day 1*)*

* *Day 1 refers to the date on which sales are being measured.*

** *Day 0 refers to the day immediately preceding Day 1.*

(iii)

(d) Payment.

(i) On or prior to the Effective Date, Vendor shall open a deposit account at the bank identified on Schedule A (the "***Bank***") subject to an active Deposit Account Control Agreement executed by and among the Bank, F8, and Vendor ("***DACA Account***") substantially in the form set forth on Schedule B (the "***Deposit Account Control Agreement***"). Funds shall be distributed from the DACA Account in accordance with Section 3(d)(iii) of this Agreement, and the Deposit Account Control Agreement shall direct the Bank shall at all times during its term to accept disposition instructions solely from F8 without consent from Vendor.

(ii) All proceeds from sales of Products on the Platform(s) (less all required deductions for Platform costs in accordance with the terms and conditions of such Platform's agreements) shall be directed to the DACA Account. Vendor shall not (directly or indirectly) redirect any funds away from the DACA Account.

(iii) At F8's discretion, F8 may cause the release of some or all of the funds in the DACA Account for distribution at any time; _provided_, _however_, that F8 shall distribute such funds no less frequently than on a bi-weekly basis during the Term. Each bi-weekly distribution will be made within 48 hours following the transfer of funds into the DACA Account by the Platform operator. F8 shall distribute all funds then in the DACA Account, net of any amounts refunded to Vendor's customers for return units of Product(s) for the period through the date of the distribution, as follows (and in the following order): (i) F8 shall receive an amount equal to the costs incurred by F8 in purchasing Products (based on the Actual Cost Per Unit of each Product) plus any Shipping Costs incurred by F8 to the extent not already repaid by Vendor, and, if applicable, storing (including any costs incurred by F8 to restock returned units of Products received prior to the date of the distribution, but excluding Inventory returned in accordance with Section 3(e)) more than 10 days prior to the date of the distribution ("***COGS***"); (ii) F8 shall receive the F8 Fees for the Products calculated in accordance with Section 4; and (iii) the balance will be remitted to Vendor. On a bi-weekly basis during the Term, F8 will provide Vendor with a report via e-mail for such period setting forth, on a Product-by-Product basis, the number of units of the Product sold, the number of returns received, the funds received in the DACA Account, the COGS of the units of such Product sold, and the F8 Fees with respect to such Product for such period. Vendor shall notify F8 of any dispute regarding any amount remitted by F8 pursuant to this Section 3 within 10 calendar days of Vendor's receipt of such amount or Vendor shall be deemed to have irrevocably and finally accepted the amount. The Parties shall seek to resolve any disputes expeditiously and in good faith.

(e) Returns of Products.

(i) Units of a Product that are returned by Vendor's customers in accordance with applicable return policies and that are unused, undamaged, and in the original packaging shall be returned to the applicable Facility and held as Inventory in accordance with this Agreement. The Age of Inventory Sold of such returned units of that Product shall be calculated from the date that such units were delivered to the Facilities for purposes of determining the F8 Fees. Any costs of restocking such returned units of such Product shall be advanced by F8 and then reimbursed to F8 as COGS of such Product in the following distribution from the DACA Account. If not already refunded by the applicable Platform (and deducted from the amount deposited by the Platform in the DACA Account), F8 shall cause the refund of amounts in the DACA Account associated with properly returned units of the Product to the appropriate customer(s).

(ii) Units of a Product that are returned by Vendor's customers in accordance with applicable return policies but are not, for any reason, in saleable condition shall be charged to Vendor's account as a separate sale at its COGS plus applicable fees as per the Fee Schedule for such Product.

(f) Security Interest. Without limiting F8's rights as owner of the Inventory at all times until a Product is sold by Vendor to a customer, as collateral security for the payment of all amounts owed to F8 under this Agreement Vendor hereby grants to F8 (i) a purchase money security interest in all of the Inventory held in a Third-Party Facility on a consignment basis which have not been purchased by Vendor, and (ii) a lien on and security interest in all of Vendor's (x) Products and the proceeds thereof, (y) any accounts receivable related to sales of Products, and (z) the DACA Account and the funds deposited therein ("***Collateral***"). The Deposit Account Control Agreement is intended to constitute an "authenticated record" under the Uniform Commercial Code with respect to such Collateral and Vendor hereby authorizes F8 to file a financing statement (or amendment thereto) as the secured party covering the remaining Collateral in any relevant jurisdiction and to take such other steps as necessary to secure F8's rights in and to the Collateral.

4. F8 Fees. As consideration for the inventory management services provided under this Agreement, Vendor agrees to pay F8 a fee for each unit of each Product sold on a Platform determined in accordance with the fee schedule set forth in the applicable Product Schedule (the "***Fee Schedule***") based on the Age of Inventory Sold set forth on the Fee Schedule (the "***F8 Fees***"). The first-in, first-out (FIFO) accounting method shall be used for purposes of determining the Age of Inventory Sold of units of a Product.

5. Vendor Obligations.

(a) Exclusivity. During the Term, Vendor shall not, directly or indirectly: (i) sell any Products other than through the Vendor Sale Account on a Platform in accordance with this Agreement, (ii) purchase any Products from a Supplier or any person or entity other than F8 in accordance with this Agreement or (iii) develop, manufacture, distribute, purchase, or sell any products that are materially similar to or competitive with the Products.

(b) Vendor Obligations. During the Term, Vendor agrees: (i) to conduct its business consistent with past practice; (ii) for each Platform, to exclusively use the processor required by the Platform to process all credit card payments involving the DACA Account pursuant or otherwise acceptable to F8 pursuant to a processing agreement that is acceptable to F8 ("***Processor***"), (iii) to not change Vendor's arrangements with Processor without the prior written consent of F8, (iv) to not take any action that has the effect of causing the processor through which cards are settled to be changed from Processor to another processor; (v) to not take any action to discourage the use of credit cards and to not permit any event to occur that could have an adverse effect on the use, acceptance, or authorization of cards for the purchase of Products; (vi) to not take any action to cause future receivables for Products to be settled or delivered to any account other than the DACA Account; (vii) not to sell, dispose, convey, or otherwise transfer its business or assets without the express prior written consent of F8; (viii) to comply in all material respects with the agreements with each Platform in which it sells Products and (ix) to maintain all Inventory held on a consignment basis free of and clear from and against all liens and encumbrances of any nature.

(c) Remedies. Vendor hereby agrees and acknowledges that any breach or threatened breach of the obligations set forth in this Section 5 will result in irreparable harm to F8 for which there will be no adequate remedy at law. In addition to other remedies provided by law or at equity, in such event F8 shall be entitled to seek an injunction, without the necessity of posting a bond, to prevent any further breach of this Section 5 by Vendor.

(d) Owner Guaranty. In consideration of the substantial direct and indirect benefits derived by Owner from the transactions contemplated by this Agreement, Owner hereby absolutely, unconditionally, and irrevocably guarantees, as primary obligor, the punctual payment of amounts due to F8 under this Agreement and the performance of all of the covenants made by Vendor in this Section 5.

6. Title and Risk of Loss. F8 shall hold title to all Products purchased by F8 and held as Inventory unless and until they are purchased by Vendor's customers, at which time title to Products shipped under any order shall transfer to Vendor immediately before Vendor's sale to its customers. All risk of loss, theft, or damage to the Inventory shall transfer to Vendor upon delivery to a Third-Party Facility.

7. Term; Termination.

(a) Term. This Agreement shall commence on the Effective Date and shall continue in full force and effect until January 31, 2022 (the "***Initial Term***"), unless terminated earlier as provided in this Agreement. The Initial Term shall automatically be extended for additional 1-year periods (each, a "***Renewal Term***" and, collectively with the Product Initial Term, the "***Term***") unless either Party provides written notice to terminate at least 10 weeks prior to the end of the Initial Term or the Renewal Term (as applicable).

(b) Termination.

(i) Either Party may terminate this Agreement in its entirety at any time in the event of a material breach by the other Party that remains uncured after 10 days following written notice thereof; *provided*, *however*, that a breach by Vendor of its obligations under Section 5 shall be considered a non-curable breach and F8 may terminate this Agreement immediately upon such breach without notice. Any such termination shall be effective immediately and automatically upon the expiration of the applicable notice period, if any, without further notice or action by either Party. Termination shall be in addition to any other remedies that may be available to the non-breaching Party.

(ii) F8 may terminate a Product Schedule or the Agreement in its entirety, at its sole election (provided that this Agreement will remain in effect with respect to all other Products if F8 does not elect to terminate this Agreement in its entirety), at any time, without providing prior notice and an opportunity to cure, in the event that:

(1) at any time during the Term the Actual Inventory Turn Weeks of a Product exceeds the Maximum Inventory Turn Weeks as set forth on the applicable Product Schedule;

(2) at any time during the Term the Actual Cost Per Unit of a Product exceeds the Maximum Allowable Cost Per Unit set forth on the applicable Product Schedule; or

(3) at any time during the Term the Actual Lead Time of a Product exceeds the Maximum Allowable Lead Time set forth on the applicable Product Schedule.

(iii) F8 may terminate this Agreement in its entirety pursuant to Section 14(i).

(iv) F8 may terminate this Agreement in its entirety at any time in the event Vendor (1) becomes insolvent or is generally unable to pay its debts when due, (2) files, or as filed against it, a petition for voluntary or involuntary bankruptcy or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law, (3) makes or seeks to make a general assignment for the benefit of its creditors, or (4) applies for or has appointed a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.

(v) F8 may terminate this Agreement in its entirety at any time in the event Vendor sells, leases, or exchanges a material portion of Vendor's assets, Vendor merges with or consolidates into another entity, or a change of control of Vendor occurs.

(c) Effect of Termination; Certain Remedies on or prior to Termination.

(i) Termination of this Agreement for any reason shall not discharge either Party's liability for obligations incurred and amounts unpaid at the time of such termination (and shall not alter the obligations of the parties with respect all Product Terms that thereafter remain in effect). Following any termination of a Product Schedule or of this Agreement in its entirety, F8 may continue to use any sign, display, or other advertising or marketing materials containing Vendor Marks as reasonably required for the resale of the Product or Products (as applicable) that remain in Inventory after termination. Upon termination of this Agreement in its entirety, each Party shall destroy or return to the other all Confidential Information that is in its possession at the time of termination.

(ii) Subject to Section 7(c)(iv), upon the expiration of the Term or a termination of this Agreement in its entirety (other than resulting from a termination of the final Product Schedule(s) by F8 pursuant to Section 7(b)(ii)), F8 shall promptly transfer all administrative control over the Vendor Sale Account to Vendor and deliver notice to the Bank to terminate Deposit Account Control Agreement in accordance with its terms.

(iii) Upon the expiration or termination of either a Product Schedule or the Agreement in its entirety, F8 shall offer Vendor the opportunity to purchase the remaining unsold Inventory (of the applicable Product in the case of termination of a Product Schedule, or of all Products in the case of termination of the Agreement in its entirety, as the case may be) at a price based on the Age of Inventory Sold as set forth on the respective Fee Schedule(s) (the "***Unsold Inventory Offer***"). The Vendor shall have 7 calendar days of receiving the Unpaid Inventory Offer from F8 to accept the Unsold Inventory Offer and make payment in accordance with the Unsold Inventory Offer.

(iv) Upon a termination (1) of a Product Schedule by F8 pursuant to Section 7(b)(ii), or (2) a termination of the Agreement by F8 pursuant to Section 7(b)(iv), Section 7(b)(v), or Section 7(b)(i) due to a breach by Vendor of its obligations under Section 5 (whether before or after termination of a Product Schedule or the Term), until the Unsold Inventory Offer is accepted by Vendor and payment received by F8, F8 shall have the right to continue to sell all remaining Inventory as of the date of termination (whether on the Platform or otherwise). In the event that the Unsold Inventory Offer is not accepted by Vendor and payment is not received by F8, F8 shall retain all administrative control over and exclusive use of the Vendor Sale Account and the DACA Account until F8 liquidates the Inventory at prices to be determined by F8 in its sole discretion. In this event, F8 shall retain all proceeds from the sale of the remaining Inventory. Upon the liquidation of all remaining Inventory of all Products, F8 shall transfer administrative control over the Vender Sale Account to Vendor and deliver notice to the Bank to terminate Deposit Account Control Agreement in accordance with its terms.

8. Insurance. Vendor shall obtain and keep in force during the Term of this Agreement (a) Commercial General Liability insurance, including contractual liability and product liability, with a combined single limit for bodily injury and property damage of not less than [$___________], and (b) Commercial Property insurance including Fire Legal Liability Coverage with minimum per occurrence limit of [$_________]. The policies required in this Section 8 shall name the F8 as an additional insured and shall cover all claims arising out of incidents or events occurring during the term of the policies.

9. Intellectual Property Rights. Vendor hereby grants to F8 a non-transferable, non-exclusive, limited license to use Vendor's logos, trademarks, and trade names (collectively the "***Vendor Marks***"), in connection with the sale of the Products upon termination or expiration of this Agreement in accordance with Section 7(c). The license shall continue to be in effect until F8 liquidates all of the Inventory purchased during the Term of this Agreement.

10. Disclaimer of Warranties. F8 makes no representations or warranties of any kind, express or implied, as to the Products purchased from the Supplier. To the fullest extent permitted by law, F8 disclaims all warranties, express or implied, with respect to the Products including, but not limited to, warranties of fitness for a particular purpose or use.

11. Indemnification.

(a) Indemnification by Vendor. Vendor agrees to defend, indemnify, and hold harmless F8, its affiliates, and their respective officers, members, managers, employees, and agents from and against any and all third party losses, damages, suits, expenses (including reasonable attorneys' fees), and costs (collectively "***Claims***"): (i) alleging that the Vendor Marks or any Products sold pursuant to this Agreement infringe any U.S. patent, trademark, or copyright; (ii) arising out of any defects in any Products sold by Vendor (including, without limitation, Product Non-Conformity), (iii) arising out of the acts or omissions of Vendor, its employees, agents, or representatives with respect to Vendor's performance of this Agreement; or (iv) arising out of any breach by Vendor of any of the terms, conditions, representations, or warranties provided pursuant to this Agreement; *provided, however*, that Vendor shall have no liability to F8 for any Claims to the extent that such Claims are attributable to F8 under Section 11(b). F8 shall promptly notify the Vendor in writing of any Claim and give control of the defense and settlement of the Claim to the Vendor. F8 shall reasonably cooperate with Vendor, and its legal counsel and insurance carriers, at the Vendor's expense, in its defense of such Claims. F8 shall also have the right to participate in the defense of any such action and have the right to hire its own legal counsel at F8's expense.

(b) Indemnification by F8. F8 hereby agrees to defend, indemnify and hold harmless Vendor, its affiliates, and their respective officers, directors, employees, and agents from and against any and all Claims arising out of the gross negligence or willful misconduct of F8, its employees, agents, or representatives with respect to its performance of this Agreement. Vendor shall promptly notify F8 in writing of any Claim, give control of the defense and settlement of the Claim to F8, and shall reasonably cooperate with F8, its legal counsel, and insurance carriers, at F8's expense, in its defense of such Claim. Vendor shall also have the right to participate in the defense of any such action and have the right to hire its own legal counsel at Vendor's expense.

12. Confidentiality.

(a) The Parties acknowledge that each Party may be provided with or have access to certain information (whether in oral, tangible, electronic, or other form) related to the other Party's business and operations that is confidential, proprietary, or otherwise non-public (whether or not identified as confidential) ("***Confidential Information***"). All Confidential Information shall remain the property of the disclosing Party.

(b) For a period of 1 year from the date of disclosure, the receiving Party shall maintain the Confidential Information in strict confidence and disclose the Confidential Information only to its employees or agents who have a need to know such Confidential Information in order to perform the receiving Party's obligations contemplated by this Agreement and who are under confidentiality obligations no less restrictive than this Agreement. The receiving Party shall at all times remain responsible for breaches of this Agreement arising from the acts of its employees and agents. The receiving Party agrees to use the disclosing Party's Confidential Information solely for the purpose of performing its obligations under this Agreement and not for any other purpose or for its own benefit or for the benefit of any third party, without the prior written approval of the disclosing Party. No Confidential Information furnished to the receiving Party shall be duplicated or copied except as may be necessary to effectuate the purpose of this Agreement. The receiving Party shall promptly return or, at the disclosing Party's option, certify destruction of, all copies of Confidential Information at any time upon the request of the disclosing Party or within 10 days following the expiration or earlier termination of this Agreement.

(c) The receiving Party shall not have any obligations to preserve the confidential nature of any Confidential Information that: (i) receiving Party can demonstrate by competent evidence was rightfully in its possession before receipt from the disclosing Party; (ii) is or becomes a matter of public knowledge through no fault of the receiving Party; (iii) is rightfully provided to the receiving Party from a third party without, to the best of receiving Party's knowledge, a duty of confidentiality; (iv) is independently developed by receiving Party without use of the Confidential Information, as demonstrated by competent evidence; or (v) is disclosed by receiving Party with disclosing Party's prior written approval. If the receiving Party is confronted with legal action to disclose Confidential Information received under this Agreement, the receiving Party shall, unless prohibited by applicable law, provide prompt written notice to the disclosing Party to allow the disclosing Party an opportunity to seek a protective order or other relief it deems appropriate.

(d) The receiving Party hereby agrees and acknowledges that any breach or threatened breach of this Agreement regarding the treatment of the Confidential Information will result in irreparable harm to the disclosing Party for which there will be no adequate remedy at law. In addition to other remedies provided by law or at equity, in such event the disclosing Party shall be entitled to seek an injunction, without the necessity of posting a bond, to prevent any further breach of this Agreement by the receiving Party.

13. Limitation of Liability. IN NO EVENT WILL F8'S MAXIMUM OBLIGATION FOR INDEMNIFICATION CLAIMS UNDER THIS AGREEMENT EXCEED AN AMOUNT EQUAL TO THE F8 FEES PAID TO F8 IN THE 6-MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE INDEMNIFICATION CLAIM. IN NO EVENT WILL F8 BE LIABLE UNDER THIS AGREEMENT TO VENDOR FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT, STATUTORY, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES ARISING OUT OF THIS AGREEMENT OR AS A RESULT OF THE SALE, DELIVERY, SERVICING, USE, OR LOSS OF THE PRODUCTS SOLD HEREUNDER, REGARDLESS OF WHETHER SUCH LIABILITY IS BASED ON BREACH OF CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE, AND EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR SUCH DAMAGES COULD HAVE BEEN REASONABLY FORESEEN.

14. General.

(a) Representations and Warranties. Each Party hereby represents and warrants to the other Party that: (i) such Party has the full right, power, and authority to enter into this Agreement and to perform its obligations hereunder; (ii) such Party has obtained all material licenses, authorizations, approvals, consents, or permits required by applicable laws to conduct its business and perform its obligations under this Agreement; (iii) this Agreement constitutes the legal, valid, and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws and equitable principles related to or affecting creditors' rights generally; and (iv) such Party is duly organized, validly existing, and in good standing under the laws of the state of such Party's formation. Vendor hereby represents and warrants to F8 that: (1) Vendor is not insolvent and is paying all of its debts as they become due; (2) all financial information that Vendor has provided to F8 (including, but not limited to, the SKU Information) is true and accurate and fairly represents Vendor's financial condition; and (3) there are no creditors of Vendor holding a security interest in Vendor's assets except as completely and accurately listed on Schedule A.

(b) Waiver. No waiver of any term or right in this Agreement shall be effective unless in writing, signed by an authorized representative of the waiving Party. The failure of either Party to enforce any provision of this Agreement shall not be construed as a waiver or modification of such provision, or impairment of its right to enforce such provision or any other provision of this Agreement thereafter.

(c) Relationship of the Parties. Nothing in this Agreement shall be construed to create or imply an employment or agency relationship or a partnership or joint venture relationship between the Parties. Each Party is an independent contractor and, except as expressly provided for in this Agreement, neither Vendor nor F8 has the authority to bind or contract any obligation in the name of or on account of the other Party or to incur any liability or make any statements, representations, warranties, or commitments on behalf of the other Party.

(d) Force Majeure. Neither Party shall be liable hereunder for any failure or delay in the performance of its obligations under this Agreement, except for the payment of money, if such failure or delay is on account of causes beyond its reasonable control, including civil commotion, war, fires, floods, accident, earthquakes, inclement weather, electrical outages, network failures, governmental regulations or controls, epidemic or pandemic, casualty, strikes or labor disputes, supply chain disruption, terrorism, acts of God, or other similar or different occurrences beyond the reasonable control of the Party so defaulting or delaying in the performance of this Agreement, for so long as such force majeure is in effect. If performance is delayed over 90 days, the Party not experiencing the force majeure event may terminate this Agreement in its entirety.

(e) Governing Law and Venue. This Agreement will be governed by and interpreted in accordance with the laws of the State of Delaware, without giving effect to the principles of conflicts of law of such state. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

(f) Dispute Resolution. The Parties hereby agree that any dispute or claim arising out of or relating to this Agreement (other than claims for preliminary injunctive relief or other pre-judgment remedies which shall be commenced in any court having jurisdiction thereof) shall be settled by arbitration administered by the American Arbitration Association in accordance with the provisions of its Commercial Arbitration Rules in Bethlehem, Pennsylvania by a one-person arbitrator, unless the parties mutually agree otherwise. The Parties agree that such arbitration shall be the exclusive means of finally resolving such disputes or claims. The decision of the arbitrator shall be final and binding on the Parties, and judgment on the award rendered may be entered in any court having jurisdiction thereof. The prevailing Party in any dispute under this Agreement shall be entitled to receive, in addition to all other damages to which it may be entitled, the costs and expenses incurred by such Party in conducting such dispute, including, without limitation, reasonable attorneys' fees, court costs, arbitrators' fees, and administrative fees.

(g) Cooperation. Each Party shall fully cooperate with the other Party with respect to the performance of this Agreement. Each Party will provide or make available to the other Party any information and will execute and deliver such further documents that may reasonably be required in order to effectively perform this Agreement.

(h) Assignment; No Third-Party Beneficiaries**.** Vendor may not assign this Agreement nor delegate performance hereunder, either in whole or part, without the express written consent of F8. Any assignment without such consent of F8 shall be null and void. This Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of the Parties. Except as provided in Section 11, there are no third-party beneficiaries to this Agreement.

(i) Severability. If any provision or portion of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remaining provisions or portions shall remain in full force and effect. Upon a determination that any material provision of this Agreement is illegal, invalid, or unenforceable, F8 may, in its discretion, (i) negotiate in good faith with Vendor to modify such provision to affect the original intent of the Parties as closely as possible in order that the transactions contemplated by this Agreement be consummated as originally intended, or (ii) terminate this Agreement upon notice to Vendor.

(j) Interpretation. The headings/captions appearing in this Agreement have been inserted for the purposes of convenience and ready reference, and do not purport to and shall not be deemed to define, limit or extend the scope or intent of the provisions to which they appertain. This Agreement shall not be construed more strongly against either Party regardless of which Party is more responsible for its preparation.

(k) Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same instrument, without necessity of production of the others. An executed signature page delivered via facsimile or electronic transmission shall be deemed as effective as an original executed signature page.

(l) Notice. All notices or other communications required under this Agreement shall be deemed effective when received and made in writing by either (i) hand delivery, (ii) registered mail, (iii) certified mail, return receipt requested, (iv) facsimile or email, or (v) overnight mail, addressed to the Party to be notified at the address specified on the signature page to this Agreement.

(m) Entire Agreement; Amendment. This Agreement, and any schedules and exhibits attached hereto, is the entire agreement between the Parties with respect to the subject matter hereof and supersedes any prior agreement or communications between the Parties, whether written, oral, electronic or otherwise. No change, modification, amendment, or addition of or to this Agreement shall be valid unless in writing and signed by both of the Parties. Each Party hereto has received independent legal advice regarding this Agreement and their respective rights and obligations set forth herein.

(n) Survival. Subject to the limitations and other provisions of this Agreement: (i) the representations and warranties of the Parties contained herein shall survive the expiration or earlier termination of the Term for a period of 12 months after such expiration or termination; and (ii) any other provision of this Agreement that, in order to give proper effect to its intent, should survive such expiration or termination, shall survive the expiration or earlier termination of the Term for the period specified therein, or if nothing is specified for a period of 12 months after such expiration or termination.

[Signature Page Follows]

In witness whereof, the Parties hereto have executed this Agreement on the date first written above.

EDISON NATION, LLC

By: ______________________________
Name: Brett Vroman
Title: Authorized Agent

Address:

Phone:
Email: bvroman@edisonnation.com

Forever 8 Fund, LLC

By: ______________________________
Name: Paul Vassilakos
Title: Member

Address: 1 West Broad Street, Suite 1004, Bethlehem, PA 18018

Phone:(646) 240-4262
Email: pvassilakos@forever8fund.com

[Signature Page to Inventory Management Agreement]

Schedule A
Product Schedule A-1

Product Land Date:	**10/1/2020**
Parties:	
Vendor	**Edison Nation, LLC**
Owner	**Forever 8 Fund, LLC**
Supplier:	**King Honor Enterprises Ltd.**
Product:	**7323-ZZ**
Description of SKU:	**Twilight Turtle Classic Night Light Star Projector**
SKU Information:	
Historical Cost per Unit	$7.11
Projected Monthly Sales	1,682
Historical Lead Time	115
Planned Inventory Turn Weeks	17
Starting Inventory Units:	3,000
Agreed Existing Inventory Units	0
Additional Starting Inventory Units	3,000
Minimum Inventory Amount	6,448
Minimum Inventory Turn Weeks	8
Third Party Facility:	AMZN FBA
Other Third Party Facility	Edison Nation, LLC Clearwater, Florida Warehouse
	California 3PL [BV to insert legal name& location]
Vendor Sale Accounts:	AMZN Seller Central
	www.cloudb.com - Magento
Other Vendor Sale Accounts:	BBB/Macy's - CommerceHub
	BBB-Nordstrom, VonMaur, Target.com DVS - SPS Commerce
	Nordstrom Rack, other Brick & Mortar - Retailers for Cloud B, Pirasta
Termination Thresholds:	
Maximum Inventory Turn Weeks	33
Maximum Allowable Cost Per Unit	$8.18
Maximum Allowable Lead Time (days)	145
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor's assets:	[To be inserted post UCC search]

A-1 Fee Schedule. The F8 Fees for this Product Schedule A-1 will be determined as follows:

SKU	7323-ZZ	
Age of Inventory Sold (in days)	F8 Fee Ranges (per Unit)	
1-14	$ 0.60	$ 0.81
15-28	$ 0.82	$ 1.03
29-42	$ 1.05	$ 1.26
43-56	$ 1.27	$ 1.48
57-70	$ 1.50	$ 1.71
71-84	$ 1.87	$ 2.22
85-98	$ 2.25	$ 2.61
99-112	$ 2.62	$ 2.98
113-126	$ 3.00	$ 3.36
127-140	$ 3.37	$ 3.73
141 or more	$ 3.75	

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.60), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($0.81).

Product Schedule A-2

Product Land Date:	**10/1/2020**
Parties:	
Vendor	**Edison Nation, LLC**
Owner	**Forever 8 Fund, LLC**
Supplier:	**King Honor Enterprises Ltd.**
Product:	**7423-AQ**
Description of SKU:	**Cloud B Tranquil Turtle, Aqua**
SKU Information:	
Historical Cost per Unit	$6.50
Projected Monthly Sales	901
Historical Lead Time	115
Planned Inventory Turn Weeks	17
Starting Inventory Units:	3,000
Agreed Existing Inventory Units	0
Additional Starting Inventory Units	3,000
Minimum Inventory Amount	3,453
Minimum Inventory Turn Weeks	8
Third Party Facility:	AMZN FBA
Other Third Party Facility	Edison Nation, LLC Clearwater, Florida Warehouse
	3PL -2100-C Palmetto St, UNIT C, Clearwater, FL 33765
Vendor Sale Accounts:	AMZN Seller Central
Other Vendor Sale Accounts:	www.cloudb.com - Magento
	BBB/Macy's - CommerceHub
	BBB-Nordstrom, VonMaur, Target.com DVS - SPS Commerce
	Nordstrom Rack, other Brick & Mortar - Retailers for Cloud B, Pirasta
Termination Thresholds:	
Maximum Inventory Turn Weeks	33
Maximum Allowable Cost Per Unit	$7.48
Maximum Allowable Lead Time (days)	145
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor's assets:	[To be inserted post UCC search]

A-2 Fee Schedule. The F8 Fees for this Product Schedule A-2 will be determined as follows:

Age of Inventory Sold (in days)	7423-AQ Range of Fees	
1-14	$ 0.40	$ 0.58
15-28	$ 0.59	$ 0.78
29-42	$ 0.79	$ 0.98
43-56	$ 0.99	$ 1.18
57-70	$ 1.19	$ 1.37
71-84	$ 1.59	$ 1.95
85-98	$ 1.98	$ 2.36
99-112	$ 2.38	$ 2.76
113-126	$ 2.78	$ 3.15
127-140	$ 3.17	$ 3.55
141 or more	$ 3.57	

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.40), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($0.58).

Product Schedule A-3

Product Land Date:	**10/1/2020**
Parties:	
Vendor	**Edison Nation, Inc.**
Owner	**Forever 8 Fund, LLC**
Supplier:	**King Honor Enterprises Ltd.**
Product:	**7423-PR**
Description of SKU:	**Cloud b Tranquil Turtle Ocean Nightlight and Sound Soother**
SKU Information:	
Historical Cost per Unit	$8.64
Projected Monthly Sales	683
Historical Lead Time	120
Planned Inventory Turn Weeks	19
Starting Inventory Units:	3,004
Agreed Existing Inventory Units	4
Additional Starting Inventory Units	3,000
Minimum Inventory Amount	3,000
Minimum Inventory Turn Weeks	10
Third Party Facility:	AMZN FBA
Other Third Party Facility	Edison Nation, Inc. Clearwater, Florida Warehouse
	3PL -2100-C Palmetto St, UNIT C, Clearwater, FL 33765
Vendor Sale Accounts:	AMZN Seller Central
Other Vendor Sale Accounts:	www.cloudb.com - Magento
	BBB/Macy's - CommerceHub
	BBB-Nordstrom, VonMaur, Target.com DVS - SPS Commerce
	Nordstrom Rack, other Brick & Mortar - Retailers for Cloud B, Pirasta
Termination Thresholds:	
Maximum Inventory Turn Weeks	38
Maximum Allowable Cost Per Unit	$9.94
Maximum Allowable Lead Time (days)	150
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor's assets:	[To be inserted post UCC search]

A-3 Fee Schedule. The F8 Fees for this Product Schedule A-3 will be determined as follows:

Age of Inventory Sold (in days)	7423-PR Range of Fees	
1-14	$ 0.84	$ 1.23
15-28	$ 1.26	$ 1.65
29-42	$ 1.68	$ 2.07
43-56	$ 2.10	$ 2.49
57-70	$ 2.52	$ 2.91
71-84	$ 3.15	$ 3.73
85-98	$ 3.78	$ 4.37
99-112	$ 4.41	$ 5.00
113-126	$ 5.04	$ 5.63
127-140	$ 5.67	$ 6.26
141 or more	$ 6.30	

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.84), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($1.23).

Product Schedule A-4

Product Land Date:	**10/1/2020**
Parties:	
Vendor	**Edison Nation, LLC**
Owner	**Forever 8 Fund, LLC**
Supplier:	**King Honor Enterprises Ltd.**
Product:	**7303-Z8**
Description of SKU:	**Cloud b Sleep Sheep Sound Soother**
SKU Information:	
Historical Cost per Unit	$6.67
Projected Monthly Sales	2,056
Historical Lead Time	120
Planned Inventory Turn Weeks	17
Starting Inventory Units:	9,316
Agreed Existing Inventory Units	4,312
Additional Starting Inventory Units	5,004
Minimum Inventory Amount	8,225
Minimum Inventory Turn Weeks	9
Third Party Facility:	AMZN FBA
Other Third Party Facility	Edison Nation, LLC Clearwater, Florida Warehouse
	3PL -2100-C Palmetto St, UNIT C, Clearwater, FL 33765
Vendor Sale Accounts:	AMZN Seller Central
Other Vendor Sale Accounts:	www.cloudb.com - Magento
	BBB/Macy's - CommerceHub
	BBB-Nordstrom, VonMaur, Target.com DVS - SPS Commerce
	Nordstrom Rack, other Brick & Mortar - Retailers for Cloud B, Pirasta
Termination Thresholds:	
Maximum Inventory Turn Weeks	35
Maximum Allowable Cost Per Unit	$0.00
Maximum Allowable Lead Time (days)	150
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor's assets:	[To be inserted post UCC search]

A-4 Fee Schedule. The F8 Fees for this Product Schedule A-4 will be determined as follows:

Age of Inventory Sold (in days)	7303-Z8 Range of Fees	
1-14	$ 0.48	$ 0.72
15-28	$ 0.72	$ 0.96
29-42	$ 0.96	$ 1.20
43-56	$ 1.20	$ 1.44
57-70	$ 1.44	$ 1.80
71-84	$ 1.80	$ 2.16
85-98	$ 2.16	$ 2.52
99-112	$ 2.52	$ 2.88
113-126	$ 2.88	$ 3.24
127-140	$ 3.24	$ 3.57
141 or more	$ 3.24	

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.48), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($0.72).

Product Schedule A-5

Product Land Date:	**10/1/2020**
Parties:	
Vendor	**Edison Nation, LLC**
Owner	**Forever 8 Fund, LLC**
Supplier:	**King Honor Enterprises Ltd.**
Product:	**7302-ZZ**
Description of SKU:	**Cloud b Sleep Sheep On The Go Travel Sound Soother**
SKU Information:	
Historical Cost per Unit	$5.87
Projected Monthly Sales	1,578
Historical Lead Time	120
Planned Inventory Turn Weeks	17
Starting Inventory Units:	11,147
Agreed Existing Inventory Units	8,147
Additional Starting Inventory Units	3,000
Minimum Inventory Amount	6,312
Minimum Inventory Turn Weeks	9
Third Party Facility:	AMZN FBA
Other Third Party Facility	Edison Nation, LLC Clearwater, Florida Warehouse
	3PL -2100-C Palmetto St, UNIT C, Clearwater, FL 33765
Vendor Sale Accounts:	AMZN Seller Central
Other Vendor Sale Accounts:	www.cloudb.com – Magento
	BBB/Macy's – CommerceHub
	BBB-Nordstrom, VonMaur, Target.com DVS - SPS Commerce
	Nordstrom Rack, other Brick & Mortar - Retailers for Cloud B, Pirasta
Termination Thresholds:	
Maximum Inventory Turn Weeks	35
Maximum Allowable Cost Per Unit	$6.75
Maximum Allowable Lead Time (days)	150
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor's assets:	[To be inserted post UCC search]

A-5 Fee Schedule. The F8 Fees for this Product Schedule A-5 will be determined as follows:

Age of Inventory Sold (in days)	7302-ZZ Range of Fees	
1-14	$ 0.44	$ 0.64
15-28	$ 0.66	$ 0.86
29-42	$ 0.88	$ 1.08
43-56	$ 1.10	$ 1.30
57-70	$ 1.32	$ 1.52
71-84	$ 1.65	$ 1.96
85-98	$ 1.98	$ 2.30
99-112	$ 2.31	$ 2.63
113-126	$ 2.64	$ 2.96
127-140	$ 2.97	$ 3.28
141 or more	$ 3.30	

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.44), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($0.64).

Product Schedule A-6

Product Land Date:	**10/1/2020**
Parties:	
Vendor	**Edison Nation, LLC**
Owner	**Forever 8 Fund, LLC**
Supplier:	**King Honor Enterprises Ltd.**
Product:	**7323-BL**
Description of SKU:	**Cloud b Twilight Turtle Blue Night Light Soother**
SKU Information:	
Historical Cost per Unit	$6.22
Projected Monthly Sales	551
Historical Lead Time	120
Planned Inventory Turn Weeks	24
Starting Inventory Units:	3,224
Agreed Existing Inventory Units	224
Additional Starting Inventory Units	3,000
Minimum Inventory Amount	3,000
Minimum Inventory Turn Weeks	12
Third Party Facility:	AMZN FBA
Other Third Party Facility	Edison Nation, LLC Clearwater, Florida Warehouse
	3PL -2100-C Palmetto St, UNIT C, Clearwater, FL 33765
Vendor Sale Accounts:	AMZN Seller Central
Other Vendor Sale Accounts:	www.cloudb.com – Magento
	BBB/Macy's – CommerceHub
	BBB-Nordstrom, VonMaur, Target.com DVS - SPS Commerce
	Nordstrom Rack, other Brick & Mortar - Retailers for Cloud B, Pirasta
Termination Thresholds:	
Maximum Inventory Turn Weeks	47
Maximum Allowable Cost Per Unit	$7.15
Maximum Allowable Lead Time (days)	150
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor's assets:	[To be inserted post UCC search]

A-6 Fee Schedule. The F8 Fees for this Product Schedule A-6 will be determined as follows:

Age of Inventory Sold (in days)	7323-BL Range of Fees	
1-14	$ 0.28	$ 0.55
15-28	$ 0.57	$ 0.83
29-42	$ 0.85	$ 1.12
43-56	$ 1.14	$ 1.40
57-70	$ 1.42	$ 1.69
71-84	$ 1.85	$ 2.25
85-98	$ 2.28	$ 2.68
99-112	$ 2.70	$ 3.11
113-126	$ 3.13	$ 3.54
127-140	$ 3.56	$ 3.96
141 or more	$ 3.98	

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.28), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($0.55).

Product Schedule A-7

Product Land Date:	10/1/2020
Parties:	
Vendor	**Edison Nation, LLC**
Owner	**Forever 8 Fund, LLC**
Supplier:	**King Honor Enterprises Ltd.**
Product:	**7323-PR**
Description of SKU:	**Cloud b Twilight Turtle Purple Night Light Soother**
SKU Information:	
Historical Cost per Unit	$6.41
Projected Monthly Sales	451
Historical Lead Time	120
Planned Inventory Turn Weeks	29
Starting Inventory Units:	3,001
Agreed Existing Inventory Units	1
Additional Starting Inventory Units	3,000
Minimum Inventory Amount	3,000
Minimum Inventory Turn Weeks	14
Third Party Facility:	AMZN FBA
Other Third Party Facility	Edison Nation, LLC Clearwater, Florida Warehouse
	3PL -2100-C Palmetto St, UNIT C, Clearwater, FL 33765
Vendor Sale Accounts:	AMZN Seller Central
Other Vendor Sale Accounts:	www.cloudb.com - Magento
	BBB/Macy's - CommerceHub
	BBB-Nordstrom, VonMaur, Target.com DVS - SPS Commerce
	Nordstrom Rack, other Brick & Mortar - Retailers for Cloud B, Pirasta
Termination Thresholds:	
Maximum Inventory Turn Weeks	58
Maximum Allowable Cost Per Unit	$7.37
Maximum Allowable Lead Time (days)	150
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor's assets:	[To be inserted post UCC search]

A-7 Fee Schedule. The F8 Fees for this Product Schedule A-7 will be determined as follows:

Age of Inventory Sold (in days)	7323-PR Range of Fees	
1-14	$ 0.50	$ 0.73
15-28	$ 0.75	$ 0.98
29-42	$ 1.00	$ 1.23
43-56	$ 1.25	$ 1.48
57-70	$ 1.50	$ 1.73
71-84	$ 1.87	$ 2.22
85-98	$ 2.25	$ 2.61
99-112	$ 2.62	$ 2.98
113-126	$ 3.00	$ 3.36
127-140	$ 3.37	$ 3.73
141 or more	$ 3.75	

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.50), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($0.73).

Product Schedule A-8

Product Land Date:	**10/1/2020**
Parties:	
Vendor	**Edison Nation, LLC**
Owner	**Forever 8 Fund, LLC**
Supplier:	**King Honor Enterprises Ltd.**
Product:	**7473-WUN**
Description of SKU:	**Cloud b Twilight Buddies Winged Unicorn Night Light Soother**
SKU Information:	
Historical Cost per Unit	$6.64
Projected Monthly Sales	249
Historical Lead Time	120
Planned Inventory Turn Weeks	52
Starting Inventory Units:	3,317
Agreed Existing Inventory Units	317
Additional Starting Inventory Units	3,000
Minimum Inventory Amount	3,000
Minimum Inventory Turn Weeks	26
Third Party Facility:	AMZN FBA
Other Third Party Facility	Edison Nation, LLC Clearwater, Florida Warehouse
	3PL -2100-C Palmetto St, UNIT C, Clearwater, FL 33765
Vendor Sale Accounts:	AMZN Seller Central
Other Vendor Sale Accounts:	www.cloudb.com – Magento
	BBB/Macy's – CommerceHub
	BBB-Nordstrom, VonMaur, Target.com DVS - SPS Commerce
	Nordstrom Rack, other Brick & Mortar - Retailers for Cloud B, Pirasta
Termination Thresholds:	
Maximum Inventory Turn Weeks	104
Maximum Allowable Cost Per Unit	$7.64
Maximum Allowable Lead Time (days)	150
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor's assets:	[To be inserted post UCC search]

A-8 Fee Schedule. The F8 Fees for this Product Schedule A-8 will be determined as follows:

Age of Inventory Sold (in days)	7473-WUN Range of Fees	
1-14	$ 0.27	$ 0.53
15-28	$ 0.54	$ 0.80
29-42	$ 0.82	$ 1.07
43-56	$ 1.09	$ 1.34
57-70	$ 1.36	$ 1.61
71-84	$ 1.77	$ 2.15
85-98	$ 2.18	$ 2.57
99-112	$ 2.59	$ 2.98
113-126	$ 3.00	$ 3.38
127-140	$ 3.40	$ 3.79
141 or more	$ 3.81	

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.27), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($0.53).

Product Schedule A-9

Product Land Date:	**10/1/2020**
Parties:	
Vendor	**Edison Nation, LLC**
Owner	**Forever 8 Fund, LLC**
Supplier:	**King Honor Enterprises Ltd.**
Product:	**7470-FX8**
Description of SKU:	**Cloud b Frankie The Fox Sound Soother**
SKU Information:	
Historical Cost per Unit	$6.85
Projected Monthly Sales	273
Historical Lead Time	120
Planned Inventory Turn Weeks	48
Starting Inventory Units:	3,000
Agreed Existing Inventory Units	0
Additional Starting Inventory Units	3,000
Minimum Inventory Amount	3,000
Minimum Inventory Turn Weeks	24
Third Party Facility:	AMZN FBA
Other Third Party Facility	Edison Nation, LLC Clearwater, Florida Warehouse
	3PL -2100-C Palmetto St, UNIT C, Clearwater, FL 33765
Vendor Sale Accounts:	AMZN Seller Central
Other Vendor Sale Accounts:	www.cloudb.com - Magento
	BBB/Macy's - CommerceHub
	BBB-Nordstrom, VonMaur, Target.com DVS - SPS Commerce
	Nordstrom Rack, other Brick & Mortar - Retailers for Cloud B, Pirasta
Termination Thresholds:	
Maximum Inventory Turn Weeks	95
Maximum Allowable Cost Per Unit	$7.88
Maximum Allowable Lead Time (days)	150
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor's assets:	[To be inserted post UCC search]

A-9 Fee Schedule. The F8 Fees for this Product Schedule A-9 will be determined as follows:

Age of Inventory Sold (in days)	7470-FX8 Range of Fees			
1-14	$	0.58	$	0.85
15-28	$	0.87	$	1.14
29-42	$	1.16	$	1.43
43-56	$	1.45	$	1.72
57-70	$	1.74	$	2.01
71-84	$	2.17	$	2.58
85-98	$	2.61	$	3.02
99-112	$	3.04	$	3.46
113-126	$	3.48	$	3.89
127-140	$	3.91	$	4.33
141 or more	$	4.35		

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.58), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($0.85).

Product Schedule A-10

Product Land Date:	**10/1/2020**
Parties:	
Vendor	**Edison Nation, LLC**
Owner	**Forever 8 Fund, LLC**
Supplier:	**King Honor Enterprises Ltd.**
Product:	**7106-UC**
Description of SKU:	**Soothing Sounds Ella The Unicorn (White Noise Machine)**
SKU Information:	
Historical Cost per Unit	$6.95
Projected Monthly Sales	227
Historical Lead Time	120
Planned Inventory Turn Weeks	57
Starting Inventory Units:	3,206
Agreed Existing Inventory Units	206
Additional Starting Inventory Units	3,000
Minimum Inventory Amount	3,000
Minimum Inventory Turn Weeks	29
Third Party Facility:	AMZN FBA
Other Third Party Facility	Edison Nation, LLC Clearwater, Florida Warehouse
	3PL -2100-C Palmetto St, UNIT C, Clearwater, FL 33765
Vendor Sale Accounts:	AMZN Seller Central
Other Vendor Sale Accounts:	www.cloudb.com – Magento
	BBB/Macy's – CommerceHub
	BBB-Nordstrom, VonMaur, Target.com DVS - SPS Commerce
	Nordstrom Rack, other Brick & Mortar - Retailers for Cloud B, Pirasta
Termination Thresholds:	
Maximum Inventory Turn Weeks	114
Maximum Allowable Cost Per Unit	$7.99
Maximum Allowable Lead Time (days)	150
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor's assets:	[To be inserted post UCC search]

A-10 Fee Schedule. The F8 Fees for this Product Schedule A-10 will be determined as follows:

Age of Inventory Sold (in days)	7106-UC Range of Fees	
1-14	$ 0.31	$ 0.51
15-28	$ 0.52	$ 0.72
29-42	$ 0.73	$ 0.93
43-56	$ 0.94	$ 1.14
57-70	$ 1.15	$ 1.35
71-84	$ 1.47	$ 1.76
85-98	$ 1.78	$ 2.09
99-112	$ 2.10	$ 2.40
113-126	$ 2.41	$ 2.72
127-140	$ 2.73	$ 3.03
141 or more	$ 3.04	

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.31), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($0.51).

Product Schedule A-11

Product Land Date:	**10/1/2020**
Parties:	
Vendor	**Edison Nation, LLC**
Owner	**Forever 8 Fund, LLC**
Supplier:	**King Honor Enterprises Ltd.**
Product:	**7323-T2P**
Description of SKU:	**Cloud b Pink Twinkling Twilight Turtle, 1 EA**
SKU Information:	
Historical Cost per Unit	$7.10
Projected Monthly Sales	341
Historical Lead Time	120
Planned Inventory Turn Weeks	38
Starting Inventory Units:	4,734
Agreed Existing Inventory Units	1,734
Additional Starting Inventory Units	3,000
Minimum Inventory Amount	3,000
Minimum Inventory Turn Weeks	19
Third Party Facility:	AMZN FBA
Other Third-Party Facility	Edison Nation, LLC Clearwater, Florida Warehouse
	3PL -2100-C Palmetto St, UNIT C, Clearwater, FL 33765
Vendor Sale Accounts:	AMZN Seller Central
Other Vendor Sale Accounts:	www.cloudb.com – Magento
	BBB/Macy’s – CommerceHub
	BBB-Nordstrom, VonMaur, Target.com DVS - SPS Commerce
	Nordstrom Rack, other Brick & Mortar - Retailers for Cloud B, Pirasta
Termination Thresholds:	
Maximum Inventory Turn Weeks	76
Maximum Allowable Cost Per Unit	$8.17
Maximum Allowable Lead Time (days)	150
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor’s assets:	[To be inserted post UCC search]

A-11 Fee Schedule. The F8 Fees for this Product Schedule A-11 will be determined as follows:

Age of Inventory Sold (in days)	7323-T2P Range of Fees	
1-14	$ 0.10	$ 0.30
15-28	$ 0.31	$ 0.51
29-42	$ 0.52	$ 0.72
43-56	$ 0.73	$ 0.93
57-70	$ 0.94	$ 1.14
71-84	$ 1.26	$ 1.55
85-98	$ 1.57	$ 1.88
99-112	$ 1.89	$ 2.19
113-126	$ 2.20	$ 2.51
127-140	$ 2.52	$ 2.82
141 or more	$ 2.83	

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.10), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($0.30).

Product Schedule A-12

Product Land Date:	**10/1/2020**
Parties:	
Vendor	**Edison Nation, LLC**
Owner	**Forever 8 Fund, LLC**
Supplier:	**King Honor Enterprises Ltd.**
Product:	**7323-T2**
Description of SKU:	**Night Light Star Projector with Soothing Melodies, Twinkling Twilight Turtle - Aqua**
SKU Information:	
Historical Cost per Unit	$6.95
Projected Monthly Sales	449
Historical Lead Time	120
Planned Inventory Turn Weeks	29
Starting Inventory Units:	4,312
Agreed Existing Inventory Units	1,312
Additional Starting Inventory Units	3,000
Minimum Inventory Amount	3,000
Minimum Inventory Turn Weeks	14
Third Party Facility:	AMZN FBA
Other Third Party Facility	Edison Nation, LLC Clearwater, Florida Warehouse
	3PL -2100-C Palmetto St, UNIT C, Clearwater, FL 33765
Vendor Sale Accounts:	AMZN Seller Central
Other Vendor Sale Accounts:	www.cloudb.com - Magento
	BBB/Macy's - CommerceHub
	BBB-Nordstrom, VonMaur, Target.com DVS - SPS Commerce
	Nordstrom Rack, other Brick & Mortar - Retailers for Cloud B, Pirasta
Termination Thresholds:	
Maximum Inventory Turn Weeks	58
Maximum Allowable Cost Per Unit	$7.99
Maximum Allowable Lead Time (days)	150
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor's assets:	[To be inserted post UCC search]

A-12 Fee Schedule. The F8 Fees for this Product Schedule A-12 will be determined as follows:

Age of Inventory Sold (in days)	7323-T2 Range of Fees	
1-14	$ 0.60	$ 0.88
15-28	$ 0.90	$ 1.18
29-42	$ 1.20	$ 1.48
43-56	$ 1.50	$ 1.78
57-70	$ 1.80	$ 2.08
71-84	$ 2.25	$ 2.67
85-98	$ 2.70	$ 3.13
99-112	$ 3.15	$ 3.58
113-126	$ 3.60	$ 4.03
127-140	$ 4.05	$ 4.48
141 or more	$ 4.50	

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.60), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($0.88).

Product Schedule A-13

Product Land Date:	**10/1/2020**
Parties:	
Vendor	**Edison Nation, LLC**
Owner	**Forever 8 Fund, LLC**
Supplier:	**SupplyOne Tampa**
Product:	**D8-9H8V-HIPD**
Description of SKU:	**Cardboard Shipping Boxes, 9x6x4 Inch, Pack of 25**
SKU Information:	
Historical Cost per Unit	$4.84
Projected Monthly Sales	1,012
Historical Lead Time	75
Planned Inventory Turn Weeks	8
Starting Inventory Units:	2,101
Agreed Existing Inventory Units	1
Additional Starting Inventory Units	2,100
Minimum Inventory Amount	2,530
Minimum Inventory Turn Weeks	4
Third Party Facility:	AMZN FBA
Other Third Party Facility	Edison Nation, LLC Clearwater, Florida Warehouse
Vendor Sale Accounts:	AMZN Seller Central
Other Vendor Sale Accounts:	
Termination Thresholds:	
Maximum Inventory Turn Weeks	15
Maximum Allowable Cost Per Unit	$5.56
Maximum Allowable Lead Time (days)	105
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor’s assets:	[To be inserted post UCC search]

A-13 Fee Schedule. The F8 Fees for this Product Schedule A-13 will be determined as follows:

Age of Inventory Sold (in days)	D8-9H8V-HIPD Range of Fees	
1-14	$ -	$ 0.22
15-28	$ 0.24	$ 0.46
29-42	$ 0.48	$ 0.70
43-56	$ 0.72	$ 0.94
57-70	$ 0.96	$ 1.18
71-84	$ 1.32	$ 1.65
85-98	$ 1.68	$ 2.02
99-112	$ 2.04	$ 2.38
113-126	$ 2.40	$ 2.74
127-140	$ 2.76	$ 3.10
141 or more	$ 3.12	

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.00), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($0.22).

Product Schedule A-14

Product Land Date:	**10/1/2020**
Parties:	
Vendor	**Edison Nation, LLC**
Owner	**Forever 8 Fund, LLC**
Supplier:	**Ningbo OK Homeware Imp&Exp Co. Ltd**
Product:	**11001**
Description of SKU:	**Universal Acrylic Serveware Stand and Tray (Reversible Cake Stand, Punch Bowl, Serving Platter Tray and Dip Bowl)**
SKU Information:	
Historical Cost per Unit	$4.25
Projected Monthly Sales	1,701
Historical Lead Time	70
Planned Inventory Turn Weeks	10
Starting Inventory Units:	3,000
Agreed Existing Inventory Units	0
Additional Starting Inventory Units	3,000
Minimum Inventory Amount	3,970
Minimum Inventory Turn Weeks	5
Third Party Facility:	AMZN FBA
Other Third Party Facility	Edison Nation, LLC Clearwater, Florida Warehouse
Vendor Sale Accounts:	AMZN Seller Central
Other Vendor Sale Accounts:	
Termination Thresholds:	
Maximum Inventory Turn Weeks	20
Maximum Allowable Cost Per Unit	$4.89
Maximum Allowable Lead Time (days)	100
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor's assets:	[To be inserted post UCC search]

A-14 Fee Schedule. The F8 Fees for this Product Schedule A-14 will be determined as follows:

Age of Inventory Sold (in days)	11001	
	Range of Fees	
1-14	$ 0.21	$ 0.40
15-28	$ 0.42	$ 0.61
29-42	$ 0.63	$ 0.82
43-56	$ 0.84	$ 1.03
57-70	$ 1.05	$ 1.24
71-84	$ 1.36	$ 1.66
85-98	$ 1.68	$ 1.98
99-112	$ 1.99	$ 2.30
113-126	$ 2.31	$ 2.61
127-140	$ 2.62	$ 2.93
141 or more	$ 2.94	

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.21), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($0.40).

Product Schedule A-15

Product Land Date:	**10/1/2020**
Parties:	
Vendor	**Edison Nation, LLC**
Owner	**Forever 8 Fund, LLC**
Supplier:	**[Insert Supplier]**
Product:	**HSL 01**
Description of SKU:	**HSL 01 (Orange Himalayan Salt Lamp w/ base)**
SKU Information:	
Historical Cost per Unit	$3.84
Projected Monthly Sales	1,294
Historical Lead Time	75
Planned Inventory Turn Weeks	11
Starting Inventory Units:	1,000
Agreed Existing Inventory Units	0
Additional Starting Inventory Units	1,000
Minimum Inventory Amount	3,236
Minimum Inventory Turn Weeks	5
Third Party Facility:	AMZN FBA
Other Third Party Facility	Edison Nation, LLC Clearwater, Florida Warehouse
	3PL -2100-C Palmetto St, UNIT C, Clearwater, FL 33765
Vendor Sale Accounts:	AMZN Seller Central
Other Vendor Sale Accounts:	
Termination Thresholds:	
Maximum Inventory Turn Weeks	22
Maximum Allowable Cost Per Unit	$4.42
Maximum Allowable Lead Time (days)	105
Bank:	Enterprise Bank
Vendor holding a security interest in Vendor's assets:	[To be inserted post UCC search]

A-15 Fee Schedule. The F8 Fees for this Product Schedule A-15 will be determined as follows:

Age of Inventory Sold (in days)	HSL 01 Range of Fees	
1-14	$ 0.36	$ 0.49
15-28	$ 0.49	$ 0.62
29-42	$ 0.63	$ 0.75
43-56	$ 0.76	$ 0.89
57-70	$ 0.90	$ 1.02
71-84	$ 1.12	$ 1.33
85-98	$ 1.35	$ 1.57
99-112	$ 1.57	$ 1.79
113-126	$ 1.80	$ 2.02
127-140	$ 2.02	$ 2.24
141 or more	$ 2.25	

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

For purposes of the F8 Free Ranges (per Unit), the fees are prorated for the daily age of the inventory. For example, if the proceeds of the sale of units of Inventory are received in the DACA Account on day one (1), the applicable fee is low point of the range ($0.36), whereas if the proceeds of the sale of units of Inventory are received in the DACA Account on day fourteen (14), the applicable fee is high point of the range ($0.49).

Product Schedule A-16-24

AGREED EXISTING INVENTORY PURCHASE					CA/FL 9/28	SB 9/30	F8	EN
	SKU	Qty	Value	Price	Whse	Amazon	Purchase	STORAGE
Pirasta NYC Big Coloring Poster 39" x 26" - Spaced Out	300102	1,076	$ 5,907.24	$4.62	1,076	-	(1,076)	-
Pirasta NYC Really Big Coloring Poster 63" x 36" - Big Apple	100101	1,166	$ 1,779.57	$5.50	1,053	113	(1,166)	-
Pirasta NYC Really Big Coloring Poster 63" x 36" - Food Fight	100103	480	$ 2,635.20	$5.50	480	-	(480)	-
Pirasta NYC Really Big Coloring Poster 63" x 36" - Let's Color America	100102	820	$ 4,501.80	$5.50	820	-	(820)	-
Let's Color America Flat Poster	100102.1	1,063	$ 1,796.47	$1.69	1,063	-	(1,063)	-
What a Colorful World Flat Retail Box	100105.2	1,063	$ 1,796.47	$1.69	1,063	-	(1,063)	-
Pirasta NYC Really Big Coloring Poster 63" x 36" - What A Colorful World	100105	1,641	$ 9,003.60	$3.24	1,640	1	(1,641)	-
Pirasta- Really Big Coloring Poster – Funny Farm- 1.1 Pounds- 1 Unit-1# of Items	100104	464	$ 2,525.40	$5.50	460	4	(464)	-

A-16-24 Fee Schedule. The F8 Fees for this Product Schedule A-14-22 will be determined as follows:

FEE SCHEDULE TO BE DETERMINED ONCE FORECASTS ARE FINALIZED

For purposes of this Fee Schedule, Age of Inventory Sold with respect to particular unit(s) of Inventory is measured beginning on the date such unit(s) of Inventory arrived at the Facilities until the date that the proceeds of the sale of such units of Inventory by Vendor to Vendor's customer are received in the DACA Account.

Schedule B

Form of DACA Agreement

DEPOSIT ACCOUNT CONTROL AGREEMENT

THIS DEPOSIT ACCOUNT CONTROL AGREEMENT (this "**Agreement**") is entered into as of *[Date]*, by and among *Forever 8 Fund, LLC*, a *Delaware* corporation ("**Inventory Partner**"), *[Name of Customer]*, a *[state of incorporation / formation]* corporation / limited liability company ("**Customer**"), and Enterprise Bank & Trust, a Missouri chartered trust company with banking powers ("**Bank**").

BACKGROUND:

Customer has granted to Inventory Partner a security interest in a deposit account maintained by Customer with Bank pursuant to that certain Inventory Management Agreement dated as of [ ] by and between Customer and Inventory Partner (**"Inventory Agreement"**) and in all funds now in, or hereafter deposited into, that account, including any interest earned thereon. The Customer is requesting that the Bank enter into this Agreement. The Bank is willing to do so upon the terms contained in this Agreement.

AGREEMENT:

1. **The Account.** Bank represents and warrants to Inventory Partner that:

(a) Customer maintains deposit account number with Bank ("**Account**"). The Account is a *demand* deposit account.

(b) As of the date of this Agreement, Bank does not know of any claim to or interest in or agreement relating to the Account, except for this Agreement and the claims and interests of the parties hereto.

(c) The records of Bank with respect to the Account shall recognize and reflect the security interest in favor of Inventory Partner.

2. **Control of Account by Inventory Partner; Customer's Rights in Account.**

(a) Account Restricted Immediately. Except as provided in this Agreement or as otherwise agreed to by Inventory Partner in writing, as of and after the date of this Agreement (i) Customer shall have no access to the Account and Bank shall not permit any funds to be transferred or withdrawn by Customer from the Account except with the prior written consent of the Inventory Partner, (ii) Inventory Partner shall have exclusive control over transfers and withdrawals from the Account (Customer irrevocably authorizing and directing Bank to comply solely with requests of Inventory Partner with respect thereto), and (iii) all available funds in the Account will be transferred by Bank in accordance with the written instructions of Inventory Partner. Bank shall have no obligation to follow instructions of Inventory Partner set forth herein or otherwise if Bank in good faith believes that it is or may be restricted by law from following Inventory Partner's instructions. If the Account is a certificate of deposit or other time deposit, then at the expiration of its term, unless Bank has received written instructions to the contrary from Inventory Partner, the Account shall be renewed for a term which is equal to the immediately preceding term.

(b) Before Inventory Partner attempts to give Bank any instructions concerning the Account, Inventory Partner shall deliver to Bank such documentation as Bank may from time to time reasonably request to evidence the authority of those partners, officers, employees or agents whom Inventory Partner may designate to give instructions.

(c) It is the intent of the parties to this Agreement that Inventory Partner has control over the Account within the meaning of Section 9-104 of the Uniform Commercial Code (**"UCC"**).

3. **Priority of Inventory Partner's Security Interest; Limitations on Bank; Rights Reserved by Bank.**

(a) All of Bank's present and future rights against the Account are subordinate to Inventory Partner's security interest therein and Bank agrees not to exercise or claim any right to offset, banker's lien or like right against the Account; provided however, that Inventory Partner agrees that nothing herein subordinates or waives, and that Bank expressly reserves, all of Bank's present and future rights (whether described as rights of setoff, banker's lien, chargeback or otherwise, and whether available to Bank under law or any other agreement between Bank and Customer concerning the Account, or otherwise) with respect to only: (i) any item deposited to the Account and returned unpaid, whether for insufficient funds or for any other reason, and without regard to the timeliness of such return or the occurrence or timeliness of any drawee's notice of non-payment; (ii) any item subject to a claim against Bank of breach of transfer or presentment warranty under the UCC, as adopted in the applicable state; (iii) any substitute check or purported substitute check deposited to the Account that is the subject of an indemnity claim, including, but not limited to, breach of warranty, under the Check Clearing for the 21st Century Act and its implementing regulations (collectively, **"Check 21"**); (iv) any automated clearing house ("**ACH"**) entry credited to the Account and returned unpaid or subject to an adjustment entry under applicable clearing house rules, whether for insufficient funds or for any other reason, and without regard to the timeliness of such return or adjustment; (v) any credit to the Account from a merchant card transaction, against which a contractual demand for chargeback has been made; (vi) any credit to the Account made in error; and (vii) Bank's usual and customary charges for services rendered in connection with the Account. Items, entries, and transactions described in clauses (i) through (vii) of this paragraph are hereinafter collectively referred to as **"Returned Items"**.

(b) Except as otherwise required by law, Bank will not agree with any third party to comply with orders or instructions originated by such third party.

4. **Returned Item Amounts.** Customer and Inventory Partner understand and agree that Bank will collect the amount (**"Returned Item Amount"**) of each Returned Item by debiting the Account. Customer and Inventory Partner further understand and agree that in the event the Returned Item is a substitute check or a purported substitute check, in addition to the Returned Item Amount, Bank may debit the Account for any further amount to satisfy the indemnity claim under Check 21. Customer shall pay the amount of each Returned Item immediately upon demand to the extent there are not sufficient funds in the Account to cover such amount on the day of the debit. Inventory Partner shall pay to Bank, within twenty (20) days after demand on Inventory Partner by Bank, any such amount that has not been paid in full by Customer within ten (10) days after demand on Customer by Bank to the extent that Inventory Partner received proceeds from the corresponding Returned Item; provided however, that if Bank is stayed from making such demand upon Customer as a result of a bankruptcy or similar proceeding, then Bank shall be deemed to have made such demand upon Customer at the commencement of such proceeding. Bank agrees that any demand upon Inventory Partner for payment of such amount shall be made within [one hundred twenty (120)] days after termination of this Agreement.

5. **Statements; Notices of Adverse Claims.** Bank will send copies of all statements for the Account simultaneously to Customer and Inventory Partner. Bank may disclose to Inventory Partner such other information concerning the Account as Inventory Partner may from time to time request; provided however, that Bank shall have no duty or obligation to comply with any such request. Except as otherwise required by law, Bank will use reasonable efforts to promptly notify Inventory Partner and Customer if Bank receives a notice that any other person claims that it has a property interest in or is otherwise asserting any adverse claim against the Account. Customer and Inventory Partner shall have thirty (30) days after receipt of a statement of the Account to notify Bank of an error in such statement. Bank's liability for any such error is limited in accordance with Section 6 hereof.

6. **Bank's Responsibility:**

(a) Bank will not be liable to Inventory Partner for complying with instructions from Customer that are received by Bank prior to the effective date of this Agreement.

(b) Bank will not be liable to Customer for complying with instructions originated by Inventory Partner following the effective date of this Agreement, even if Customer notifies Bank that Inventory Partner is not legally entitled to issue instructions, unless Bank takes the action after it is served with an injunction, restraining order, or other legal process enjoining it from doing so, issued by a court of competent jurisdiction, and has had a reasonable opportunity to act on the injunction, restraining order or other legal process.

(c) This Agreement does not create any obligation of Bank except for those expressly set forth herein. In particular, Bank need not investigate whether Inventory Partner is entitled under Inventory Partner's agreements with Customer to control the account or issue instructions. Bank may rely on any and all notices and communications it believes are given by the appropriate party.

(d) Bank will not have any liability to Customer or Inventory Partner for claims, losses, liabilities or damages resulting from any failure to comply with instructions or delay in complying with instructions if such failure or delay is due to circumstances beyond Bank's reasonable control.

(e) Bank will not have any liability to Customer or Inventory Partner for claims, losses, liabilities or damages suffered or incurred by Customer or Inventory Partner as a result of or in connection with this Agreement except to the extent such losses, liabilities and damages directly result from Bank's gross negligence or willful misconduct.

(f) Bank may consult with legal counsel and other experts selected by it and shall not be liable for any action taken or omitted to be taken by it in good faith in accordance with the advice of such counsel or experts.

(g) In no event will Bank have any liability to Customer or Inventory Partner in connection herewith for any consequential, special, punitive or indirect loss or damage whether or not any claim for such damages is based on tort or contract or Bank knew or should have known the likelihood of such damages in any circumstances.

7. **Indemnity.**

(a) Customer will indemnify Bank, its officers, directors, employees, and agents against claims, demands, losses, liabilities, damages, costs and expenses (including reasonable attorneys' fees and disbursements) arising out of this Agreement or Bank following any instruction or request of Customer or Inventory Partner in connection with this Agreement, except to the extent the claims, liabilities, costs and expenses are caused by Bank's gross negligence or willful misconduct.

(b) Inventory Partner will indemnify Bank, its officers, directors, employees, and agents against claims, demands, losses, liabilities, damages, costs and expenses (including reasonable attorneys' fees and disbursements), arising out of Bank following any instruction or request of Inventory Partner in connection with this Agreement, except to the extent the claims, liabilities, costs and expenses are caused by Bank's gross negligence or willful misconduct. Creditor Inventory Partner will pay such amount as may be due to Bank under this indemnity within twenty (20) days of demand on Creditor Inventory Partner by Bank to the extent such amount has not paid in full by Customer within ten (10) days after demand on Customer by Bank; provided however, that if Bank is stayed from making such demand upon Customer as a result of a bankruptcy or similar proceeding, then Bank shall be deemed to have made such demand upon Customer at the commencement of such proceeding.

(c) Inventory Partner's and Customer's liabilities to Bank under this Section are joint and several.

8. **Termination; Survival.**

(a) This Agreement may be terminated at any time by either Bank or Inventory Partner, upon thirty (30) days prior written notice to each of the other parties. Upon such termination, funds in the Account shall remain subject to any rights and interests of Inventory Partner under the Inventory Agreement and other agreements and applicable law. No notice of termination given by Customer shall be effective until consented to by Inventory Partner in writing.

(b) This Agreement shall terminate upon Bank's receipt of written notice from Inventory Partner expressly stating that Inventory Partner no longer claims any security interest in the Account.

(c) Sections 4, "Returned Item Amounts," 6, "Bank's Responsibility," and 7, "Indemnity," will survive termination of this Agreement.

9. **Governing Law; Waiver of Jury Trial.**

(a) This Agreement and the Account shall be governed by and construed in accordance with the laws of the State of Missouri (without reference to conflict of law principles).

(b) The local law of Bank's jurisdiction for purposes of Section 9-304 of the Uniform Commercial Code shall be deemed to be the State of Missouri.

(c) Inventory Partner, Customer and Bank irrevocably waive the right to trial by jury with respect to any action in which Inventory Partner, Customer and/or Bank are parties relating to or arising out of or in connection with this Agreement.

10. **Entire Agreement.** This Agreement is the entire agreement and supersedes any prior agreements and contemporaneous oral agreements of the parties concerning its subject matter.

11. **Amendments; Waivers.** This Agreement may be amended or modified only in writing signed by all parties hereto, and no waiver of any right under this Agreement will be binding unless it is in writing and signed by the party to be charged. No party's failure or delay in exercising any right or remedy under this Agreement will operate as a waiver of such right or remedy; and no single or partial exercise by a party of any right or remedy under this Agreement will preclude any additional or further exercise of such right or remedy or the exercise of any other right.

12. **Severability.** To the extent a provision of this Agreement is unenforceable, this Agreement will be construed as if the unenforceable provision were omitted.

13. **Other Agreements.** As long as this Agreement remains in effect, transactions involving the Account shall be subject, except to the extent inconsistent herewith, to the provisions of such deposit account agreements, disclosures, and fee schedules as are in effect from time to time with respect to the Account. To the extent that any provision in this Agreement conflicts with any other provision in any other agreement between Customer, Bank or Inventory Partner, the provisions of this Agreement shall control.

14. **Successors and Assigns.** The provisions of this Agreement shall be binding upon and inure to the benefit of Bank, Inventory Partner and Customer and their respective heirs, executors, administrators, legal representatives, successors and assigns, provided that Customer may not assign this Agreement of the other parties.

15. **Notices.** All notices, requests and demands which any party is required or may desire to give to any other party under any provision of this Agreement must be in writing (unless otherwise specifically provided) and delivered to each party via hand delivery, first class certified or registered mail, return receipt requested or via via e-mail at the addresses set forth below its signature, or to such other address or e-mail as any party may designate by written notice to all other parties. Any notice of communication to Bank will be effective when Bank has actually received, and has had a reasonable time to act on, any such notice or communication. Any notice or communication to Customer or Inventory Partner will be effective either on the date it is actually received or three days after it was mailed by first class certified or registered mail, return receipt requested, whichever is earlier.

16. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

The foregoing is hereby acknowledged and agreed to, effectives as of the last of the dates set forth below.

NAME OF CUSTOMER

____

By:
Title:
Date:
Address:
Facsimile:
Telephone:

NAME OF INVENTORY PARTNER

____

By: Forever 8 Fund, LLC
Title: Member
Date:
Address: 614 N. DuPont Highway, Suite 210, Dover, DE 19901
Email: pvassilakos@forever8fund.com
Facsimile: 646-383-6377
Telephone: 646-240-4262

ENTERPRISE BANK & TRUST

____

By: Colleen M. Shea
Title: Senior Vice President
Date:
Address: 1281 North Warson Rd.
St. Louis, Missouri 63132
Email:
Facsimile: 314-810-1591
Telephone: 314-810-3611

With a Copy to:

Enterprise Bank & Trust
Attn: *[Account Officer Name]*
Address:
Facsimile:
Telephone:

EXHIBIT 31.1

VINCO VENTURES, INC.
CERTIFICATION PURSUANT TO RULE 13a-14 OR 15d-14 OF
THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED,
AS ADOPTED PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002

I, Christopher B. Ferguson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Vinco Ventures, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 23, 2020

/s/ Christopher B. Ferguson

Christopher B. Ferguson
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

VINCO VENTURES, INC.
CERTIFICATION PURSUANT TO RULE 13a-14 OR 15d-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Brett Vroman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Vinco Ventures, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 23, 2020

/s/ Brett Vroman

Brett Vroman
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

VINCO VENTURES, INC.
CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report on Form 10-Q for the quarter ended September 30, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "**Report**"), of Vinco Ventures, Inc. (the "**Company**"), each of the undersigned officers of the Company hereby certify, in their capacity as an executive officer of the Company, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of their knowledge:

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

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

Date: November 23, 2020	*/s/ Christopher B. Ferguson* Christopher B. Ferguson Chief Executive Officer (Principal Executive Officer)
Date: November 23, 2020	*/s/ Brett Vroman* Brett Vroman Chief Financial Officer (Principal Financial Officer)

Document and Entity Information - shares	9 Months Ended Sep. 30, 2020	Nov. 20, 2020
Cover [Abstract]		
Entity Registrant Name	Vinco Ventures, Inc.	
Entity Central Index Key	0001717556	
Document Type	10-Q	
Document Period End Date	Sep. 30, 2020	
Amendment Flag	false	
Current Fiscal Year End Date	--12-31	
Entity Current Reporting Status	Yes	
Entity Interactive Data Current	Yes	
Entity Filer Category	Non-accelerated Filer	
Entity Small Business	true	
Entity Emerging Growth Company	true	
Entity Ex Transition Period	true	
Entity Shell Company	false	
Entity Common Stock, Shares Outstanding		14,268,673
Document Fiscal Period Focus	Q3	
Document Fiscal Year Focus	2020	

Condensed Consolidated Balance Sheets - USD ($)	Sep. 30, 2020	Dec. 31, 2019
Current assets:		
Cash and cash equivalents	$ 384,604	$ 412,719
Accounts receivable, net	3,145,530	2,108,099
Inventory	1,515,351	1,369,225
Prepaid expenses and other current assets	1,529,709	917,433
Income tax receivable	147,889	147,889
Total current assets	6,723,083	4,955,365
Property and equipment, net	1,012,375	931,968
Right of use assets - operating leases, net	505,933	732,100
Intangible assets, net	10,772,241	11,598,063
Goodwill	5,392,123	5,392,123
Total assets	24,405,755	23,609,619
Current liabilities:		
Accounts payable	3,024,689	7,397,650
Accrued expenses and other current liabilities	1,620,230	1,594,669
Deferred revenues	1,009,838	159,591
Current portion of operating lease liabilities	279,719	272,215
Income tax payable	8,151	22,919
Line of credit, net of debt issuance costs of $0 and $15,573, respectively	1,616,668	456,995
Current portion of convertible notes payable, net of debt issuance costs of $61,997 and $0, respectively	498,002	
Current portion of notes payable, net of debt issuance costs of $148,278 and $212,848, respectively	821,092	1,365,675
Current portion of notes payable - related parties	1,214,698	1,686,352
Due to related party	22,005	17,253
Total current liabilities	10,115,092	12,973,319
Operating lease liabilities, net of current portion	255,100	482,212
Convertible notes payable - related parties, net of debt discount of $291,667 and $366,666 related to the conversion feature, respectively	1,136,495	1,061,495
Notes payable, net of current portion	821,271	42,492
Notes payable - related parties, net of current portion	1,452,815	1,595,669
Total liabilities	13,780,773	16,155,187
Commitments and contingencies (Note 8)		
Stockholders' equity		
Preferred stock, $0.001 par value, 30,000,000 shares authorized; 0 shares issued and outstanding as of September 30, 2020 and December 31, 2019, respectively		
Common stock, $0.001 par value, 250,000,000 shares authorized; 11,893,291 and 8,015,756 shares issued and outstanding as of September 30, 2020 and December 31, 2019, respectively	11,893	8,016
Additional paid-in-capital	33,427,702	26,259,575
Accumulated deficit	(21,684,394)	(18,495,461)
Total stockholders' equity attributable to Edison Nation, Inc.	11,755,201	7,772,130

Noncontrolling interests	(1,130,219)	(317,698)
Total stockholders' equity	10,624,982	7,454,432
Total liabilities and stockholders' equity	$ 24,405,755	$ 23,609,619

Condensed Consolidated Balance Sheets (Parenthetical) - USD ($)	Sep. 30, 2020	Dec. 31, 2019
Preferred stock, par value	$ 0.001	$ 0.001
Preferred stock, shares authorized	30,000,000	30,000,000
Preferred stock, shares, issued	0	0
Preferred stock, shares, outstanding	0	0
Common stock, par or stated value per share	$ 0.001	$ 0.001
Common stock, shares authorized	250,000,000	250,000,000
Common stock, shares, issued	11,893,291	8,015,756
Common stock, shares, outstanding	11,893,291	8,015,756
Notes Payable [Member]		
Debt issuance costs, net	$ 148,278	$ 212,848
Convertible Notes Payable - Related Parties [Member]		
Debt issuance costs, net	291,667	366,666
Line of Credit [Member]		
Debt issuance costs, net	0	15,573
Convertible Notes Payable [Member]		
Debt issuance costs, net	$ 61,997	$ 0

Condensed Consolidated Statements of Operations (Unaudited) - USD ($)	3 Months Ended		9 Months Ended	
	Sep. 30, 2020	Sep. 30, 2019	Sep. 30, 2020	Sep. 30, 2019
Income Statement [Abstract]				
Revenues, net	$ 4,251,147	$ 3,532,645	$ 14,798,283	$ 15,239,434
Cost of revenues	2,668,864	2,544,058	9,977,060	10,413,868
Gross profit	1,582,283	988,587	4,821,223	4,825,566
Operating expenses:				
Selling, general and administrative	3,474,844	3,296,323	10,438,487	9,738,107
Operating loss	(1,892,561)	(2,307,736)	(5,617,264)	(4,912,541)
Other (expense) income:				
Rental income	25,704	25,704	77,111	77,111
Other income			4,911,760	
Interest expense	(1,004,626)	(349,172)	(2,575,737)	(875,036)
Total other (expense) income	(978,922)	(323,468)	2,413,134	(797,925)
Loss before income taxes	(2,871,483)	(2,631,204)	(3,204,130)	(5,710,466)
Income tax expense				74,200
Net loss	(2,871,483)	(2,631,204)	(3,204,130)	(5,784,666)
Net income (loss) attributable to noncontrolling interests	(37,439)	(49,103)	(15,198)	(31,858)
Net loss attributable to Vinco Ventures, Inc.	$ (2,834,044)	$ (2,582,101)	$ (3,188,932)	$ (5,752,808)
Net loss per share				
- basic and diluted	$ (0.30)	$ (0.44)	$ (0.29)	$ (1.00)
Weighted average number of common shares outstanding - basic and diluted	9,324,023	5,834,167	10,853,242	5,733,379

Condensed Consolidated Statement of Changes in Stockholders' Equity (Unaudited) - USD ($)	Common Stock [Member]	Additional Paid-in Capital [Member]	Accumulated Deficit [Member]	Noncontrolling Interest [Member]	Total
Balance at Dec. 31, 2018	$ 5,655	$ 20,548,164	$ (5,565,756)	$ 951,576	$ 15,939,639
Balance, shares at Dec. 31, 2018	5,654,830				
Issuance of common stock to note holders	$ 251	309,529			309,780
Issuance of common stock to note holders, shares	251,004				
Issuance of common stock to employees and directors	$ 3	8,847			8,850
Issuance of common stock to employees and directors, shares	3,000				
Issuance of common stock to vendors for services	$ 125	394,000			394,125
Issuance of common stock to vendors for services, shares	125,000				
Stock-based compensation		187,740			187,740
Net (loss) income			(5,752,808)	(31,858)	(5,784,666)
Balance at Sep. 30, 2019	$ 6,034	21,448,280	(11,318,654)	919,718	11,055,468
Balance, shares at Sep. 30, 2019	6,033,835				
Balance at Jun. 30, 2019	$ 5,738	21,136,912	(8,736,463)	968,821	13,375,008
Balance, shares at Jun. 30, 2019	5,737,830				
Issuance of common stock to note holders	$ 201	136,279			136,480
Issuance of common stock to note holders, shares	201,005				
Issuance of common stock to employees and directors	$ 3	8,847			8,850
Issuance of common stock to employees and directors, shares	3,000				
Issuance of common stock to vendors for services	$ 92	252,908			253,000
Issuance of common stock to vendors for services, shares	92,000				
Stock-based compensation		(86,666)			(86,666)
Net (loss) income			(2,582,101)	(49,103)	(2,631,204)
Balance at Sep. 30, 2019	$ 6,034	21,448,280	(11,318,654)	919,718	11,055,468
Balance, shares at Sep. 30, 2019	6,033,835				
Balance at Dec. 31, 2019	$ 8,016	26,259,576	(18,495,462)	(317,698)	7,454,432
Balance, shares at Dec. 31, 2019	8,015,756				
Issuance of common stock to note holders	$ 1,202	2,291,662			2,292,865
Issuance of common stock to note holders, shares	1,202,666				

Return of common stock from noteholder held as collateral	$ (153)	153			
Return of common stock from noteholder held as collateral, shares	(153,005)				
Issuance of common stock to employees and directors	$ 150	319,350			319,500
Issuance of common stock to employees and directors, shares	150,000				
Stock-based compensation		681,306			681,306
Issuance of common stock for divestiture	$ 150	404,850			405,000
Issuance of common stock for divestiture, shares	150,000				
Issuance of common stock to consultants	$ 1,238	1,754,142			1,755,380
Issuance of common stock to consultants, shares	1,237,874				
Issuance of common stock for Global Clean Solutions, LLC acquisition	$ 300	698,700			699,000
Issuance of common stock for Global Clean Solutions, LLC acquisition	300,000				
Issuance of common stock cancellation of non-voting membership interest in Edison Nation Holdings, LLC	$ 990	(990)			
Issuance of common stock cancellation of non-voting membership interest in Edison Nation Holdings, LLC, shares	990,000				
Issuance of warrants- noteholders		1,018,953			1,018,953
Divestiture of Cloud B				(26,392)	(26,392)
Distributions				(770,931)	(770,931)
Net (loss) income			(3,188,932)	(15,198)	(3,204,130)
Balance at Sep. 30, 2020	$ 11,893	33,427,702	(21,684,394)	(1,130,219)	10,624,982
Balance, shares at Sep. 30, 2020	11,893,291				
Balance at Jun. 30, 2020	$ 9,618	30,802,083	(18,850,350)	(1,020,849)	10,940,502
Balance, shares at Jun. 30, 2020	9,618,401				
Issuance of common stock to note holders	$ 763	1,502,087			1,502,850
Issuance of common stock to note holders, shares	763,266				
Issuance of common stock to employees and directors	$ 150	319,350			319,500
Issuance of common stock to employees and directors, shares	150,000				
Stock-based compensation		(387,074)			(387,074)
Issuance of common stock to consultants	$ 372	1,192,246			1,192,618
Issuance of common stock to consultants, shares	371,624				

Issuance of common stock cancellation of non-voting membership interest in Edison Nation Holdings, LLC	$ 990	(990)			
Issuance of common stock cancellation of non-voting membership interest in Edison Nation Holdings, LLC, shares	990,000				
Distributions				71,931	(71,931)
Net (loss) income			(2,834,044)	(37,439)	(2,871,483)
Balance at Sep. 30, 2020	$ 11,893	$ 33,427,702	$ (21,684,394)	$ (1,130,219)	$ 10,624,982
Balance, shares at Sep. 30, 2020	11,893,291				

Condensed Consolidated Statements of Cash Flows (Unaudited) - USD ($)	9 Months Ended Sep. 30, 2020	Sep. 30, 2019
Cash Flow from Operating Activities		
Net loss attributable to Vinco Ventures, Inc.	$ (3,188,932)	$ (5,752,808)
Net loss attributable to noncontrolling interests	(15,198)	(31,858)
Net loss	(3,204,130)	(5,784,666)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	938,844	952,019
Amortization of financing costs	2,015,422	658,126
Stock-based compensation	2,765,022	876,585
Amortization of right of use asset	226,167	217,189
Gain on divestiture	(4,911,760)	
Changes in assets and liabilities:		
Accounts receivable	(1,037,432)	(12,355)
Inventory	(146,126)	(182,370)
Prepaid expenses and other current assets	(612,276)	(667,836)
Accounts payable	(367,355)	1,413,425
Accrued expenses and other current liabilities	1,237,169	549,072
Operating lease liabilities	(219,608)	
Repayment of operating lease liabilities		(199,589)
Due from related party	4,753	(117,786)
Net cash used in operating activities	(3,311,310)	(2,298,186)
Cash Flows from Investing Activities		
Purchases of property and equipment	(193,429)	(113,612)
Net cash used in investing activities	(193,429)	(113,612)
Cash Flows from Financing Activities		
Borrowings under lines of credit	1,144,100	249,370
Borrowings under convertible notes payable	1,660,000	1,111,111
Borrowings under notes payable	1,739,852	1,670,000
Repayments under lines of credit		(340,766)
Repayments under notes payable	(947,127)	(570,587)
Repayments under notes payable - related parties	(14,508)	(82,612)
Fees paid for financing costs	(33,762)	(463,146)
Distributions	(71,931)	
Net cash provided by financing activities	3,476,624	1,573,370
Net increase (decrease) in cash and cash equivalents	(28,115)	(838,428)
Cash and cash equivalents - beginning of period	412,719	2,052,731
Cash and cash equivalents - end of period	384,604	1,214,303
Supplemental Disclosures of Cash Flow Information		
Interest	193,136	145,324
Income taxes	235,275	

Noncash investing and financing activity:		
Shares issued to note holders	2,292,864	309,780
Shares issued for the divestiture of Cloud B, Inc	405,000	
Conversions under notes payable	1,524,000	
Issuance of warrants to note holders	1,018,953	
Distribution for issuance of shares to noncontrolling interest members of Global Clean Solutions, LLC	$ 699,000	

Basis of Presentation and Nature of Operations	9 Months Ended Sep. 30, 2020
Organization, Consolidation and Presentation of Financial Statements [Abstract]	
Basis of Presentation and Nature of Operations	**Note 1 — Basis of Presentation and Nature of Operations** The condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial statements and with Form 10-Q and Article 10 of Regulation S-X of the United States Securities and Exchange Commission (the “SEC”). Accordingly, they do not contain all information and footnotes required by GAAP for annual financial statements. The condensed consolidated financial statements include the accounts of the Company and its wholly-owned and majority-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. In the opinion of the Company’s management, the accompanying unaudited condensed consolidated financial statements contain all the adjustments necessary (consisting only of normal recurring accruals) to present the financial position of the Company as of September 30, 2020 and the results of operations, changes in stockholders’ equity, and cash flows for the periods presented. The results of operations for the three and nine months ended September 30, 2020 are not necessarily indicative of the operating results for the full fiscal year or any future period. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes thereto included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2019 as filed with the Securities and Exchange Commission on May 29, 2020 and further amended on June 4, 2020. The Company’s accounting policies are described in the Notes to Consolidated Financial Statements in its Annual Report on Form 10-K for the year ended December 31, 2019, and updated, as necessary, in this Quarterly Report on Form 10-Q. As used herein, the terms the “Company,” “Vinco Ventures” “we,” “us,” “our” and similar refer to Vinco Ventures, Inc. (f/k/a Edison Nation, Inc.), a Nevada corporation incorporated on July 18, 2017 under the laws of the State of Nevada as Idea Lab X Products, Inc. and also formerly known as Xspand Products Lab, Inc. prior to its name change on September 12, 2018, and/or its wholly-owned and majority-owned operating subsidiaries. On November 5, 2020, the Company (the “Parent”) and its wholly owned subsidiary, Vinco Ventures, Inc. (the “Merger Sub”), entered into an Agreement and Plan of Merger (the “Agreement”). Under the terms of the Agreement, the Merger Sub merged with and into the Parent and the Parent became the surviving corporation of the Merger (the “Surviving Corporation”). The name of the Surviving Corporation became Vinco Ventures, Inc. The transaction closed on November 10, 2020. Vinco Ventures is a vertically-integrated, end-to-end, consumer product research and development, manufacturing, sales and fulfillment company. The Company’s proprietary web-enabled platform provides a low risk, high reward platform and process to connect innovators of new product ideas with potential licensees. As of September 30, 2020, Vinco Ventures had six wholly-owned subsidiaries: S.R.M. Entertainment Limited (“SRM”), Scalematix, LLC (“Scalematix”), Ferguson Containers, Inc. (“Fergco”), CBAV1, LLC (“CB1”), Pirasta, LLC (“Pirasta”) and Edison Nation Holdings, LLC. Vinco Ventures owns 50% of Best Party Concepts, LLC, Ed Roses, LLC and Global Clean Solutions, LLC, all of which are VIE’s. Edison Nation Holdings, LLC is the single member of Edison Nation, LLC and Everyday Edisons, LLC. Edison Nation, LLC is the single member of Safe TV Shop, LLC. **COVID-19**

COVID-19 has caused and continues to cause significant loss of life and disruption to the global economy, including the curtailment of activities by businesses and consumers in much of the world as governments and others seek to limit the spread of the disease, and through business and transportation shutdowns and restrictions on people's movement and congregation.

As a result of the pandemic, we have experienced, and continue to experience, weakened demand for our traditional products. Many of our customers have been unable to sell our products in their stores and theme parks due to government-mandated closures and have deferred or significantly reduced orders for our products. We expect these trends to continue until such closures are significantly curtailed or lifted. In addition, the pandemic has reduced foot traffic in the stores where our products are sold that remain open, and the global economic impact of the pandemic has temporarily reduced consumer demand for our products as they focus on purchasing essential goods.

In the United States and Asia, many of our key accounts remain closed or are operating at significantly reduced volumes. As a result, we have made the strategic decision to expand our operations through our Edison Nation Medical ("Ed Med") division. Through Ed Med, the Company wholesales Personal Protective Equipment ("PPE") products and proprietary branded hand sanitizer through an online portal for hospitals, government agencies and distributors.

Given these factors, the Company anticipates that the greatest impact from the COVID-19 pandemic in fiscal 2020 occurred in the first quarter of 2020 and resulted in a net sales decline as compared to the first quarter of 2019. This statement is the Company's opinion based on current information, but you are cautioned not to give undue weight to such statement as we cannot give assurances about any future impacts of the pandemic.

In addition, certain of our suppliers and the manufacturers of certain of our products were adversely impacted by COVID-19. As a result, we faced delays or difficulty sourcing products, which negatively affected our business and financial results. Even if we are able to find alternate sources for such products, they may cost more and cause delays in our supply chain, which could adversely impact our profitability and financial condition.

We have taken actions to protect our employees in response to the pandemic, including closing our corporate offices and requiring our office employees to work from home. At our distribution centers, certain practices are in effect to safeguard workers, including a staggered work schedule, and we are continuing to monitor direction from local and national governments carefully. Additionally, our two retail locations have been closed until further notice.

As a result of the impact of COVID-19 on our financial results, and the anticipated future impact of the pandemic, we have implemented cost control measures and cash management actions, including:

- Furloughing a significant portion of our employees; and
- Implementing 20% salary reductions across our executive team and other members of upper level management; and
- Executing reductions in operating expenses, planned inventory levels and non-product development capital expenditures; and
- Proactively managing working capital, including reducing incoming inventory to align with anticipated sales.

Liquidity

For the nine months ended September 30, 2020, our operations lost $5,617,264, of which approximately $3,703,865 was non-cash and approximately $554,741 was related to transaction costs and restructuring charges for payroll and rents.

At September 30, 2020, we had total current assets of $6,723,083 and current liabilities of $10,115,092 resulting in negative working capital of $3,392,009, of which $1,214,697 was related party notes payable and $219,396 was accrued related party interest expense. At September 30, 2020, we had total assets of $24,405,755 and total liabilities of $13,780,773 resulting in stockholders' equity of $10,624,982.

The foregoing factors raised initial concerns about the Company's ability to continue as a going concern. The ability to continue as a going concern is dependent upon the Company's ability to attract significant new sources of capital, attain a reasonable threshold of operating efficiencies and achieve profitable operations from the sale of its products. The condensed consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. The following is additional information on our operating losses and working capital:

The Company's operating loss for the nine months ended September 30, 2020 included $3,703,865 related to depreciation, amortization and stock-based compensation, respectively. In addition, $554,741 was related to transaction costs, restructuring charges and other non-recurring and redundant costs which are being removed or reduced.

Management has considered possible mitigating factors within our management plan on our ability to continue for at least a year from the date these financial statements are filed. The following items are management plans to alleviate any going concern issues:

- Subsequent to September 30, 2020, the Company received $125,000 through a receivables financing agreement;
- Raise further capital through the sale of additional equity of between $5 to $10 million;
- Borrow money under debt securities;
- The deferral of payments to related party debt holders for both principal of $2,667,513 and related interest expense of $219,396;
- Cost saving initiatives related to synergies and the elimination of redundant costs of approximately $1,500,000, of which approximately $168,000 impacted the three months ended September 30, 2020;
- Possible sale of certain brands to other customers or manufacturers;
- Edison Nation Medical's procurement of Personal Protective Equipment ("PPE") and hand sanitizers and the subsequent sale of PPE items and hand sanitizers to governmental agencies, educational facilities, medical facilities and distributors;
- Entry into joint ventures or total/partial acquisitions of operational entities to expand the sale of PPE and proprietary hand sanitizer through Edison Nation Medical; and
- Additional headcount reductions.

Our operating needs include the planned costs to operate our business, including amounts required to fund working capital and capital expenditures. Our future capital requirements and the adequacy of our available funds will depend on many factors, including our ability to successfully commercialize our products and services, competing technological and market developments, and the need to enter into collaborations with other companies or acquire other companies or technologies to enhance or complement our product and service offerings.

Summary of Significant Accounting Policies	9 Months Ended Sep. 30, 2020
Accounting Policies [Abstract]	
Summary of Significant Accounting Policies	**Note 2 — Summary of Significant Accounting Policies** Principles of Consolidation The consolidated financial statements include the accounts of Edison Nation, Inc. and its wholly-owned and majority owned subsidiaries. All intercompany balances and transactions have been eliminated. Variable Interest Entity Assessment A VIE is an entity (a) that has total equity at risk that is not sufficient to finance its activities without additional subordinated financial support from other entities, (b) where the group of equity holders does not have the power to direct the activities of the entity that most significantly impact the entity's economic performance, or the obligation to absorb the entity's expected losses or the right to receive the entity's expected residual returns, or both, or (c) where the voting rights of some investors are not proportional to their obligations to absorb the expected losses of the entity, their rights to receive the expected residual returns of the entity, or both, and substantially all of the entity's activities either involve or are conducted on behalf of an investor that has disproportionately few voting rights. In order to determine if an entity is considered a VIE, the Company first performs a qualitative analysis, which requires certain subjective decisions regarding its assessments, including, but not limited to, the design of the entity, the variability that the entity was designed to create and pass along to its interest holders, the rights of the parties, and the purpose of the arrangement. If the Company cannot conclude after a qualitative analysis whether an entity is a VIE, it performs a quantitative analysis. The qualitative analysis considered the design of the entity, the risks that cause variability, the purpose for which the entity was created, and the variability that the entity was designed to pass along to its variable interest holders. Use of Estimates Preparation of financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, together with amounts disclosed in the related notes to the financial statements. The Company's significant estimates used in these financial statements include, but are not limited to, accounts receivable reserves, the valuation allowance related to the Company's deferred tax assets, the recoverability and useful lives of long-lived assets, debt conversion features, stock-based compensation, certain assumptions related to the valuation of the reserved shares and the assets acquired and liabilities assumed related to the Company's acquisitions. Certain of the Company's estimates could be affected by external conditions, including those unique to the Company and general economic conditions. It is reasonably possible that these external factors could have an effect on the Company's estimates and could cause actual results to differ from those estimates. Reclassifications Certain reclassifications have been made to prior year amounts to conform to current year presentation. Cash and Cash Equivalents

The Company has cash on deposit in several financial institutions which, at times, may be in excess of Federal Deposit Insurance Corporation ("FDIC") insurance limits. The Company has not experienced losses in such accounts and periodically evaluates the creditworthiness of its financial institutions. The Company reduces its credit risk by placing its cash and cash equivalents with major financial institutions. The Company had $100,464 uninsured cash at September 30, 2020 of which $100,464 was held in foreign bank accounts not covered by FDIC insurance limits as of September 30, 2020.

Accounts Receivable

Accounts and notes receivable consist of trade receivables from customers. The Company's payment terms with customers are defined within each customer's invoice. All accounts receivables are considered current assets as the Company does not grant payment terms greater than one year. Accounts receivable initially are recorded at the gross amount and are recorded after the Company has an unconditional right to payment where only the passage of time is required before payment is received. The Company evaluates the collectability of outstanding receivable balances and records an allowance for doubtful accounts representing an estimate of future expected credit loss. Additions to the allowance for doubtful accounts are made by recording a charge to bad debt expense reported in selling, general and administrative expenses. As of September 30, 2020, no customers represented more than 10% of total accounts receivable.

Inventory

Inventory is recorded at the lower of cost or net realizable value on a first-in, first-out basis. The Company reduces the carrying value of inventories for those items that are potentially excess, obsolete, or slow moving based on changes in customer demand, technology developments, or other economic factors.

Revenue Recognition

Generally, the Company considers all revenues as arising from contracts with customers. Revenue is recognized based on the five-step process outlined in the Accounting Standards Codification ("ASC") 606:

Step 1 – Identify the Contract with the Customer – A contract exists when (a) the parties to the contract have approved the contract and are committed to perform their respective obligations, (b) the entity can identify each party's rights regarding the goods or services to be transferred, (c) the entity can identify the payment terms for the goods or services to be transferred, (d) the contract has commercial substance and it is probable that the entity will collect substantially all of the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Step 2 – Identify Performance Obligations in the Contract – Upon execution of a contract, the Company identifies as performance obligations each promise to transfer to the customer either (a) goods or services that are distinct, or (b) a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer. To the extent a contract includes multiple promised goods or services, the Company must apply judgement to determine whether the goods or services are capable of being distinct within the context of the contract. If these criteria are not met, the goods or services are accounted for as a combined performance obligation.

Step 3 – Determine the Transaction Price – When (or as) a performance obligation is satisfied, the Company shall recognize as revenue the amount of the transaction price that is allocated to the performance obligation. The contract terms are used to determine the transaction price. Generally, all contracts include fixed consideration. If a contract did include variable consideration, the Company would determine the amount of variable consideration that should be included in the transaction price based on expected value method. Variable consideration would be included in the transaction price, if in the Company's judgement, it is probable that a significant future reversal of cumulative revenue under the contract would not occur.

Step 4 – Allocate the Transaction Price – After the transaction price has been determined, the next step is to allocate the transaction price to each performance obligation in the contract. If the contract only has one performance obligation, the entire transaction price will be applied to that obligation. If the contract has multiple performance obligations, the transaction price is allocated to the performance obligations based on the relative standalone selling price (SSP) at contract inception.

Step 5 – Satisfaction of the Performance Obligations (and Recognize Revenue) – Revenue is recognized when (or as) goods or services are transferred to a customer. The Company satisfies each of its performance obligations by transferring control of the promised good or service underlying that performance obligation to the customer. Control is the ability to direct the use of and obtain substantially all of the remaining benefits from an asset. It includes the ability to prevent other entities from directing the use of and obtaining the benefits from an asset. Indicators that control has passed to the customer include: a present obligation to pay; physical possession of the asset; legal title; risks and rewards of ownership; and acceptance of the asset(s). Performance obligations can be satisfied at a point in time or over time.

Substantially all of the Company's revenues continue to be recognized when control of the goods are transferred to the customer, which is upon shipment of the finished goods to the customer. All sales have fixed pricing and there are currently no material variable components included in the Company's revenue. Additionally, the Company will issue credits for defective merchandise, historically these credits for defective merchandise have not been material. Based on the Company's analysis of the new revenue standards, revenue recognition from the sale of finished goods to customers, which represents substantially all of the Company's revenues, was not impacted by the adoption of the new revenue standards.

Disaggregation of Revenue

The Company's primary revenue streams include the sale and/or licensing of consumer goods and packaging materials. The Company's licensing business is not material and has not been separately disaggregated for segment purposes. The disaggregated Company's revenues for the three and nine months ended September 30, 2019 and 2018 were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	**2019**	**2020**	**2019**
Revenues:				
Product sales	$ 4,137,254	$ 3,499,116	$ 14,593,266	$ 14,982,117
Service	800	19,442	800	67,753
Licensing	113,093	14,087	204,217	189,564
Total revenues, net	$ 4,251,147	$ 3,532,645	$ 14,798,283	$ 15,239,434

For the three and nine months ended September 30, 2020 and 2019, the following customer represented more than 10% of total net revenues:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	**2019**	**2020**	**2019**
Customer:				
Customer A	*%	11%	*%	22%

* Customer did not represent greater than 10% of total net revenue.

For the three and nine months ended September 30, 2020 and 2019, the following geographical regions represented more than 10% of total net revenues:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	2019	2020	2019
Region:				
North America	79%	86%	89%	78%
Europe	17 %	*	10%	15%

* Region did not represent greater than 10% of total net revenue.

Fair Value of Financial Instruments

The Company measures the fair value of financial assets and liabilities based on the guidance of ASC 820 "Fair Value Measurements and Disclosures" ("ASC 820") which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 describes three levels of inputs that may be used to measure fair value:

Level 1 — quoted prices in active markets for identical assets or liabilities

Level 2 — quoted prices for similar assets and liabilities in active markets or inputs that are observable

Level 3 — inputs that are unobservable (for example, cash flow modeling inputs based on assumptions)

The carrying amounts of the Company's financial instruments, such as cash, accounts receivable, accounts payable, accrued expenses and other current liabilities approximate fair values due to the short-term nature of these instruments. The carrying amount of the Company's notes payable approximates fair value because the effective yields on these obligations, which include contractual interest rates, taken together with other features such as concurrent issuance of warrants, are comparable to rates of returns for instruments of similar credit risk. The loan held for investment was acquired at fair value, which resulted in a discount.

Sequencing Policy

Under ASC 815-40-35, the Company follows a sequencing policy whereby, in the event that reclassification of contracts from equity to assets or liabilities is necessary pursuant to ASC 815 due to the Company's inability to demonstrate it has sufficient authorized shares as a result of certain securities with a potentially indeterminable number of shares, shares will be allocated on the basis of the earliest issuance date of potentially dilutive instruments, with the earliest grants receiving the first allocation of shares. Pursuant to ASC 815, issuance of securities to the Company's employees or directors are not subject to the sequencing policy.

Foreign Currency Translation

The Company uses the United States dollar as its functional and reporting currency since the majority of the Company's revenues, expenses, assets and liabilities are in the United States. Assets and liabilities in foreign currencies are translated using the exchange rate at the balance sheet date, while revenue and expense accounts are translated at the average exchange rates prevailing during the year. Equity accounts are translated at historical exchange rates. Gains and losses from foreign currency transactions and translation for the three and nine months ended September 30, 2020 and 2019 and the cumulative translation gains and losses as of September 30, 2020 and December 31, 2019 were not material.

Net Earnings or Loss per Share

Basic net loss per common share is computed by dividing net loss by the weighted average number of vested common shares outstanding during the period. Diluted net income per common share is computed by dividing net income by the weighted average number vested of common shares, plus the net impact of common shares (computed using the treasury stock method), if dilutive, resulting from the exercise of dilutive securities. In periods when losses are reported, the weighted-average number of common shares outstanding excludes common stock equivalents because their inclusion would be anti-dilutive.

As of September 30, 2020, the Company excluded the common stock equivalents summarized below, which entitle the holders thereof to ultimately acquire shares of common stock, from its calculation of earnings per share, as their effect would have been anti-dilutive.

	September 30, 2020	**September 30, 2019**
Selling Agent Warrants	160,492	89,992
Shares reserved in exchange for the cancellation of certain non-voting membership interest in Edison Nation Holdings, LLC	-	990,000
Options	80,000	290,000
Convertible shares under notes payable	558,803	285,632
Warrants for noteholders	625,000	-
Restricted stock units	120,000	-
Shares to be issued	165,000	-
Total	1,709,295	1,655,624

Recent Accounting Pronouncements

In October 2018, the FASB issued new accounting guidance for Variable Interest Entities, which requires indirect interests held through related parties in common control arrangements be considered on a proportional basis for determining whether fees paid to decision makers and service providers are variable interests. The guidance is effective for the Company's interim and annual reporting periods during the year ending December 31, 2020. Early adoption is permitted. The Company currently does not believe that the adoption of this accounting guidance will have a material impact on its consolidated financial statements and related disclosures.

In August 2020, the FASB issued ASU 2020-06, "Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40)". This ASU reduces the number of accounting models for convertible debt instruments and convertible preferred stock. As well as amend the guidance for the derivatives scope exception for contracts in an entity's own equity to reduce form-over-substance-based accounting conclusions. In addition, this ASU improves and amends the related EPS guidance. This guidance is effective for interim and annual reporting periods beginning after December 15, 2021; Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. Adoption is either a modified retrospective method or a fully retrospective method of transition. The Company is currently assessing the impact the new guidance will have on our consolidated financial statements.

Subsequent Events

The Company has evaluated subsequent events through the date which the financial statements were issued. Based upon such evaluation, except for items described in Note 8 and Note 10, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the financial statements.

Segment Reporting

The Company uses "the management approach" in determining reportable operating segments. The management approach considers the internal organization and reporting used by the Company's chief operating decision maker for making operating decisions and assessing performance as the source for determining the Company's reportable segments. The Company's chief operating decision maker is the Chairman and Chief Executive Officer ("CEO") of the Company, who reviews operating results to make decisions about allocating resources and assessing performance for the entire Company. The Company deploys resources on a consolidated level to all brands of the Company and therefore the Company only identifies one reportable operating segment with multiple product offerings.

Acquisitions and Divestitures	9 Months Ended Sep. 30, 2020
Business Combinations [Abstract]	
Acquisitions and Divestitures	**Note 3 — Acquisitions and Divestitures**

Divestiture of Subsidiary

On February 17, 2020, the Company divested its Cloud B, Inc. subsidiary and entered into an Agreement for the Purchase and Sale of Cloud B, Inc.(the "Purchase Agreement"), with Pearl 33 Holdings, LLC (the "Buyer"), pursuant to which the Buyer purchased from the Company (and the Company sold and assigned) 80,065 shares of common stock of Cloud B (the "Cloud B Shares") for $1.00 and an indemnification agreement as described below, constituting a 72.15% ownership interest in Cloud B, based on 110,964 shares of Cloud B's common stock outstanding as of February 17, 2020. In accordance with the agreement, all of the liabilities of Cloud B were assumed by Pearl 33.

On February 17, 2020, as part of the sale of Cloud B, Inc., the Company entered into an indemnification agreement with Pearl 33 Holdings, LLC in connection with the divestiture of Cloud B, Inc., whereby pursuant to such agreement the Company is limited to the issuance of 150,000 shares of the Company's common stock to the Buyer for indemnification of claims against Cloud B Inc. In addition, the Company shall indemnify the Buyer for expenses (including attorneys' fees and all other costs, expenses and obligations) in connection with defending any Claim in connection with the Cloud B. The Company has recorded $405,000 related to the fair value of the 150,000 shares of common stock which were issued to the Buyer on June 30, 2020.

The table below shows the assets and liabilities that the Company was relieved of in the transaction:

	February 17, 2020
Accounts payable	4,005,605
Accrued Expenses	370,289
Income Tax Payable	14,473
Notes Payable	900,000
Non-Controlling Interest	26,393
Shares to be issued to Buyer	(405,000)
Gain on divestiture	$ 4,911,760

Asset Acquisition

On March 11, 2020, the Company issued 238,750 shares of our common stock to acquire the assets of HMNRTH, LLC. On July 1, 2020, the Company made payment in the amount of $70,850 to the principals of HMNRTH, LLC. The transaction was treated as an asset purchase and not accounted for as a business combination due to the limited inputs, processes and outputs, which did not meet the requirements to be a business.

Please *see* **Note 11 — Subsequent Events** for further information on acquisitions and divestitures.

Variable Interest Entities	9 Months Ended Sep. 30, 2020
Organization, Consolidation and Presentation of Financial Statements [Abstract]	
Variable Interest Entities	

Note 4 — Variable Interest Entities

The Company is involved in the formation of various entities considered to be Variable Interest Entities ("VIEs"). The Company evaluates the consolidation of these entities as required pursuant to ASC Topic 810 relating to the consolidation of VIEs. These VIEs are primarily partnerships formed to supply consumer goods to through various distribution and retail channels.

The Company's determination of whether it is the primary beneficiary of VIE is based in part on an assessment of whether or not the Company and its related parties are exposed to the majority of the risks and rewards of the entity. Typically, the Company is entitled to substantially all or portion of the economics of these VIEs. The Company is the primary beneficiary of the VIE entities.

The following table presents the carrying values of the assets and liabilities of entities that are VIEs and consolidated by the Company at September 30, 2020:

	September 30, 2020	December 31, 2019
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 114,875	$ 6,234
Accounts receivable, net	906,020	21,697
Inventory	249,896	51,090
Prepaid expenses and other current assets	1,072,378	379,561
Total current assets	2,343,169	458,582
Property and equipment, net	19,671	32,661
Total assets	$ 2,362,840	$ 491,243
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 198,704	$ 337,648
Accrued expenses and other current liabilities	80,631	-
Deferred revenues	857,500	-
Line of credit, net of debt issuance costs of $0 and $15,573, respectively	1,153,800	-
Notes payable, current	150,000	-
Due to related party	315,666	315,666
Total current liabilities	2,756,301	12,973,319

The following table presents the operations of entities that are VIEs and consolidated by the Company at September 30, 2020:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	2019	2020	2019
Revenues, net	$ 184,715	$ 80,120	$ 1,459,192	$ 285,542
Cost of revenues	69,191	49,590	1,064,114	124,659
Gross profit	115,524	30,530	395,078	160,883
Operating expenses:				
Selling, general and administrative	91,114	100,961	294,676	192,699
Operating income	24,410	(70,431)	100,402	(31,816)
Other (expense) income:				
Interest expense	(73,840)	-	(130,796)	-
Total other (expense) income	(73,840)	-	(130,796)	-
Loss before income taxes	(49,430)	(70,431)	(30,394)	(31,816)
Income tax expense	-	-	-	-
Net (loss) income	$ (49,430)	$ (70,431)	$ (30,394)	$ (31,816)

At September 30, 2020 and December 31, 2019, there were no unconsolidated VIEs for which the Company holds a variable interest.

On May 20, 2020 (the "Effective Date"), Edison Nation, Inc. (the "Company") entered into an Agreement and Plan of Share Exchange (the "Share Exchange Agreement") with PPE Brickell Supplies, LLC, a Florida limited liability company ("PPE"), and Graphene Holdings, LLC, a Wyoming limited liability company ("Graphene", and together with PPE, the "Sellers"), whereby the Company purchased 25 membership units of Global Clean Solutions, LLC, a Nevada limited liability company ("Global") from each of PPE and Graphene, for a total of fifty (50) units, representing fifty percent (50%) of the issued and outstanding units of Global (the "Purchase Units"). The Company issued 250,000 shares of its restricted common stock, $0.001 par value per share (the "Common Stock") to PPE, and 50,000 shares of Common Stock to Graphene, in consideration for the Purchase Units. Global Clean Solutions, LLC is a VIE. The fair value of the shares of $699,000 was treated as a distribution to the noncontrolling interest members.

Pursuant to the terms of the Share Exchange Agreement, the Sellers may earn additional shares of Common Stock upon Global realizing the following revenue targets: (i) In the event that Global's total orders equal or exceed $1,000,000, Graphene shall receive 200,000 shares of Common Stock; (ii) In the event that Global's total orders equal or exceed $10,000,000, PPE shall receive 100,000 shares of restricted Common Stock; and (iii) In the event that Global's total orders equal or exceed $25,000,000, Graphene shall receive 125,000 shares of restricted Common Stock. Additionally, the Company shall be entitled to appoint two managers to the Board of Managers of Global. The fair value of the shares is expensed over the estimated vesting period and is adjusted based on the number of shares that vest.

Amended Limited Liability Company Agreement

On the Effective Date, the Company entered into an Amended Limited Liability Company Agreement of Global (the "Amended LLC Agreement"). The Amended LLC Agreement amends the original Limited Liability Company Agreement of Global, dated May 13, 2020. The Amended LLC defines the operating rules of Global and the ownership percentage of each member: Edison Nation, Inc. 50%, PPE 25% and Graphene 25%.

Secured Line of Credit Agreement

On the Effective Date, the Company (as "Guarantor") entered into a Secured Line of Credit Agreement (the "Credit Agreement") with Global and PPE. Under the terms of the Credit

Agreement, PPE is to make available to Global a revolving credit loan in a principal aggregate amount at any one time not to exceed $2,500,000. Upon each drawdown of funds against the credit line, Global shall issue a Promissory Note (the "Note") to PPE. The Note shall accrue interest at 3% per annum and have a maturity date of six (6) months. In the event of a default, any and all amounts due to PPE by Global, including principal and accrued but unpaid interest, shall increase by forty (40%) percent and the interest shall increase to five (5%) percent (the "Default Interest").

Security Agreement

On the Effective Date, the Company (as "Guarantor") entered into a Security Agreement (the "Security Agreement") with Global (as "Borrower") and PPE as the secured party, whereby the Company placed 1,800,000 shares of Common Stock (the "Reserve Shares") in reserve with its transfer agent in the event of default under the Credit Agreement. In the event of a default that is not cured by the defined cure period, the PPE may liquidate the Reserve Shares until the Global's principal, interest and associated expenses are recovered. The number of Reserve Shares may be increased through the issuance of True-Up shares in the event the original number of Reserve Shares is insufficient.

Accounts Receivable	9 Months Ended Sep. 30, 2020
Credit Loss [Abstract]	
Accounts Receivable	**Note 5 — Accounts Receivable** As of September 30, 2020 and December 31, 2019, accounts receivable consisted of the following:

	September 30, 2020	December 31, 2019
Accounts receivable	$ 3,223,291	$ 2,185,859
Less: Allowance for doubtful accounts	(77,761)	(77,760)
Total accounts receivable, net	$ 3,145,530	$ 2,108,099

Inventory	9 Months Ended Sep. 30, 2020
Inventory Disclosure [Abstract]	
Inventory	**Note 6 — Inventory** As of September 30, 2020 and December 31, 2019, inventory consisted of the following:

	September 30, 2020	December 31, 2019
Raw materials	$ 34,737	$ 49,232
Finished goods	1,580,613	1,419,993
Reserve for obsolescence	(100,000)	(100,000)
Total inventory	$ 1,515,351	$ 1,369,225

Debt	9 Months Ended Sep. 30, 2020

Debt Disclosure [Abstract]

Debt

Note 7 — Debt

As of September 30, 2020 and December 31, 2019, debt consisted of the following:

	September 30, 2020	December 31, 2019
Line of credit:		
Secured line of credit	$ 1,153,800	$ -
Receivables financing	462,868	472,567
Debt issuance costs	-	(15,573)
Total lines of credit	1,616,668	456,995
Convertible notes payable:		
Senior convertible notes payable – related parties	1,428,161	1,428,161
Convertible notes payable	560,000	-
Debt issuance costs	(353,664)	(366,666)
Total convertible notes payable	1,634,497	1,061,495
Less: current portion of long-term convertible notes payable	(498,002)	-
Noncurrent portion of long-term convertible notes payable	1,136,495	1,061,495
Notes payable:		
Notes payable	1,790,641	1,621,015
Debt issuance costs	(148,278)	(212,848)
Total long-term debt	1,642,363	1,408,167
Less: current portion of long-term debt	(821,092)	(1,365,675)
Noncurrent portion of long-term debt	821,271	42,492
Notes payable – related parties:		
Notes payable	2,667,513	3,282,021
Less: current portion of long-term debt – related parties	(1,214,698)	(1,686,352)
Noncurrent portion of long-term debt – related parties	$ 1,452,815	$ 1,595,669

Convertible Notes Payable

On January 23, 2020, the Company entered into a $1,100,000 loan agreement the ("Loan Agreement") with Greentree Financial Group, Inc. (the "Investor"), pursuant to which the Investor purchased a 10% Convertible Promissory Note (the "Note") from the Company, and the Company issued to the Investor a three year warrant (the "Warrant") to purchase 550,000 shares of the Company's common stock, $0.001 per share ("Common Stock"). The Note is convertible at any time at a price of $2.00 per share, subject to certain adjustments to the conversion price set forth in the Note. The Note reiterates the registration rights set forth in the Loan Agreement and the Warrant. There is no prepayment penalty on the Note. If the Note is not prepaid by the 90th day after the effective date of the Registration Statement, the Investor is required to convert the entire amount of principal and interest outstanding on the Note at that time, at a price of $2.00 per share, unless an event of default (as such events are described in the Note) under the Note has occurred, in which case the Note would be mandatorily converted at a price equal to 50% of the lowest trading price of the Common Stock for the last 10 trading days immediately prior to, but not including, the date that the Note mandatorily converts. In the event that the average of the 15 lowest closing prices for the Company's common stock on NASDAQ or other primary trading market for the Company's common stock (the average of such lowest closing prices being herein referred to, the "True-up Price") during the period beginning on the effective date of the Registration Statement and ending on the 90th day after the effective date of the Registration Statement (the "Subsequent Pricing Period") is less than $2.00 per share, then the Company will issue the Lender additional shares of the Company's common stock (the "True-up Shares") within three days. No value has been assigned to the True-up Shares due to the contingency of an effective Registration Statement. The warrant has an exercise price of $2.00 per share, subject to certain adjustments to the exercise price set forth in the Warrant. The Warrant, as amended, expires on January 23, 2023. If the closing price per share of the Common Stock reported on the day immediately preceding an exercise of the Warrant is greater than $2.00 per share, the Warrant may be exercised cashlessly, based on a cashless exercise formula. The Warrant reiterates the registration rights set forth in the Loan Agreement and the Note. The Warrant also contains a repurchase provision, which at any time after the Registration Statement is effective and the Common Stock has traded at a price over $3.00 share for 20 consecutive days, gives the Company a 30-day option to repurchase any unexercised portion of the Warrant at a price of $1.00 per share. The $1,100,000 of proceeds from the Note will be used for general working capital purposes and for the repayment of debt. On January 24, 2020, the Company used $588,366 of the proceeds from the Note to pay off in full the 12% Convertible Promissory Note held by Labrys Fund, LP. Upon execution of the Loan Agreement, the Company issued to the Investor 100,000 shares of Common Stock (the "Origination Shares") as an origination fee, plus an additional 60,000 shares of Common Stock as consideration for advisory services. Pursuant to the Loan Agreement, the Company agreed to issue and sell to the Investor the Note, in the principal amount of $1,100,000.

On January 29, 2020, the Company and Greentree Financial Group, Inc. (the "Investor"), entered into an Amendment Agreement, amending the January 22, 2020 Loan Agreement, the Note, and the Warrant to: (i) correct the effective date set forth in the Loan Agreement, Note and Warrant to January 23, 2020 and the due date to October 23, 2020, (ii) clarify the terms of the registration right provision in the Loan Agreement such that the Company was required to register a total of 1,500,000 shares of Common Stock, which such amount of shares is the sum of 550,000 shares of Common Stock issuable upon conversion of the Note, 550,000 Warrant Shares, the 100,000 Origination Shares, and 300,000 shares of Common Stock to account for changes to the conversion and/or exercise price under the Note and Warrant, and (iii) to ensure that the total number of shares of Common Stock issued pursuant to the Loan Agreement, the Note, and/or the Warrant, each as amended, does not exceed 17.99% of the Company's issued and outstanding Common Stock as of January 23, 2020. The Company is subject to a $35,000 penalty on a monthly basis if a registration statement is not effective after 105 days from January 23, 2020. The Company recognized a beneficial conversion option of $586,785 related to the 550,000 shares of Common Stock issuable upon conversion of the Note, a debt discount of $296,891 based on the relative fair value related to the 550,000 Warrant Shares, a debt discount of $201,324 based on the relative fair value related to the 160,000 Origination and Advisory Shares. On July 23, 2020, the Company issued 320,000 shares of common stock valued at $1,158,400 to Greentree Financial Group, Inc. to satisfy $360,000 principal and $131,889 interest and fees and on August 4, 2020, the Company issued 370,000 shares of common stock valued at $1,394,900 to Greentree Financial Group, Inc. in satisfaction of $740,000 principal. The Note is paid in full.

On April 7, 2020, the Company entered into a Securities Purchase Agreement (the "Agreement") with Jefferson Street Capital, LLC (the "Investor") wherein the Company issued the Investor a Convertible Promissory Note (the "Note") in the amount of $168,000 ($18,000 OID). The $150,000 of proceeds from the Note will be used for general working capital purposes The Note has a term of six (6) months, is due on October 7, 2020 and has a one-time interest charge of 2%. In addition, the Company issued the Investor 10,700 shares of Common Stock (the "Origination Shares") as an origination fee. The transaction closed on April 9, 2020. The Investor shall have the right at any time to convert all or any part of the outstanding and unpaid principal, interest, fees, or any other obligation owed pursuant to this Note into fully paid and non-assessable shares of Common Stock at a conversion price equal to $2.05 per share. Upon an Event of Default, the Conversion Price shall equal the Alternate Conversion Price (as defined herein) (subject to equitable adjustments for stock splits, stock dividends or rights offerings by the Borrower relating to the Borrower's securities or the securities of any subsidiary of the Borrower, combinations, recapitalization, reclassifications, extraordinary distributions and similar events). The "Alternate Conversion Price" shall equal the lesser of (i) 80% multiplied by the average of the three lowest daily volume weighted average prices ("VWAP") during the previous twenty (20) Trading Days (as defined below) before the Issue Date of this Note (representing a discount rate of 20%) or (ii) 80% multiplied by the Market Price (as defined herein) (representing a discount rate of 20%). "Market Price" means the average of the three lowest daily VWAPs for the Common Stock during the twenty (20) Trading Day period ending on the latest complete Trading Day prior to the Conversion Date. Please *see* **Note 11 — Subsequent Events** for further information.

On April 7, 2020, the Company entered into a Securities Purchase Agreement (the "Agreement") with BHP Capital NY Inc. (the "Investor") wherein the Company issued the Investor a Convertible Promissory Note (the "Note") in the amount of $168,000 ($18,000 OID). The $150,000 of proceeds from the Note will be used for general working capital purposes The Note has a term of six (6) months, is due on October 7, 2020 and has a one-time interest charge of 2%. In addition, the Company issued the Investor 10,700 shares of Common Stock (the "Origination Shares") as an origination fee. The transaction closed on April 9, 2020. The Investor shall have the right at any time to convert all or any part of the outstanding and unpaid principal, interest, fees, or any other obligation owed pursuant to this Note into fully paid and non-assessable shares of Common Stock at a conversion price equal to $2.05 per share. Upon an Event of Default, the Conversion Price shall equal the Alternate Conversion Price (as defined herein) (subject to equitable adjustments for stock splits, stock dividends or rights offerings by the Borrower relating to the Borrower's securities or the securities of any subsidiary of the Borrower, combinations, recapitalization, reclassifications, extraordinary distributions and similar events). The "Alternate Conversion Price" shall equal the lesser of (i) 80% multiplied by the average of the three lowest daily volume weighted average prices ("VWAP") during the previous twenty (20) Trading Days (as defined below) before the Issue Date of this Note (representing a discount rate of 20%) or (ii) 80% multiplied by the Market Price (as defined herein) (representing a discount rate of 20%). "Market Price" means the average of the three lowest daily VWAPs for the Common Stock during the twenty (20) Trading Day period ending on the latest complete Trading Day prior to the Conversion Date.

On July 29, 2020, the Company entered into a Securities Purchase Agreement (the "Agreement") with Jefferson Street Capital, LLC (the "Investor") wherein the Company issued the Investor a Convertible Promissory Note (the "Note") in the amount of $224,000 ($24,000 OID). The $200,000 of proceeds from the Note will be used for general working capital purposes The Note has a term of six (6) months, is due on January 29, 2021 and has a one-time interest charge of 2%. In addition, the Company issued the Investor 14,266 shares of Common Stock (the "Origination Shares") as an origination fee. The transaction closed on July 29, 2020. The Investor shall not have the right to convert the Note into shares prior to 180 calendar days from the Issue Date. Provided that the Note remains unpaid, the Investor may elect to convert all or any part of the outstanding and unpaid principal, interest, fees, or any other obligation owed pursuant to the Note into fully paid and non-assessable shares of Common Stock at a conversion price equal to $2.05 per share after 180 calendar Days from the Issue Date. Upon an Event of Default, the Conversion Price shall equal the Alternate Conversion Price (as defined herein) (subject to equitable adjustments for stock splits, stock dividends or rights offerings by the Borrower relating to the Borrower's securities or the securities of any subsidiary of the Borrower, combinations, recapitalization, reclassifications, extraordinary distributions and similar events). The "Alternate Conversion Price" shall equal the lesser of (i) 80% multiplied by the average of the three lowest daily volume weighted average prices ("VWAP") during the previous twenty (20) Trading Days (as defined below) before the Issue Date of this Note (representing a discount rate of 20%) or (ii) 80% multiplied by the Market Price (as defined herein) (representing a discount rate of 20%). "Market Price" means the average of the three lowest daily VWAPs for the Common Stock during the twenty (20) Trading Day period ending on the latest complete Trading Day prior to the Conversion Date.

32E Financing

On December 4, 2019, the Company agreed to issue and sell to 32 Entertainment LLC ("32E") a 10% Senior Secured Note (the "32E Note"), in the principal amount of $250,000. The maturity date of the 32E Note is December 4, 2020. In addition, the Company issued to 32E 10,000 shares of common stock as an inducement to 32E to purchase the 32E Note. The $250,000 of proceeds from the 32E Note was used for general working capital needs of the Company and the repayment of debt related to Horberg Enterprises.

Pursuant to the terms of the 32E Note, on December 4, 2019, the Company also issued 32E a Common Stock Purchase Warrant (the "32E Warrant") to purchase 50,000 shares of common stock at an exercise price of $1.50 per share. The 32E Warrant expires on December 4, 2024. The 32E Warrant contains price protection provisions, as well as a provision allowing 32E to purchase the number of shares that 32E could have acquired if it held the number of shares of common stock acquirable upon complete exercise of the 32E Warrant, in the event that the Company grants, issues or sells common stock, common stock equivalents, rights to purchase common stock, warrants, securities or other property pro rate to holders of any class of the Company's securities. If there is no effective registration statement registering the resale of the shares of common stock underlying the 32E Warrant, then the 32E Warrant may be exercised, based on a cashless exercise formula. The 32E Warrant also contains a conversion limitation provision, which prohibits 32E from exercising the 32E Warrant in an amount that would result in the beneficial ownership of greater than 4.9% of the total issued and outstanding shares of common stock, provided that (i) such exercise limitation may be waived by 32E with 61 days prior notice, and (ii) 32E cannot waive the exercise limitation if conversion of the 32E Warrant would result in 32E having beneficial ownership of greater than 9.9% of the total issued and outstanding shares of common stock.

In connection with the sale of the 32E Note, also on December 4, 2019, the Company entered into a registration rights agreement whereby the Company agreed to register the 10,000 shares of common stock issued to 32E as an inducement on a registration statement on Form S-1 with the SEC. The Company was required to have such registration statement declared effective by the SEC within 90 calendar days (or 180 calendar days in the event of a "full review" by the SEC) following the earlier of 30 days from December 4, 2019 or the filing date of the registration statement on Form S-1, which such registration statement has not been filed or timely declared effective. If the registration statement is not filed or declared effective within the timeframe set forth in the registration rights agreement, the Company was supposed to be obligated to pay to 32E a monthly amount equal to 1% of the total subscription amount paid by 32E until such failure is cured. The Company has not made any such payment 32E. The registration rights agreement also contains mutual indemnifications by the Company and each investor, which the Company believes are customary for transactions of this type.

On May 19, 2020, the Company entered into an Amendment (the "Amendment") to the 32E Note. Under the terms of the Amendment, the Company issued to 32E an Amended Subordinate Secured Note (the "Replacement Note") in the principal amount of $200,000 that accrues interest at 16% annually and matures on May 21, 2021. On May 28, 2020, the Company paid $50,000 toward the principal plus interest in the amount of $6,250 for a total of $56,250. 32E shall also receive 40,000 restricted stock units and surrender the warrant issued to it in the December 4, 2019 financing transaction. The Company accounted for the Amendment as a modification.

Promissory Notes

On January 2, 2020, the Company entered into that certain Loan Agreement with Tiburon Opportunity Fund (the "Lender"), dated January 2, 2020 (the "Loan Agreement"). Pursuant to the terms of the Loan Agreement, the Lender agreed to loan the Company $400,000. The Loan is interest bearing at the rate of 1.5% per month through the term of the Loan. Additionally, the Loan Agreement provides that the Company shall pay the Lender the entire unpaid principal and all accrued interest upon thirty days' notice to the Company, but in any event, the notice shall not be sooner than June 1, 2020. On April 24, 2020, the Company and Lender entered into a Debt Conversion Agreement whereby the Lender was given the right and elected to exercise that right to convert principal and interest of $424,000 of funds loaned to the Company into shares of the Company's common stock. The fair value of the Company's common stock was $2.08 on the date of conversion and the conversion price was $2.00 per share for a total of 212,000 shares of restricted common stock issued by the Company.

On January 2, 2020, Ed Roses, LLC (the "Partnership") entered into a Loan Agreement (the "Agreement") with Sook Hyun Lee (the "Lender"). Under the terms of the Agreement, the Lender agreed to lend $150,000 to the Partnership for general working capital. The Loan was due on April 15, 2020 (the "Maturity Date") and accrues interest at 15% per annum. The Agreement shall automatically renew at the Maturity date for successive 90-day periods unless written notice is remitted by either party. On the Maturity date, the Partnership shall pay the Lender all unpaid principal and interest and a $30,000 commitment fee. The Lender shall have a collateral interest in the accounts receivable of the Partnership, including but not limited to 7 Eleven receivables. As collateral, the Company, Inc. placed 75,000 shares of common stock in reserve.

On January 10, 2020, the Company entered into a 5% Promissory Note Agreement with Equity Trust Company on behalf of Rawleigh Ralls ("Ralls") for an aggregate principal amount of $267,000 (the "Ralls Note"), pursuant to which Ralls purchased the Ralls Note from the Company for $250,000 and an original issue discount of $17,000, and the Company issued to Ralls a warrant (the "Ralls Warrant") to purchase 125,000 shares of the Company's common stock valued at $86,725 estimated using the Black-Scholes option-valuation model. The proceeds from the Ralls Note will be used for general working capital needs of the Company. The Company will also issue 33,000 incentive shares to Ralls valued at $79,860 based on the closing stock price on January 10, 2020. The fair value of the warrants and incentive shares have been recorded as debt discount. The original maturity date of the Ralls Note was July 10, 2020. On July 14, 2020, the Company entered into an Amendment to Note Agreement and Common Stock Purchase Warrant (the "Amendment") with Equity Trust Company, a Custodian FBO: Rawleigh H. Ralls IRA. Under the terms of the Amendment, the parties amended the terms of the January 10, 2020 Note Agreement (the "Agreement") and Common Stock Purchase Warrant (the "Warrant") such that; (i) the maturity date of the Agreement was extended to January 10, 2021, (ii) the Original Issue Discount ("OID") shall be increased to $34,000, (iii) the Lender shall be issued 33,000 Additional Incentive Shares and (iv) the Company shall prepare and file with the United States Securities and Exchange Commission a registration statement on Form S-1 within 30 days of the Effective Date of the Amendment, that registers a total of 191,000 shares of Common Stock, which such amount of shares is the sum of 125,000 Warrant Shares, the 33,000 Incentive Shares, and 33,000 Additional Incentive Shares. On July 14, 2020, the Company issued the 33,000 Additional Incentive Shares valued at $124,740.

On January 15, 2020, the Company entered into a 5% Promissory Note Agreement with Paul J. Solit & Julie B. Solit ("Solits") for an aggregate principal amount of $107,000 (the "Solit Note"), pursuant to which the Solits purchased the Solit Note from the Company for $100,000 and an original issue discount of $7,000, and the Company issued to the Solits a warrant (the "Solit Warrant") to purchase 50,000 shares of the Company's common stock valued at $31,755 estimated using the Black-Scholes option-valuation model. The proceeds from the Solit Note will be used for general working capital needs of the Company. The Company will also issue 13,000 incentive shares to the Solits valued at $30,420 based on the closing stock price on January 15, 2020. The fair value of the warrants and incentive shares have been recorded as debt discount. The original maturity date of the Solit Note was July 15, 2020. On July 14, 2020, the Company entered into an Amendment to Note Agreement and Common Stock Purchase Warrant (the "Amendment") with Paul J. Solit and Julie B. Solit. Under the terms of the Amendment, the parties amended the terms of the January 15, 2020 Note Agreement (the "Agreement") and Common Stock Purchase Warrant (the "Warrant") such that; (i) the maturity date of the Agreement was extended to December 15, 2020, (ii) the Original Issue Discount ("OID") shall be increased to $14,000 and (iii) the Lender shall be issued 13,000 Additional Incentive Shares. On July 14, 2020, the Company issued the 13,000 Additional Incentive Shares valued at $49,140.

On January 17, 2020, the Company entered into a 5% Promissory Note Agreement with Richard O'Leary ("O'Leary") ("Lender") for an aggregate principal amount of $53,500 (the "O'Leary Note"), pursuant to which O'Leary purchased the O'Leary Note from the Company for $50,000 and an original issue discount of $3,500, and the Company issued to O'Leary a warrant (the "O'Leary Warrant") to purchase 25,000 shares of the Company's common stock valued at $16,797 estimated using the Black-Scholes option-valuation model. The proceeds from the O'Leary Note will be used for general working capital needs of the Company. The Company will also issue 6,500 incentive shares to O'Leary valued at $15,535 based on the closing stock price on January 17, 2020. The fair value of the warrants and incentive shares have been recorded as debt discount. The original maturity date of the O'Leary Note was July 17, 2020. On July 14, 2020, the Company entered into an Amendment to the O'Leary Note and O'Leary Warrant (the "Amendment") with Richard O'Leary. Under the terms of the Amendment, the parties amended the terms such that; (i) the maturity date of the O'Leary Note was extended to January 17, 2021, (ii) the Original Issue Discount ("OID") shall be increased to $7,000, (iii) the Lender shall be issued 6,500 Additional Incentive Shares and (iv) the expiration date of the Warrant shall be extended to June 30, 2021. On July 14, 2020, the Company issued the 6,500 Additional Incentive Shares valued at $24,570.

On March 6, 2019, Edison Nation, Inc. (the "Company") entered into a securities purchase agreement (the "SPA") with an accredited investor (the "Investor") pursuant to which the Investor purchased a 2% unsecured, senior convertible promissory note (the "Note") from the Company. The Note was in the amount of $560,000 with an original issue discount of $60,000. The Company issued 15,000 shares of its common stock ("Common Stock") valued at $74,100 based on the share price on the date of issuance to the Investor as additional consideration for the purchase of the Note. The Under the terms of the SPA, the Investor will have piggyback registration rights in the event the Company files a Form S-1 or Form S-3 within six months from March 6, 2019, as well as a pro rata right of first refusal in respect of participation in any debt or equity financings undertaken by the Company during the 18 months following March 6, 2019. The Company is also subject to certain customary negative covenants under the SPA, including but not limited to, the requirement to maintain its corporate existence and assets subject to certain exceptions, and to not to make any offers or sales of any security under circumstances that would have the effect of establishing rights or otherwise benefitting other investors in a manner more favorable in any material respect than those rights and benefits established in favor of the Investor under the terms of the SPA and the Note. The maturity date of the Note is six months from March 6, 2019. All principal amounts and the interest thereon are convertible into shares Common Stock only in the event that an Event of Default occurs. On January 24, 2020, the Company paid the Investor $588,366 to pay the Note in full.

Paycheck Protection Program

On April 15, 2020, Edison Nation, Inc. (the "Company") entered into a loan agreement ("PPP Loan") with First Choice Bank under the Paycheck Protection Program (the "PPP"), which is part of the recently enacted Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") administered by the United States Small Business Administration ("SBA"). The Company received proceeds of $789,852 from the PPP Loan. In accordance with the requirements of the PPP, the Company intends to use proceeds from the PPP Loan primarily for payroll costs, subject to thresholds, rent and utilities. The PPP Loan has a 1.00% interest rate per annum and matures on April 15, 2022 and is subject to the terms and conditions applicable to loans administered by the SBA under the PPP. Under the terms of the PPP, certain amounts of the PPP Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. The PPP Loan is included in notes payable on the consolidated balance sheet.

Receivables Financing

On August 12, 2020, the Company entered into an Amendment to a Purchase of Inventory and Repurchase Agreement (the "Amendment") dated November 12, 2019. Under the terms of the Amendment, (i) the repurchase date is extended to December 10, 2020; and (ii) the Company agreed to pay the Purchaser-Assignee a commitment fee of $13,053, and (iii) the Company agreed to pay the Purchaser-Assignee 2% per month for extension periods commencing July 1, 2020 through December 10, 2020. The balance at September 30, 2020 is $128,077.

On February 21, 2020, the Company entered into a receivables financing arrangement for certain receivables of the Company not to exceed $1,250,000 at any one time. The agreement allows for borrowings up to 85% of the outstanding receivable based on the credit quality of the customer.

The fee is between 1% and 2% of the total invoices financed. The balance at September 30, 2020 is $463,843.

In April 2019, we entered into a receivables financing arrangement for certain receivables of the Company. The agreement allows for borrowings up to 80% of the outstanding receivable based on the credit quality of the customer. The fee is between 1% and 2% of the total invoices financed.

On November 12, 2019, the Company entered into a Receivables Purchase Agreement with a financial institution (the "Receivables Purchase Agreement"), whereby the Company agreed to the sale of $250,000 of receivables for $200,000. The proceeds were used for general working capital.

On November 18, 2019, the Company entered into a Future Receivables Purchase Agreement with a financial institution (the "Future Receivables Purchase Agreement"), whereby the Company agreed to the sale of $337,500 of receivables for $250,000. The proceeds were used to fund our receivables for overseas distributors. Christopher B. Ferguson, our Chairman and Chief Executive Officer, personally guaranteed the prompt and complete performance of the Company's obligations under the Future Receivables Purchase Agreement.

Line of Credit

On the Effective Date, the Company (as "Guarantor") entered into a Secured Line of Credit Agreement (the "Credit Agreement") with Global and PPE. Under the terms of the Credit Agreement, PPE is to make available to Global a revolving credit loan in a principal aggregate amount at any one time not to exceed $2,500,000. Upon each drawdown of funds against the credit line, Global shall issue a Promissory Note (the "Note") to PPE. The Note shall accrue interest at 3% per annum and have a maturity date of six (6) months. In the event of a default, any and all amounts due to PPE by Global, including principal and accrued but unpaid interest, shall increase by forty (40%) percent and the interest shall increase to five (5%) percent (the "Default Interest"). The balance at September 30, 2020 is $1,153,800.

The scheduled maturities of the debt for the next five years as of December 31st, are as follows:

For the Years Ended December 31,		**Amount**
2020 (excluding the nine months ended September 30, 2020)		4,206,810
2021		206,760
2022		2,209,137
2023		1,440,275
Thereafter		-
		8,062,982
Less: debt discount		(501,941)
	$	7,561,041

For the three and nine months ended September 30, 2020, interest expense was $1,004,626 and $2,575,737, respectively of which $74,736 and $227,062 were related party interest expense. For the three and nine months ended September 30, 2019, interest expense was $349,172 and $875,036, respectively, of which $78,475 and $238,111 was related party interest expense, respectively.

Related Party Transactions	9 Months Ended Sep. 30, 2020
Related Party Transactions [Abstract]	
Related Party Transactions	**Note 8 — Related Party Transactions** NL Penn Capital, LP and SRM Entertainment Group LLC As of September 30, 2020 and December 31, 2019, due to related party consists of net amounts due to SRM Entertainment Group LLC (“SRM LLC”) and NL Penn Capital, LP (“NL Penn”), the majority owner of both, which are owned by Chris Ferguson, our Chairman and Chief Executive Officer. The amount due to related parties is related to the acquisitions of Pirasta, LLC and Best Party Concepts, LLC offset by operating expenses that were paid by SRM and Edison Nation on behalf of SRM LLC and NL Penn. As of September 30, 2020 and December 31, 2019, the net amount due to related parties was $22,005 and $17,253, respectively. Such amounts are due currently. NL Penn and affiliated entities may lend additional capital to Edison Nation pursuant to terms and conditions similar to the current working capital lenders to Edison Nation such as Franklin Capital. In addition, Edison Nation borrows working capital from Franklin Capital, and Mr. Ferguson is a personal guarantor on the working capital facility provided to Edison Nation by Franklin Capital. In addition, there was accounts receivable of approximately $104,000 due from SRM LLC which was included as part of accounts receivable in the condensed consolidated balance sheet.

Commitments and Contingencies	9 Months Ended Sep. 30, 2020
Commitments and Contingencies Disclosure [Abstract]	
Commitments and Contingencies	**Note 9 — Commitments and Contingencies** Operating Leases The Company has entered into non-cancellable operating leases for office, warehouse, and distribution facilities, with original lease periods expiring through 2021. In addition to minimum rent, certain of the leases require payment of real estate taxes, insurance, common area maintenance charges, and other executory costs. Differences between rent expense and rent paid are recognized as adjustments to operating lease right-of-use assets on the consolidated balance sheets. As of September 30, 2020, the Company recorded operating lease liabilities of $534,819 and right of use assets for operating leases of $505,933. During the three and nine months ended September 30, 2020, operating cash outflows relating to operating lease liabilities was $71,090 and $219,608, respectively, and the expense for right of use assets for operating leases was $72,349 and $226,167, respectively. As of September 30, 2020, the Company's operating leases had a weighted-average remaining term of 3.7 years and weighted-average discount rate of 4.5%. Excluded from the measurement of operating lease liabilities and operating lease right-of-use assets were certain office, warehouse and distribution contracts that qualify for the short-term lease recognition exception. On June 6, 2018, the Company's wholly owned subsidiary, Best Party Concepts, LLC, entered into a lease for office space in Newtown, PA, which expired on May 30, 2020 and was not renewed. Total rent expense for the three and nine months ended September 30, 2020 was $116,183 and $332,492, respectively. Total rent expense for the three and nine months ended September 30, 2019 was $128,256 and $410,759, respectively. Rent expense is included in general and administrative expense on the consolidated statements of operations. Rental Income Fergco leases a portion of the building located in Washington, New Jersey that it owns under a month to month lease. Total rental income related to the leased space for both the three and nine months ended September 30, 2020 and 2019 was both $25,704 and $77,111, respectively, and is included in other income on the consolidated statements of operations. Legal Contingencies The Company is involved in claims and litigation in the ordinary course of business, some of which seek monetary damages, including claims for punitive damages, which are not covered by insurance. For certain pending matters, accruals have not been established because such matters have not progressed sufficiently through discovery, and/or development of important factual information and legal information is insufficient to enable the Company to estimate a range of possible loss, if any. An adverse determination in one or more of these pending matters could have an adverse effect on the Company's consolidated financial position, results of operations or cash flows. We are, and may in the future become, subject to various legal proceedings and claims that arise in or outside the ordinary course of business.

On April 14, 2020, Oceanside Traders, LLC ("Plaintiff") filed a complaint against Cloud B, Inc. and Edison Nation, Inc. (together the "Defendants") with the Superior Court of Ocean County, New Jersey alleging a breach of contract in that the Defendants failed to pay Plaintiff for goods sold in the amount of $141,007 plus $138,180 for overpayments and $279,187 for lost profits for a total of $443,383. A default judgment was entered against Edison Nation in the case in the amount of $284,249. The same day the default judgment was entered, the Company filed a motion to vacate on the grounds that Edison Nation was not properly served with the complaint. The court granted Edison Nation, Inc.'s motion to vacate the judgment. On November 9, 2020, Plaintiff filed an amended complaint against Edison Nation, Inc., et al.

On March 13, 2019, Rosenberg Fortuna & Laitman LLP and Mark Principe (together the "Plaintiffs") filed a complaint against Safe TV Shop, LLC (the "Defendant") with the Supreme Court of the State of New York, County of Nassau alleging a breach of indemnification arising out of the use of a certain packaging material. On February 12, 2020, the parties entered a Stipulation and Settlement and Consent Agreement, whereby the Plaintiff entered into a Consent Judgment in the amount of $50,000. The Company has accrued $50,000 for the amount of the judgment, but there have been no operations by the Plaintiff since the date of acquisition by the Company.

On October 27, 2020, Gerald Whitt, Alexander Whitt, Matthew Whitt, Christopher Whitt, Deborah Milam and David Knecht, individually and in their personal capacities, and derivatively on behalf of Cloud B, Inc. (together the "Plaintiffs") filed a claim against the Company, CBAV1, LLC, SRM Idea Lab, Inc., Christopher B. Ferguson, Linda Suh, Jeff Johnson, Richard Brenner, Phillip McFillin, Kevin Ferguson, Brett Vroman and Does 1-100 (together the "Defendants") and Cloud B, Inc., as a nominal defendant, alleging fraudulent concealment, breach of fiduciary duty, breach of contract, breach of confidence, intentional misrepresentation, negligent misrepresentation, unfair business practices and civil conspiracy requesting judgment in excess of $8,000,000 for compensatory damages, punitive damages and attorneys' fees.

Stockholders' Equity

9 Months Ended
Sep. 30, 2020

Equity [Abstract]

Stockholders' Equity

Note 10 — Stockholders' Equity

Preferred Stock

On March 25, 2020, the Company filed a certificate of amendment to the Company's articles of incorporation with the Secretary of State of the State of Nevada in order to: (i) increase the number of shares of the Company's authorized preferred stock, par value $0.001 per share, from 0 shares to 30,000,000 shares of preferred stock; (ii) clarify the application of the forum selection clause in the Company's amended and restated articles of incorporation, specifically that such clause does not apply to federal causes of actions arising under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and (iii) include affirmative changes to correspond to the Company's First Amended and Restated Bylaws, confirming that the Company's shareholders may vote by written consent. As of September 30, 2020 and December 31, 2019, there were 0 shares of preferred stock issued and outstanding, respectively. Please *see* **Note 11 — Subsequent Events** for further information.

Stock-Based Compensation

On September 6, 2018, the Company's board of directors approved an amendment and restatement of the Company's omnibus incentive plan solely to reflect the Company's name change to Edison Nation, Inc. Thus, the Vinco Ventures, Inc. Omnibus Incentive Plan (the "Plan") which remains effective as of February 9, 2018, provides for the issuance of up to 1,764,705 shares of common stock to help align the interests of management and our stockholders and reward our executive officers for improved Company performance. Stock incentive awards under the Plan can be in the form of stock options, restricted stock units, performance awards and restricted stock that are made to employees, directors and service providers. Awards are subject to forfeiture until vesting conditions have been satisfied under the terms of the award. The exercise price of stock options is equal to the fair market value of the underlying Company common stock on the date of grant.

On July 15, 2020, the Company filed a Registration Statement on Form S-8 registering 1,764,705 shares of common stock to be issued as stock-based incentives under the Company's Amended and Restated Edison Nation, Inc. Omnibus Incentive Plan.

The following table summarizes stock option award activity for the nine months ended September 30, 2020:

	Shares	Weighted Average Exercise Price	Remaining Contractual Life in Years	Aggregate Intrinsic Value
Balance, January 1, 2020	80,000	$ 7.01	3.7	-
Granted	-	-	-	-
Balance, September 30, 2020	80,000	$ 7.01	3.2	-
Exercisable, September 30, 2020	80,000	$ 7.01	3.2	-

As of September 30, 2020, there were no unvested options to purchase shares of the Company's common stock and there was no unrecognized equity-based compensation expense that the Company expected to recognize over a remaining weighted-average period.

From time to time, the Company grants shares of common stock to consultants and non-employee vendors for services performed. The awards are valued at the market value of the underlying common stock at the date of grant and vest based on the terms of the contract which is usually upon grant.

Subsequent Events	9 Months Ended Sep. 30, 2020
Subsequent Events [Abstract]	
Subsequent Events	

Note 11 — Subsequent Events

On September 29, 2020, the Company (as "Purchaser") entered into a Purchase and Sale Agreement (the "Agreement") with Graphene Holdings, LLC, Mercury FundingCo, LLC, Ventus Capital, LLC and Jetco Holdings, LLC (together the "Sellers") to acquire all outstanding Membership Units (the "Units") of TBD Safety, LLC ("TBD"). Collectively, the Sellers own all outstanding Units of TBD. Under the terms of the Agreement, the Company is to issue a total of Two Million Two Hundred Ten Thousand Three Hundred Eighty-Two (2,210,382) shares of the Company's common stock and a total of Seven Hundred Sixty Four Thousand Six Hundred Eighteen (764,618) shares of a newly designated Preferred Stock (the "Preferred"). In addition, the Company and Sellers shall enter into a Registration Rights Agreement (the "Registration Rights Agreement") in favor of the Sellers obligating the Company to register such Common Stock and shares of Common Stock to be issued upon conversion of the Preferred within 120 days after the Closing. The Sellers shall have an Earn Out Consideration - At such time as the Assets purchased in the Agreement achieve cumulative revenue of $10,000,000, the Sellers shall earn a total of One Hundred Twenty-Five Thousand (125,000) shares of Common Stock. The Closing of the transaction occurred on October 16, 2020.

On October 7, 2020, the Company (the "Borrower") and Jefferson Street Capital, LLC (the "Holder") entered into a Forbearance Agreement (the "Agreement") against the Note issued by the Borrower to the Holder dated April 7, 2020. Under the terms of the Agreement, the Borrower has requested and the Holder has agreed to temporarily forebear, until the earlier of (i) December 9, 2020 or (ii) at such time as a default shall occur under and pursuant to the Purchase Agreement, the Note or the Agreement, from exercising its right to convert amounts due under the Note into Common Stock of the Borrower, in exchange for a one time cash payment forbearance fee equal to $12,500 paid upon execution of the Agreement.

On October 8, 2020, the Company issued 1,132,209 shares of common stock to Mercury FundingCo, LLC, representing a 8.05% ownership in the Company, valued at $1,890,956 as per the terms of the Purchase and Sale Agreement dated September 29, 2020 for the purchase of TBD Safety, LLC.

On October 8, 2020, the Company issued 1,078,073 shares of common stock to Ventus Capital, LLC, representing a 7.64% ownership in the Company, valued at $1,800,382 as per the terms of the Purchase and Sale Agreement dated September 29, 2020 for the purchase of TBD Safety, LLC.

On October 12, 2020, the Company issued 125,000 shares of common stock to Ralls, valued at $250,000, related to the exercise of the Common Stock Purchase Warrant dated January 10, 2020.

On October 16, 2020, the Company filed a Certificate of Designation (the "Designation") with the Secretary of State of Nevada, which designates 1,000,000 shares of the Company's preferred stock, par value $0.001 per share, as Series B Convertible Preferred Stock ("Series B"). Pursuant to the terms of the Designation, holders of the Series B shall be entitled to dividends, a liquidation preference and shall have conversion rights. Each share of Series B shall be convertible into 1 share of Common Stock, on or after the twelve month anniversary of the Original Issue Date at the option of the Holder thereof, for a total not to exceed 1,000,000 shares of Common Stock. The holders of the Series B shall have no voting rights.

On October 27, 2020, Gerald Whitt, Alexander Whitt, Matthew Whitt, Christopher Whitt, Deborah Milam and David Knecht, individually and in their personal capacities, and derivatively on behalf of Cloud B, Inc. (together the "Plaintiffs") filed a claim against the Company, CBAV1, LLC, SRM Idea Lab, Inc., Christopher B. Ferguson, Linda Suh, Jeff Johnson, Richard Brenner, Phillip

McFillin, Kevin Ferguson, Brett Vroman and Does 1-100 (together the "Defendants") and Cloud B, Inc., as a nominal defendant, alleging fraudulent concealment, breach of fiduciary duty, breach of contract, breach of confidence, intentional misrepresentation, negligent misrepresentation, unfair business practices and civil conspiracy requesting judgment in excess of $8,000,000 for compensatory damages, punitive damages and attorneys' fees.

On October 29, 2020, the Company, along with its subsidiaries, Edison Nation, LLC and Ferguson Containers, Inc., entered into a Futures Receivables Sale Agreement (the "Agreement") with Itria Ventures, LLC whereby the Company agreed to the sale of $155,000 of receivables for $125,000. The proceeds were used to fund our receivables for overseas distributors. Christopher B. Ferguson, our Chairman and Chief Executive Officer, personally guaranteed the prompt and complete performance of the Company's obligations under the Agreement.

On October 30, 2020, Edison Nation, Inc. (the "Company") received a letter of intent from a prospective purchaser dated October 22, 2020 setting forth the terms of an offer to purchase Cloud b assets from CBAV1, LLC ("CBAV1"), the Company's wholly owned subsidiary (the "LOI"). The Cloud b assets include but are not limited to intellectual property, know how, brand names, trade names, patents, models, internet websites, domains, social network assets, production facilities, including the molds of all products, and inventory ("Cloud b Assets").

On November 4, 2020, the Company filed Articles of Incorporation in the State of Nevada for a new wholly owned subsidiary, Vinco Ventures, LLC.

On November 4, 2020, the Company, through its new wholly owned subsidiary, Vinco Ventures, Inc. ("Vinco"), filed Articles of Formation in the State of Nevada for Honey Badger Media, LLC ("Honey Badger"). Honey Badger will become a wholly owned subsidiary of Vinco.

On November 5, 2020, the Company (the "Parent") and its wholly owned subsidiary, Vinco Ventures, Inc. (the "Merger Sub"), entered into an Agreement and Plan of Merger (the "Agreement"). Under the terms of the Agreement, the Merger Sub merged with and into the Parent and the Parent became the surviving corporation of the Merger (the "Surviving Corporation"). The name of the Surviving Corporation is Vinco Ventures, Inc. The transaction closed on November 10, 2020. The Articles of Merger were filed with the Secretary of State of the State of Nevada on November 11, 2020. Effective November 12, 2020, the Company's common stock, which trades on the Nasdaq Capital Market, ceased trading under the ticker symbol "EDNT" and commenced trading under the new ticker symbol "BBIG." Along with the ticker change, the Company's common stock was assigned a new CUSIP number of 927330100.

On November 10, 2020, the Company, through its wholly owned subsidiary, Honey Badger Media, LLC, entered into a series of transactions with Honey Badger Media, LLC, a Delaware limited liability company:

On November 10, 2020, under the terms of the Asset Purchase Agreement (the "Agreement"), the Company (the "Buyer") agreed to purchase from Honey Badger Media, LLC (the "Seller") all of the Seller's rights, title and interest in and to the Internet Websites, Domain Names, and all of the respective content (the "Domains"), and any other rights associated with the domains, including, without limitation, any intellectual property rights, all related Domains, logos, customer lists and agreements, email lists, passwords, usernames and trade names; and all of the related social media accounts including but not limited to, Instagram, Twitter, Facebook, Instagram, and Pinterest at closing (collectively the "Purchased Assets"). In consideration for the sale of the Purchased Assets, the Buyer agreed to pay the Seller the amount of Three Hundred Thousand Dollars (US $300,000).

On November 10, 2020, under the terms of the Platform License Agreement (the "License Agreement"), Honey Badger Media, LLC (the "Licensor") granted the Company (the "Licensee") a perpetual, exclusive, worldwide license (the "License") to implement and commercialize the assets connected with the Platform, including, but not limited to, the right to use all of Licensor's intellectual property rights comprising the Platform, owned by or licensed to Licensor that are utilized as part of the Platform ("Licensed Related Assets"). In consideration for the License, the Licensee agreed to pay to the Licensor a fee equal to thirty percent (30%) of the Net Profits generated from Licensee's clients through the Platform and Licensed Related Assets and the Licensee's parent company agreed to issue the Licensor 750,000 shares of common stock.

On November 10, 2020, under the terms of the Employment Agreement (the Employment Agreement"), Laurie Argall (the "Executive") retained the role of Vice President of Digital Commerce. The initial term of the Employment Agreement is for a period commencing on November 10, 2020 and ending on the two (2) year anniversary of the Employment Agreement. The Executive shall receive a base salary of Sixty Thousand Dollars ($60,000) per year. Executive shall be entitled to three (3) weeks of comprehensive paid time off (includes vacation, sick and personal days) each year.

On November 17, 2020, the Company, through its subsidiary, Edison Nation, LLC (the "Vendor"), entered into an Inventory Management Agreement (the "Agreement") with the Forever 8 Fund, LLC ("F8"), an entity which our President holds a 45% ownership interest. Under the terms of the Agreement, F8 desires to maintain inventory of and sell to Vendor certain Products pursuant to the terms and conditions set forth in the Agreement. As consideration for the inventory management services provided under this Agreement, Vendor agrees to pay F8 a fee for each unit of each Product sold on a Platform determined in accordance with the fee schedule set forth in the applicable Product Schedule (the "*Fee Schedule*") based on the Age of Inventory Sold set forth on the Fee Schedule (the "*F8 Fees*"). Prior to the signing of the agreement, F8 advanced the Vendor $239,283 that was utilized to pay for deposits with the Vendors factories. This Agreement shall commence on the Effective Date and shall continue in full force and effect until January 31, 2022 (the "*Initial Term*"), unless terminated earlier as provided in this Agreement.

On November 19, 2020, the Company issued 40,000 shares of common stock valued at $59,600 to a note holder for conversion of a restricted stock unit into shares of common stock.

Summary of Significant Accounting Policies (Policies)	9 Months Ended Sep. 30, 2020
Accounting Policies [Abstract]	
Principles of Consolidation	Principles of Consolidation The consolidated financial statements include the accounts of Edison Nation, Inc. and its wholly-owned and majority owned subsidiaries. All intercompany balances and transactions have been eliminated.
Variable Interest Entity Assessment	Variable Interest Entity Assessment A VIE is an entity (a) that has total equity at risk that is not sufficient to finance its activities without additional subordinated financial support from other entities, (b) where the group of equity holders does not have the power to direct the activities of the entity that most significantly impact the entity's economic performance, or the obligation to absorb the entity's expected losses or the right to receive the entity's expected residual returns, or both, or (c) where the voting rights of some investors are not proportional to their obligations to absorb the expected losses of the entity, their rights to receive the expected residual returns of the entity, or both, and substantially all of the entity's activities either involve or are conducted on behalf of an investor that has disproportionately few voting rights. In order to determine if an entity is considered a VIE, the Company first performs a qualitative analysis, which requires certain subjective decisions regarding its assessments, including, but not limited to, the design of the entity, the variability that the entity was designed to create and pass along to its interest holders, the rights of the parties, and the purpose of the arrangement. If the Company cannot conclude after a qualitative analysis whether an entity is a VIE, it performs a quantitative analysis. The qualitative analysis considered the design of the entity, the risks that cause variability, the purpose for which the entity was created, and the variability that the entity was designed to pass along to its variable interest holders.
Use of Estimates	Use of Estimates Preparation of financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, together with amounts disclosed in the related notes to the financial statements. The Company's significant estimates used in these financial statements include, but are not limited to, accounts receivable reserves, the valuation allowance related to the Company's deferred tax assets, the recoverability and useful lives of long-lived assets, debt conversion features, stock-based compensation, certain assumptions related to the valuation of the reserved shares and the assets acquired and liabilities assumed related to the Company's acquisitions. Certain of the Company's estimates could be affected by external conditions, including those unique to the Company and general economic conditions. It is reasonably possible that these external factors could have an effect on the Company's estimates and could cause actual results to differ from those estimates.
Reclassifications	Reclassifications Certain reclassifications have been made to prior year amounts to conform to current year presentation.
Cash and Cash Equivalents	Cash and Cash Equivalents The Company has cash on deposit in several financial institutions which, at times, may be in excess of Federal Deposit Insurance Corporation ("FDIC") insurance limits. The Company has not experienced losses in such accounts and periodically evaluates the creditworthiness of its financial institutions. The Company reduces its credit risk by placing its cash and cash equivalents with major financial institutions. The Company had $100,464 uninsured cash at September 30, 2020 of which $100,464 was held in foreign bank accounts not covered by FDIC insurance limits as of September 30, 2020.

Accounts Receivable

Accounts Receivable

Accounts and notes receivable consist of trade receivables from customers. The Company's payment terms with customers are defined within each customer's invoice. All accounts receivables are considered current assets as the Company does not grant payment terms greater than one year. Accounts receivable initially are recorded at the gross amount and are recorded after the Company has an unconditional right to payment where only the passage of time is required before payment is received. The Company evaluates the collectability of outstanding receivable balances and records an allowance for doubtful accounts representing an estimate of future expected credit loss. Additions to the allowance for doubtful accounts are made by recording a charge to bad debt expense reported in selling, general and administrative expenses. As of September 30, 2020, no customers represented more than 10% of total accounts receivable.

Inventory

Inventory

Inventory is recorded at the lower of cost or net realizable value on a first-in, first-out basis. The Company reduces the carrying value of inventories for those items that are potentially excess, obsolete, or slow moving based on changes in customer demand, technology developments, or other economic factors.

Revenue Recognition

Revenue Recognition

Generally, the Company considers all revenues as arising from contracts with customers. Revenue is recognized based on the five-step process outlined in the Accounting Standards Codification ("ASC") 606:

Step 1 – Identify the Contract with the Customer – A contract exists when (a) the parties to the contract have approved the contract and are committed to perform their respective obligations, (b) the entity can identify each party's rights regarding the goods or services to be transferred, (c) the entity can identify the payment terms for the goods or services to be transferred, (d) the contract has commercial substance and it is probable that the entity will collect substantially all of the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Step 2 – Identify Performance Obligations in the Contract – Upon execution of a contract, the Company identifies as performance obligations each promise to transfer to the customer either (a) goods or services that are distinct, or (b) a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer. To the extent a contract includes multiple promised goods or services, the Company must apply judgement to determine whether the goods or services are capable of being distinct within the context of the contract. If these criteria are not met, the goods or services are accounted for as a combined performance obligation.

Step 3 – Determine the Transaction Price – When (or as) a performance obligation is satisfied, the Company shall recognize as revenue the amount of the transaction price that is allocated to the performance obligation. The contract terms are used to determine the transaction price. Generally, all contracts include fixed consideration. If a contract did include variable consideration, the Company would determine the amount of variable consideration that should be included in the transaction price based on expected value method. Variable consideration would be included in the transaction price, if in the Company's judgement, it is probable that a significant future reversal of cumulative revenue under the contract would not occur.

Step 4 – Allocate the Transaction Price – After the transaction price has been determined, the next step is to allocate the transaction price to each performance obligation in the contract. If the contract only has one performance obligation, the entire transaction price will be applied to that obligation. If the contract has multiple performance obligations, the transaction price is allocated to the performance obligations based on the relative standalone selling price (SSP) at contract inception.

Step 5 – Satisfaction of the Performance Obligations (and Recognize Revenue) – Revenue is recognized when (or as) goods or services are transferred to a customer. The Company satisfies each of its performance obligations by transferring control of the promised good or service underlying that performance obligation to the customer. Control is the ability to direct the use of and obtain substantially all of the remaining benefits from an asset. It includes the ability to prevent other entities from directing the use of and obtaining the benefits from an asset. Indicators that control has passed to the customer include: a present obligation to pay; physical possession of the asset; legal title; risks and rewards of ownership; and acceptance of the asset(s). Performance obligations can be satisfied at a point in time or over time.

Substantially all of the Company's revenues continue to be recognized when control of the goods are transferred to the customer, which is upon shipment of the finished goods to the customer. All sales have fixed pricing and there are currently no material variable components included in the Company's revenue. Additionally, the Company will issue credits for defective merchandise, historically these credits for defective merchandise have not been material. Based on the Company's analysis of the new revenue standards, revenue recognition from the sale of finished goods to customers, which represents substantially all of the Company's revenues, was not impacted by the adoption of the new revenue standards.

Disaggregation of Revenue

Disaggregation of Revenue

The Company's primary revenue streams include the sale and/or licensing of consumer goods and packaging materials. The Company's licensing business is not material and has not been separately disaggregated for segment purposes. The disaggregated Company's revenues for the three and nine months ended September 30, 2019 and 2018 were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	**2019**	**2020**	**2019**
Revenues:				
Product sales	$ 4,137,254	$ 3,499,116	$ 14,593,266	$ 14,982,117
Service	800	19,442	800	67,753
Licensing	113,093	14,087	204,217	189,564
Total revenues, net	$ 4,251,147	$ 3,532,645	$ 14,798,283	$ 15,239,434

For the three and nine months ended September 30, 2020 and 2019, the following customer represented more than 10% of total net revenues:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	**2019**	**2020**	**2019**
Customer:				
Customer A	*%	11%	*%	22%

* Customer did not represent greater than 10% of total net revenue.

For the three and nine months ended September 30, 2020 and 2019, the following geographical regions represented more than 10% of total net revenues:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	**2019**	**2020**	**2019**
Region:				
North America	79%	86%	89%	78%
Europe	17 %	*	10%	15%

* Region did not represent greater than 10% of total net revenue.

Fair Value of Financial Instruments

Fair Value of Financial Instruments

The Company measures the fair value of financial assets and liabilities based on the guidance of ASC 820 “Fair Value Measurements and Disclosures” (“ASC 820”) which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 describes three levels of inputs that may be used to measure fair value:

Level 1 — quoted prices in active markets for identical assets or liabilities

Level 2 — quoted prices for similar assets and liabilities in active markets or inputs that are observable

Level 3 — inputs that are unobservable (for example, cash flow modeling inputs based on assumptions)

The carrying amounts of the Company’s financial instruments, such as cash, accounts receivable, accounts payable, accrued expenses and other current liabilities approximate fair values due to the short-term nature of these instruments. The carrying amount of the Company’s notes payable approximates fair value because the effective yields on these obligations, which include contractual interest rates, taken together with other features such as concurrent issuance of warrants, are comparable to rates of returns for instruments of similar credit risk. The loan held for investment was acquired at fair value, which resulted in a discount.

Sequencing Policy

Sequencing Policy

Under ASC 815-40-35, the Company follows a sequencing policy whereby, in the event that reclassification of contracts from equity to assets or liabilities is necessary pursuant to ASC 815 due to the Company’s inability to demonstrate it has sufficient authorized shares as a result of certain securities with a potentially indeterminable number of shares, shares will be allocated on the basis of the earliest issuance date of potentially dilutive instruments, with the earliest grants receiving the first allocation of shares. Pursuant to ASC 815, issuance of securities to the Company’s employees or directors are not subject to the sequencing policy.

Foreign Currency Translation

Foreign Currency Translation

The Company uses the United States dollar as its functional and reporting currency since the majority of the Company’s revenues, expenses, assets and liabilities are in the United States. Assets and liabilities in foreign currencies are translated using the exchange rate at the balance sheet date, while revenue and expense accounts are translated at the average exchange rates prevailing during the year. Equity accounts are translated at historical exchange rates. Gains and losses from foreign currency transactions and translation for the three and nine months ended September 30, 2020 and 2019 and the cumulative translation gains and losses as of September 30, 2020 and December 31, 2019 were not material.

Net Earnings or Loss Per Share

Net Earnings or Loss per Share

Basic net loss per common share is computed by dividing net loss by the weighted average number of vested common shares outstanding during the period. Diluted net income per common share is computed by dividing net income by the weighted average number vested of common shares, plus the net impact of common shares (computed using the treasury stock method), if dilutive, resulting from the exercise of dilutive securities. In periods when losses are reported, the weighted-average number of common shares outstanding excludes common stock equivalents because their inclusion would be anti-dilutive.

As of September 30, 2020, the Company excluded the common stock equivalents summarized below, which entitle the holders thereof to ultimately acquire shares of common stock, from its calculation of earnings per share, as their effect would have been anti-dilutive.

	September 30, 2020	September 30, 2019
Selling Agent Warrants	160,492	89,992
Shares reserved in exchange for the cancellation of certain non-voting membership interest in Edison Nation Holdings, LLC	-	990,000
Options	80,000	290,000
Convertible shares under notes payable	558,803	285,632
Warrants for noteholders	625,000	-
Restricted stock units	120,000	-
Shares to be issued	165,000	-
Total	1,709,295	1,655,624

Recent Accounting Pronouncements

Recent Accounting Pronouncements

In October 2018, the FASB issued new accounting guidance for Variable Interest Entities, which requires indirect interests held through related parties in common control arrangements be considered on a proportional basis for determining whether fees paid to decision makers and service providers are variable interests. The guidance is effective for the Company's interim and annual reporting periods during the year ending December 31, 2020. Early adoption is permitted. The Company currently does not believe that the adoption of this accounting guidance will have a material impact on its consolidated financial statements and related disclosures.

In August 2020, the FASB issued ASU 2020-06, "Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40)". This ASU reduces the number of accounting models for convertible debt instruments and convertible preferred stock. As well as amend the guidance for the derivatives scope exception for contracts in an entity's own equity to reduce form-over-substance-based accounting conclusions. In addition, this ASU improves and amends the related EPS guidance. This guidance is effective for interim and annual reporting periods beginning after December 15, 2021; Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. Adoption is either a modified retrospective method or a fully retrospective method of transition. The Company is currently assessing the impact the new guidance will have on our consolidated financial statements.

Subsequent Events

Subsequent Events

The Company has evaluated subsequent events through the date which the financial statements were issued. Based upon such evaluation, except for items described in Note 8 and Note 10, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the financial statements.

Segment Reporting

Segment Reporting

The Company uses "the management approach" in determining reportable operating segments. The management approach considers the internal organization and reporting used by the Company's chief operating decision maker for making operating decisions and assessing performance as the source for determining the Company's reportable segments. The Company's chief operating decision maker is the Chairman and Chief Executive Officer ("CEO") of the Company, who reviews operating results to make decisions about allocating resources and assessing performance for the entire Company. The Company deploys resources on a consolidated level to all brands of the Company and therefore the Company only identifies one reportable operating segment with multiple product offerings.

Summary of Significant Accounting Policies (Tables)	9 Months Ended Sep. 30, 2020
Accounting Policies [Abstract]	
Schedule of Disaggregation of Revenue	The Company's licensing business is not material and has not been separately disaggregated for segment purposes. The disaggregated Company's revenues for the three and nine months ended September 30, 2019 and 2018 were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	2019	2020	2019
Revenues:				
Product sales	$ 4,137,254	$ 3,499,116	$14,593,266	$14,982,117
Service	800	19,442	800	67,753
Licensing	113,093	14,087	204,217	189,564
Total revenues, net	$ 4,251,147	$ 3,532,645	$14,798,283	$15,239,434

Schedule of Revenue from External Customers and Long-Lived Assets, by Geographical Areas

For the three and nine months ended September 30, 2020 and 2019, the following customer represented more than 10% of total net revenues:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	2019	2020	2019
Customer:				
Customer A	*%	11%	*%	22%

* Customer did not represent greater than 10% of total net revenue.

For the three and nine months ended September 30, 2020 and 2019, the following geographical regions represented more than 10% of total net revenues:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	2019	2020	2019
Region:				
North America	79%	86%	89%	78%
Europe	17 %	*	10%	15%

* Region did not represent greater than 10% of total net revenue.

Schedule of Antidilutive Securities Excluded from Computation of Earnings Per Share

As of September 30, 2020, the Company excluded the common stock equivalents summarized below, which entitle the holders thereof to ultimately acquire shares of common stock, from its calculation of earnings per share, as their effect would have been anti-dilutive.

	September 30, 2020	September 30, 2019
Selling Agent Warrants	160,492	89,992
Shares reserved in exchange for the cancellation of certain non-voting membership interest in Edison Nation Holdings, LLC	-	990,000
Options	80,000	290,000

Convertible shares under notes payable	558,803	285,632
Warrants for noteholders	625,000	-
Restricted stock units	120,000	-
Shares to be issued	165,000	-
Total	1,709,295	1,655,624

Acquisitions and Divestitures (Tables)	9 Months Ended Sep. 30, 2020
Business Combinations [Abstract]	
Schedule of Business Combination of Assets and Liabilities	The table below shows the assets and liabilities that the Company was relieved of in the transaction:

	February 17, 2020
Accounts payable	4,005,605
Accrued Expenses	370,289
Income Tax Payable	14,473
Notes Payable	900,000
Non-Controlling Interest	26,393
Shares to be issued to Buyer	(405,000)
Gain on divestiture	$ 4,911,760

Variable Interest Entities (Tables)	9 Months Ended Sep. 30, 2020
Organization, Consolidation and Presentation of Financial Statements [Abstract]	
Schedule of Variable Interest Entities	The following table presents the carrying values of the assets and liabilities of entities that are VIEs and consolidated by the Company at September 30, 2020:

	September 30, 2020	December 31, 2019
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 114,875	$ 6,234
Accounts receivable, net	906,020	21,697
Inventory	249,896	51,090
Prepaid expenses and other current assets	1,072,378	379,561
Total current assets	2,343,169	458,582
Property and equipment, net	19,671	32,661
Total assets	$ 2,362,840	$ 491,243
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 198,704	$ 337,648
Accrued expenses and other current liabilities	80,631	-
Deferred revenues	857,500	-
Line of credit, net of debt issuance costs of $0 and $15,573, respectively	1,153,800	-
Notes payable, current	150,000	-
Due to related party	315,666	315,666
Total current liabilities	2,756,301	12,973,319

The following table presents the operations of entities that are VIEs and consolidated by the Company at September 30, 2020:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	2019	2020	2019
Revenues, net	$ 184,715	$ 80,120	$1,459,192	$ 285,542
Cost of revenues	69,191	49,590	1,064,114	124,659
Gross profit	115,524	30,530	395,078	160,883
Operating expenses:				
Selling, general and administrative	91,114	100,961	294,676	192,699

Operating income	24,410	(70,431)	100,402	(31,816)
Other (expense) income:				
Interest expense	(73,840)	-	(130,796)	-
Total other (expense) income	(73,840)	-	(130,796)	-
Loss before income taxes	(49,430)	(70,431)	(30,394)	(31,816)
Income tax expense	-	-	-	-
Net (loss) income	$ (49,430)	$ (70,431)	$ (30,394)	$ (31,816)

Accounts Receivable (Tables)

	9 Months Ended Sep. 30, 2020
Credit Loss [Abstract]	
Schedule of Accounts Receivable	As of September 30, 2020 and December 31, 2019, accounts receivable consisted of the following:

	September 30, 2020	December 31, 2019
Accounts receivable	$ 3,223,291	$ 2,185,859
Less: Allowance for doubtful accounts	(77,761)	(77,760)
Total accounts receivable, net	$ 3,145,530	$ 2,108,099

Inventory (Tables)	9 Months Ended Sep. 30, 2020
Inventory Disclosure [Abstract]	
Schedule of Inventory	As of September 30, 2020 and December 31, 2019, inventory consisted of the following:

	September 30, 2020	December 31, 2019
Raw materials	$ 34,737	$ 49,232
Finished goods	1,580,613	1,419,993
Reserve for obsolescence	(100,000)	(100,000)
Total inventory	$ 1,515,351	$ 1,369,225

Debt (Tables)	9 Months Ended Sep. 30, 2020
Debt Disclosure [Abstract]	
Schedule of Debt	As of September 30, 2020 and December 31, 2019, debt consisted of the following:

	September 30, 2020	December 31, 2019
Line of credit:		
Secured line of credit	$ 1,153,800	$ -
Receivables financing	462,868	472,567
Debt issuance costs	-	(15,573)
Total lines of credit	1,616,668	456,995
Convertible notes payable:		
Senior convertible notes payable – related parties	1,428,161	1,428,161
Convertible notes payable	560,000	-
Debt issuance costs	(353,664)	(366,666)
Total convertible notes payable	1,634,497	1,061,495
Less: current portion of long-term convertible notes payable	(498,002)	-
Noncurrent portion of long-term convertible notes payable	1,136,495	1,061,495
Notes payable:		
Notes payable	1,790,641	1,621,015
Debt issuance costs	(148,278)	(212,848)
Total long-term debt	1,642,363	1,408,167
Less: current portion of long-term debt	(821,092)	(1,365,675)
Noncurrent portion of long-term debt	821,271	42,492
Notes payable – related parties:		
Notes payable	2,667,513	3,282,021
Less: current portion of long-term debt – related parties	(1,214,698)	(1,686,352)
Noncurrent portion of long-term debt – related parties	$ 1,452,815	$ 1,595,669

Schedule of Maturities of Long-term Debt

The scheduled maturities of the debt for the next five years as of December 31st, are as follows:

For the Years Ended December 31,	Amount
2020 (excluding the nine months ended September 30, 2020)	4,206,810
2021	206,760
2022	2,209,137
2023	1,440,275
Thereafter	-
	8,062,982
Less: debt discount	(501,941)
	$ 7,561,041

Stockholders' Equity (Tables)	9 Months Ended Sep. 30, 2020
Equity [Abstract]	
Schedule of Share-based Compensation, Stock Options, Activity	The following table summarizes stock option award activity for the nine months ended September 30, 2020:

	Shares	Weighted Average Exercise Price	Remaining Contractual Life in Years	Aggregate Intrinsic Value
Balance, January 1, 2020	80,000	$ 7.01	3.7	-
Granted	-	-	-	-
Balance, September 30, 2020	80,000	$ 7.01	3.2	-
Exercisable, September 30, 2020	80,000	$ 7.01	3.2	-

Basis of Presentation and Nature of Operations (Details Narrative) - USD ($)		3 Months Ended		9 Months Ended					
	Oct. 01, 2020	Sep. 30, 2020	Sep. 30, 2019	Sep. 30, 2020	Sep. 30, 2019	Jun. 30, 2020	Dec. 31, 2019	Jun. 30, 2019	Dec. 31, 2018
Salary reductions percentage				20.00%					
Operating loss		$ (1,892,561)	$ (2,307,736)	$ (5,617,264)	$ (4,912,541)				
Operating income loss from noncash activities				3,703,865					
Operating income loss from nonrecurring items				554,741					
Assets, current		6,723,083		6,723,083			$ 4,955,365		
Liabilities, current		10,115,092		10,115,092			12,973,319		
Working capital		3,392,009		3,392,009					
Related party note payables		1,214,697		1,214,697					
Accrued related party interest expense		219,396		219,396					
Assets		24,405,755		24,405,755			23,609,619		
Liabilities		13,780,773		13,780,773			16,155,187		
Stockholders' equity		10,624,982	11,055,468	10,624,982	11,055,468	$ 10,940,502	$ 7,454,432	$ 13,375,008	$ 15,939,639
Debt interest expense		$ 1,004,626	$ 349,172	2,667,513	$ 875,036				
Interest expense				$ 219,396					
Description of cost cutting initiatives				Cost saving initiatives related to synergies and the elimination of redundant costs of approximately $1,500,000, of which approximately $168,000 impacted the three months ended September 30, 2020.					
Minimum [Member]									
Sale of additional equity				$ 5,000,000					
Maximum [Member]									
Sale of additional equity				1,000,000					
Subsequent Event [Member]									
Proceeds from receivables financial agreement	$ 125,000								
Related to Depreciation, Amortization and Stock-based Compensation									
Operating loss				3,703,865					

Related to Transaction Costs, Restructuring Charges and Other Non-recurring and Redundant [Member]		
Operating loss		$ 554,741
Best Party Concepts [Member]		
Business acquisition, percentage of voting interests acquired	50.00%	50.00%
Global Clean Solutions, LLC [Member]		
Business acquisition, percentage of voting interests acquired	50.00%	50.00%

Summary of Significant Accounting Policies (Details Narrative)	Sep. 30, 2020 USD ($)
Accounting Policies [Abstract]	
Cash, uninsured amount	$ 100,464
Cash, FDIC insured amount	$ 100,464

Summary of Significant Accounting Policies - Schedule of Disaggregation of Revenue (Details) - USD ($)	3 Months Ended		9 Months Ended	
	Sep. 30, 2020	Sep. 30, 2019	Sep. 30, 2020	Sep. 30, 2019
Revenue from Contract with Customer, Excluding Assessed Tax	$ 4,251,147	$ 3,532,645	$ 14,798,283	$ 15,239,434
Product sales [Member]				
Revenue from Contract with Customer, Excluding Assessed Tax	4,137,254	3,499,116	14,953,266	14,982,117
Service [Member]				
Revenue from Contract with Customer, Excluding Assessed Tax	800	19,442	800	67,753
Licensing [Member]				
Revenue from Contract with Customer, Excluding Assessed Tax	$ 113,093	$ 14,087	$ 204,217	$ 189,564

Summary of Significant Accounting Policies - Schedule of Revenue from External Customers and Long-Lived Assets, by Geographical Areas (Details)	3 Months Ended			9 Months Ended		
	Sep. 30, 2020		Sep. 30, 2019	Sep. 30, 2020		Sep. 30, 2019
North America [Member]						
Concentration Risk, Percentage	79.00%		86.00%	89.00%		78.00%
Europe [Member]						
Concentration Risk, Percentage	17.00%		0.00% [1]	10.00%		15.00%
Customer A [Member]						
Concentration Risk, Percentage	0.00% [2]		11.00%	0.00% [2]		22.00%

[1] Region did not represent greater than 10% of total net revenue.

[2] Customer did not represent greater than 10% of total net revenue.

Summary of Significant Accounting Policies - Schedule of Antidilutive Securities Excluded from Computation of Earnings Per Share (Details) - shares	9 Months Ended	
	Sep. 30, 2020	Sep. 30, 2019
Antidilutive Securities Excluded from Computation of Earnings Per Share, Amount	1,709,295	1,655,624
Edison Nation Holdings, LLC [Member]		
Antidilutive Securities Excluded from Computation of Earnings Per Share, Amount		990,000
Warrant [Member]		
Antidilutive Securities Excluded from Computation of Earnings Per Share, Amount	160,492	89,992
Options [Member]		
Antidilutive Securities Excluded from Computation of Earnings Per Share, Amount	80,000	290,000
Convertible Shares Under Notes Payable[Member]		
Antidilutive Securities Excluded from Computation of Earnings Per Share, Amount	558,803	285,632
Warrants for Noteholders [Member]		
Antidilutive Securities Excluded from Computation of Earnings Per Share, Amount	625,000	
Restricted Stock Units [Member]		
Antidilutive Securities Excluded from Computation of Earnings Per Share, Amount	120,000	
Shares to be Issued [Member]		
Antidilutive Securities Excluded from Computation of Earnings Per Share, Amount	165,000	

Acquisitions and Divestitures (Details Narrative) - USD ($)	Jul. 02, 2020	Jun. 30, 2020	Mar. 11, 2020	Feb. 17, 2020	Sep. 30, 2020	Dec. 31, 2019
Business Acquisition [Line Items]						
Common stock, shares outstanding					11,893,291	8,015,756
HMNRTH, LLC [Member]						
Business Acquisition [Line Items]						
Number of shares issued for acquisition of assets			238,750			
Number of shares issued for acquisition of assets, value	$ 70,850					
Purchase Agreement [Member] | Cloud B Shares [Member]						
Business Acquisition [Line Items]						
Number of shares of common stock				80,065		
Share issued price per share				$ 1.00		
Ownership interest				72.15%		
Common stock, shares outstanding				110,964		
Indemnification Agreement [Member] | Pearl 33 Holdings, LLC [Member]						
Business Acquisition [Line Items]						
Number of common stock for acquisition		150,000				
Number of common stock for acquisition, value		$ 405,000				

Acquisitions and Divestitures - Schedule of Business Combination of Assets and Liabilities (Details)	Feb. 17, 2020 USD ($)
Business Combinations [Abstract]	
Accounts payable	$ 4,005,605
Accrued Expenses	370,289
Income Tax Payable	14,473
Notes Payable	900,000
Non-Controlling Interest	26,393
Shares to be issued to Buyer	(405,000)
Gain on divestiture	$ 4,911,760

Variable Interest Entities (Details Narrative) - USD ($)	May 20, 2020	9 Months Ended Sep. 30, 2020	Dec. 31, 2019
Common stock, par value		$ 0.001	$ 0.001
Share Exchange Agreement [Member] | Graphene Holdings, LLC [Member]			
Number of shares issued	50,000		
Fair value of treated distribution	$ 699,000		
Number of shares issued,value	$ 200,000		
Share Exchange Agreement [Member] | Graphene Holdings, LLC [Member] | Minimum [Member]			
Number of shares issued	1,000,000		
Share Exchange Agreement [Member] | Restricted Common Stock [Member] | Graphene Holdings, LLC [Member]			
Number of shares issued,value	$ 125,000		
Share Exchange Agreement [Member] | Restricted Common Stock [Member] | Graphene Holdings, LLC [Member] | Minimum [Member]			
Number of shares issued	25,000,000		
Share Exchange Agreement [Member] | PPE Brickell Supplies, LLC [Member]			
Number of units purchased	25		
Purchase units, description	On May 20, 2020 (the "Effective Date"), Edison Nation, Inc. (the "Company") entered into an Agreement and Plan of Share Exchange (the "Share Exchange Agreement") with PPE Brickell Supplies, LLC, a Florida limited liability company ("PPE"), and Graphene Holdings, LLC, a Wyoming limited liability company ("Graphene", and together with PPE, the "Sellers"), whereby the Company purchased 25 membership units of Global Clean Solutions, LLC, a Nevada limited liability company ("Global") from each of PPE and Graphene, for a total of fifty (50) units,		

	representing fifty percent (50%) of the issued and outstanding units of Global (the "Purchase Units").	
Share Exchange Agreement [Member] | PPE Brickell Supplies, LLC [Member] | Restricted Common Stock [Member]		
Number of shares issued	250,000	
Common stock, par value	$ 0.001	
Number of shares issued,value	$ 100,000	
Share Exchange Agreement [Member] | PPE Brickell Supplies, LLC [Member] | Restricted Common Stock [Member] | Minimum [Member]		
Number of shares issued	10,000,000	
Amended Limited Liability Company Agreement of Global [Member] | Graphene Holdings, LLC [Member]		
Ownership percentage		25.00%
Amended Limited Liability Company Agreement of Global [Member] | PPE Brickell Supplies, LLC [Member]		
Ownership percentage		25.00%
Amended Limited Liability Company Agreement of Global [Member] | Edison Nation Holdings, LLC [Member]		
Ownership percentage		50.00%
Secured Line of Credit Agreement [Member]		
Revolving credit loan amount		$ 2,500,000
Interest rate		3.00%
Debt interest description		In the event of a default, any and all amounts due to PPE by Global, including principal and accrued but unpaid interest, shall increase by forty (40%)

		percent and the interest shall increase to five (5%) percent (the "Default Interest").
Secured Line of Credit Agreement [Member] | Global Clean Solutions, LLC and PPE Brickell Supplies, LLC [Member]		
Interest rate	3.00%	
Debt maturity date description	Maturity date of six (6) months	
Debt interest description	In the event of a default, any and all amounts due to PPE by Global, including principal and accrued but unpaid interest, shall increase by forty (40%) percent and the interest shall increase to five (5%) percent (the "Default Interest").	
Secured Line of Credit Agreement [Member] | Global Clean Solutions, LLC and PPE Brickell Supplies, LLC [Member] | Minimum [Member]		
Revolving credit loan amount	$ 2,500,000	
Security Agreement [Member] | PPE Brickell Supplies, LLC [Member] | Borrower [Member]		
Common stock placed for reverse shares	1,800,000	

Variable Interest Entities - Schedule of Variable Interest Entities (Details) - USD ($)	3 Months Ended		9 Months Ended		
	Sep. 30, 2020	Sep. 30, 2019	Sep. 30, 2020	Sep. 30, 2019	Dec. 31, 2019
Cash and cash equivalents	$ 384,604		$ 384,604		$ 412,719
Accounts receivable, net	3,145,530		3,145,530		2,108,099
Inventory	1,515,351		1,515,351		1,369,225
Prepaid expenses and other current assets	1,529,709		1,529,709		917,433
Total current assets	6,723,083		6,723,083		4,955,365
Property and equipment, net	1,012,375		1,012,375		931,968
Total assets	24,405,755		24,405,755		23,609,619
Accounts payable	3,024,689		3,024,689		7,397,650
Accrued expenses and other current liabilities	1,620,230		1,620,230		1,594,669
Deferred revenues	1,009,838		1,009,838		159,591
Line of credit, net of debt issuance costs of $0 and $15,573, respectively	1,616,668		1,616,668		456,995
Notes payable, current	821,092		821,092		1,365,675
Due to related party	22,005		22,005		17,253
Total current liabilities	10,115,092		10,115,092		12,973,319
Revenues, net	4,251,147	$ 3,532,645	14,798,283	$ 15,239,434	
Cost of revenues	2,668,864	2,544,058	9,977,060	10,413,868	
Gross profit	1,582,283	988,587	4,821,223	4,825,566	
Selling, general and administrative	3,474,844	3,296,323	10,438,487	9,738,107	
Operating income	(1,892,561)	(2,307,736)	(5,617,264)	(4,912,541)	
Interest expense	(1,004,626)	(349,172)	(2,575,737)	(875,036)	
Total other (expense) income	(978,922)	(323,468)	2,413,134	(797,925)	
Loss before income taxes	(2,871,483)	(2,631,204)	(3,204,130)	(5,710,466)	
Income tax expense				74,200	
Net (loss) income	(2,871,483)	(2,631,204)	(3,204,130)	(5,784,666)	
Variable Income Interest Rate [Member]					
Cash and cash equivalents	114,875		114,875		6,234
Accounts receivable, net	906,020		906,020		21,697
Inventory	249,896		249,896		51,090
Prepaid expenses and other current assets	1,072,378		1,072,378		379,561
Total current assets	2,343,169		2,343,169		458,582
Property and equipment, net	19,671		19,671		32,661
Total assets	2,362,840		2,362,840		491,243
Accounts payable	198,704		198,704		337,648
Accrued expenses and other current liabilities	80,631		80,631		
Deferred revenues	857,500		857,500		
Line of credit, net of debt issuance costs of $0 and $15,573, respectively	1,153,800		1,153,800		
Notes payable, current	150,000		150,000		
Due to related party	315,666		315,666		$ 315,666

Total current liabilities	2,756,301		2,756,301	
Revenues, net	184,715	80,120	1,459,192	285,542
Cost of revenues	69,191	49,590	1,064,114	124,659
Gross profit	115,524	30,530	395,078	160,883
Selling, general and administrative	91,114	100,961	294,676	192,699
Operating income	24,410	(70,431)	100,402	(31,816)
Interest expense	(73,840)		(130,796)	
Total other (expense) income	(73,840)		(130,796)	
Loss before income taxes	(49,430)	(70,431)	(30,394)	(31,816)
Income tax expense				
Net (loss) income	$ (49,430)	$ (70,431)	$ (30,394)	$ (31,816)

Variable Interest Entities - Schedule of Variable Interest Entities (Details) (Parenthetical) - Line of Credit [Member] - USD ($)	Sep. 30, 2020	Dec. 31, 2019
Debt issuance costs	$ 0	$ 15,573
Variable Income Interest Rate [Member]		
Debt issuance costs	$ 0	$ 15,573

Accounts Receivable - Schedule of Accounts Receivable (Details) - USD ($)	Sep. 30, 2020	Dec. 31, 2019
Credit Loss [Abstract]		
Accounts receivable	$ 3,223,291	$ 2,185,859
Less: Allowance for doubtful accounts	(77,761)	(77,760)
Total accounts receivable, net	$ 3,145,530	$ 2,108,099

Inventory - Schedule of Inventory (Details) - USD ($)	Sep. 30, 2020	Dec. 31, 2019
Inventory Disclosure [Abstract]		
Raw materials	$ 34,737	$ 49,232
Finished goods	1,580,613	1,419,993
Reserve for obsolescence	(100,000)	(100,000)
Total inventory	$ 1,515,351	$ 1,369,225

																									3 Months Ended		4 Months Ended	9 Months Ended			
Debt (Details Narrative)	Aug. 12, 2020 USD ($)	Aug. 04, 2020 USD ($) shares	Jul. 29, 2020 USD ($) d / TradingDays $ / shares shares	Jul. 23, 2020 USD ($) shares	Jul. 14, 2020 USD ($) shares	May 28, 2020 USD ($) shares	May 19, 2020 USD ($)	Apr. 24, 2020 USD ($) $ / shares shares	Apr. 15, 2020 USD ($)	Apr. 07, 2020 USD ($) d / TradingDays $ / shares shares	Feb. 21, 2020 USD ($)	Jan. 29, 2020 USD ($) shares	Jan. 24, 2020 USD ($)	Jan. 24, 2020 USD ($) shares	Jan. 23, 2020 USD ($) $ / shares shares	Jan. 17, 2020 USD ($) shares	Jan. 15, 2020 USD ($) shares	Jan. 10, 2020 USD ($) shares	Jan. 02, 2020 USD ($) shares	Dec. 04, 2019 USD ($) $ / shares shares	Nov. 18, 2019 USD ($)	Nov. 12, 2019 USD ($)	Apr. 30, 2019	Sep. 30, 2020 USD ($) shares	Sep. 30, 2019 USD ($) shares	Apr. 30, 2019	Sep. 30, 2020 USD ($) shares	Sep. 30, 2019 USD ($) shares	Dec. 31, 2019 USD ($) shares	Mar. 06, 2019 USD ($) shares
Proceeds from convertible notes payable																											$ 1,660,000	$ 1,111,111		
Beneficial conversion option																								$ 1,502,850	$ 136,480		2,292,865	309,780		
Debt instrument, unamortized discount																								$ 501,941			501,941			
Stock issued during period, incentive shares value																									253,000			394,125		
Proceeds from notes																											1,739,852	1,670,000		
Payment of debt																											$ 33,762	$ 463,146		
Common stock, shares, issued | shares																								11,893,291			11,893,291		8,015,756	
Common stock, value, issued																								$ 11,893			$ 11,893		$ 8,016	
Debt instrument term																											5 years	5 years		
Interest expense																								1,004,626	349,172		$ 2,667,513	$ 875,036		
Interest expense, related party																								74,736	78,475		227,062	238,111		
Maximum [Member]																														
Receivables sold											$ 1,250,000																			
Receivables borrowing, percentage											85.00%															80.00%				
Fee percentage of invoices financed											2.00%															2.00%				
Minimum [Member]																														
Fee percentage of invoices financed											1.00%												1.00%							
12% Convertible Promissory Note [Member]																														
Proceeds from convertible notes payable														$ 588,366																
12% Convertible Promissory Note [Member] | Investor [Member]																														
Stock issued during the period, shares | shares														100,000																
Senior Convertible Promissory Note [Member]																														
Debt instrument, face amount																														$ 560,000
Debt instrument, unamortized discount																														$ 60,000
Payment of debt													$ 588,366																	
Debt effective interest rate																														2.00%
Common stock, shares, issued | shares																														15,000
Common stock, value, issued																														$ 74,100
Common Stock [Member]																														
Beneficial conversion option																								$ 763	$ 201		$ 1,202	$ 251		
Beneficial conversion option, shares | shares																								763,266	201,005		1,202,666	251,004		
Stock issued during the period, incentive shares | shares																									92,000			125,000		
Stock issued during period, incentive shares value																									$ 92			$ 125		
Common Stock [Member] | 12% Convertible Promissory Note [Member]																														
Stock issued during the period, shares | shares														60,000																
Greentree Financial Group, Inc. [Member] | Investor [Member]																														
Warrants purchase | shares												550,000																		
Warrants description												Loan Agreement, the Note, and the Warrant to: (i) correct the effective date set forth in the Loan Agreement, Note and Warrant to January 23, 2020 and the due date to October 23, 2020, (ii) clarify the terms of the registration right provision in the Loan Agreement such that the Company was required to register a total of 1,500,000 shares of Common Stock, which such amount of shares is the sum of 550,000 shares of Common Stock issuable upon conversion of the Note, 550,000 Warrant Shares, the 100,000 Origination Shares, and 300,000 shares of Common																		

			Stock to account for changes to the conversion and/or exercise price under the Note and Warrant, and (iii) to ensure that the total number of shares of Common Stock issued pursuant to the Loan Agreement, the Note, and/or the Warrant, each as amended, does not exceed 17.99% of the Company's issued and outstanding Common Stock as of January 23, 2020. The Company is subject to a $35,000 penalty on a monthly basis if a registration statement is not effective after 105 days from January 23, 2020.	
Debt instrument, face amount	$ 740,000	$ 360,000		
Debt instrument, maturity date			Oct. 23, 2020	
Beneficial conversion option			$ 586,785	
Beneficial conversion option, shares | shares			550,000	
Debt instrument, unamortized discount			$ 296,891	
Stock issued during the period, incentive shares | shares	370,000	320,000		
Stock issued during period, incentive shares value	$ 1,394,900	$ 1,158,400		
Interest		$ 131,889		
Debt penalty			35,000	
Greentree Financial Group, Inc. [Member] | Warrant shares [Member] | Investor [Member]				
Stock issued during the period, value			550,000	
Greentree Financial Group, Inc. [Member] | Origination and Advisory Shares [Member] | Investor [Member]				
Debt instrument, unamortized discount			201,324	
Stock issued during the period, value			$ 160,000	
32 Entertainment LLC [Member] | Senior Secured Note [Member]				
Warrants purchase | shares				50,000
Warrants price | $ / shares				$ 1.50
Warrants description				The 32E Warrant also contains a conversion limitation provision, which prohibits 32E from exercising the 32E Warrant in an amount that would result in the beneficial ownership of greater than 4.9% of the total issued and outstanding shares of common stock, provided that (i) such exercise limitation may be waived by 32E with 61 days prior notice, and (ii) 32E cannot waive the exercise limitation if conversion of the 32E Warrant would result in 32E having beneficial ownership of greater than 9.9% of the total issued and outstanding shares of common stock.

Warrants expiration date					Dec. 04, 2024
Debt instrument, face amount					$ 250,000
Stock issued during the period, shares | shares					10,000
Debt instrument, maturity date					Dec. 04, 2020
Proceeds from notes					$ 250,000
Debt instrument, description					If the registration statement is not filed or declared effective within the timeframe set forth in the registration rights agreement, the Company was supposed to be obligated to pay to 32E a monthly amount equal to 1% of the total subscription amount paid by 32E until such failure is cured.
Debt discount rate					20.00%
32 Entertainment LLC [Member] | Subordinate Secured Note [Member]					
Debt instrument, face amount		$ 200,000			
Debt instrument, maturity date		May 21, 2021			
Debt instrument, interest rate		16.00%			
Debt periodic payment, principal	$ 50,000				
Debt periodic payment, interest	6,250				
Debt periodic payment	$ 56,250				
32 Entertainment LLC [Member] | Subordinate Secured Note [Member] | Restricted Stock Units [Member]					
Stock issued during the period, shares | shares	40,000				
Loan Agreement [Member]					
Debt instrument, interest rate				1.50%	
Loans payable				$ 400,000	
Loan Agreement [Member] | Greentree Financial Group, Inc. [Member]					
Convertible notes payable			$ 1,100,000		
Investor purchase percent			10.00%		
Debt instrument, conversion price | $ / shares			$ 2.00		
Debt instrument, face amount			$ 1,100,000		
Loan Agreement [Member] | Greentree Financial Group, Inc. [Member] | Subsequent Pricing Period [Member]					
Warrants description			In the event that the average of the 15 lowest closing prices for the Company's common stock on NASDAQ or other primary trading market for the Company's common stock (the average of such lowest closing prices being herein referred to, the "True-up Price") during the period beginning on the effective date of the Registration Statement and ending on the 90th day after the effective date of the Registration Statement (the "Subsequent Pricing Period") is less than $2.00 per share, then the Company will issue the Lender additional shares of the Company's common stock (the "True-up Shares") within three		

	days. No value has been assigned to the True-up Shares due to the contingency of an effective Registration Statement.
Debt instrument, conversion price | $ / shares	$ 2.00
Loan Agreement [Member] | Greentree Financial Group, Inc. [Member] | Warrant [Member]	
Warrants purchase | shares	550,000
Warrants price | $ / shares	$ 0.001
Warrants description	The Note is convertible at any time at a price of $2.00 per share, subject to certain adjustments to the conversion price set forth in the Note. The Note reiterates the registration rights set forth in the Loan Agreement and the Warrant. There is no prepayment penalty on the Note. If the Note is not prepaid by the 90th day after the effective date of the Registration Statement, the Investor is required to convert the entire amount of principal and interest outstanding on the Note at that time, at a price of $2.00 per share, unless an event of default (as such events are described in the Note) under the Note has occurred, in which case the Note would be mandatorily converted at a price equal to 50% of the lowest trading price of the Common Stock for the last 10 trading days immediately prior to, but not including, the date that the Note mandatorily converts. In the event that the average of the 15 lowest closing prices for the Company's common stock on NASDAQ or other primary trading market for the Company's common stock (the average of such lowest closing prices being herein referred to, the "True-up Price") during the period beginning on the effective date of the Registration Statement and ending on the 90th day after the effective

		date of the Registration Statement (the "Subsequent Pricing Period") is less than $2.00 per share, then the Company will issue the Lender additional shares of the Company's common stock (the "True-up Shares") within three days. No value has been assigned to the True-up Shares due to the contingency of an effective Registration Statement. The warrant has an exercise price of $2.00 per share, subject to certain adjustments to the exercise price set forth in the Warrant. The Warrant, as amended, expires on January 23, 2023. If the closing price per share of the Common Stock reported on the day immediately preceding an exercise of the Warrant is greater than $2.00 per share, the Warrant may be exercised cashlessly, based on a cashless exercise formula. The Warrant reiterates the registration rights set forth in the Loan Agreement and the Note. The Warrant also contains a repurchase provision, which at any time after the Registration Statement is effective and the Common Stock has traded at a price over $3.00 share for 20 consecutive days, gives the Company a 30-day option to repurchase any unexercised portion of the Warrant at a price of $1.00 per share	
Warrants expiration date		Jan. 23, 2023	
Loan Agreement [Member] | Ed Roses, LLC [Member] | Sook Hyun Lee [Member]			
Warrants expiration date			Apr. 15, 2020
Debt instrument, interest rate			15.00%
Loans payable			$ 150,000
Common stock in reserve | shares			75,000
Commitment fee			$ 30,000
Loan Agreement [Member] | Edison Nation Inc. [Member] | Paycheck Protection Program [Member]			
Debt instrument, maturity date	Apr. 15, 2022		
Debt instrument, interest rate	1.00%		

Proceeds from loan		$ 789,852
Securities Purchase Agreement [Member] | Jefferson Street Capital, LLC [Member] | Investor [Member]		
Debt instrument, conversion price | $ / shares	$ 2.05	$ 2.05
Debt instrument, face amount	$ 224,000	$ 168,000
Stock issued during the period, shares | shares	14,266	10,700
Debt instrument, unamortized discount	$ 24,000	$ 18,000
Proceeds from notes	$ 200,000	$ 150,000
Debt instrument, description	The Note has a term of six (6) months, is due on January 29, 2021 and has a one-time interest charge of 2%.	The Note has a term of six (6) months, is due on October 7, 2020 and has a one-time interest charge of 2%.
Debt conversion description	Upon an Event of Default, the Conversion Price shall equal the Alternate Conversion Price (as defined herein) (subject to equitable adjustments for stock splits, stock dividends or rights offerings by the Borrower relating to the Borrower’s securities or the securities of any subsidiary of the Borrower, combinations, recapitalization, reclassifications, extraordinary distributions and similar events). The “Alternate Conversion Price” shall equal the lesser of (i) 80% multiplied by the average of the three lowest daily volume weighted average prices (“VWAP”) during the previous twenty (20) Trading Days (as defined below) before the Issue Date of this Note (representing a discount rate of 20%) or (ii) 80% multiplied by the Market Price (as defined herein) (representing a discount rate of 20%). “Market Price” means the average of the three lowest daily VWAPs for the Common Stock during the twenty (20) Trading Day period ending on the latest complete Trading Day prior to the Conversion Date.	Upon an Event of Default, the Conversion Price shall equal the Alternate Conversion Price (as defined herein) (subject to equitable adjustments for stock splits, stock dividends or rights offerings by the Borrower relating to the Borrower's securities or the securities of any subsidiary of the Borrower, combinations, recapitalization, reclassifications, extraordinary distributions and similar events). The "Alternate Conversion Price" shall equal the lesser of (i) 80% multiplied by the average of the three lowest daily volume weighted average prices ("VWAP") during the previous twenty (20) Trading Days (as defined below) before the Issue Date of this Note (representing a discount rate of 20%) or (ii) 80% multiplied by the Market Price (as defined herein) (representing a discount rate of 20%). "Market Price" means the average of the three lowest daily VWAPs for the Common Stock during the twenty (20) Trading Day period ending on the latest complete Trading Day prior to the Conversion Date.
Trading days | d / TradingDays	20	20
Debt discount rate	20.00%	
Securities Purchase Agreement [Member] | BHP Capital NY Inc [Member] | Investor [Member]		
Debt instrument, conversion price | $ / shares		$ 2.05
Debt instrument, face amount		$ 168,000
Stock issued during the period, shares | shares		10,700
Debt instrument, unamortized discount		$ 18,000
Proceeds from notes		$ 150,000
Debt instrument, description		The Note has a term of six (6) months, is due on October 7, 2020 and has a one-time interest charge of 2%.
Debt conversion description		Upon an Event of Default, the Conversion Price shall equal the Alternate Conversion Price (as defined herein) (subject to equitable adjustments for stock splits, stock dividends or rights offerings by the Borrower relating to the Borrower's securities or the securities of any subsidiary of the Borrower, combinations,

			recapitalization, reclassifications, extraordinary distributions and similar events). The "Alternate Conversion Price" shall equal the lesser of (i) 80% multiplied by the average of the three lowest daily volume weighted average prices ("VWAP") during the previous twenty (20) Trading Days (as defined below) before the Issue Date of this Note (representing a discount rate of 20%) or (ii) 80% multiplied by the Market Price (as defined herein) (representing a discount rate of 20%). "Market Price" means the average of the three lowest daily VWAPs for the Common Stock during the twenty (20) Trading Day period ending on the latest complete Trading Day prior to the Conversion Date.			
Trading days | d / TradingDays			20			
Debt discount rate			20.00%			
Debt Conversion Agreement [Member]						
Debt instrument, conversion price | $ / shares		$ 2.00				
Debt instrument, face amount		$ 424,000				
Share issued price per share | $ / shares		$ 2.08				
Stock issued for restricted common stock | shares		212,000				
5% Promissory Note Agreement [Member] | Ralls Note [Member]						
Warrants purchase | shares						125,000
Warrants expiration date						Jul. 10, 2020
Debt instrument, face amount						$ 267,000
Debt instrument, unamortized discount						17,000
Payment of debt						250,000
Issuance of warrants purchase value						$ 86,725
Incentive shares | shares						33,000
Incentive shares, value						$ 79,860
5% Promissory Note Agreement [Member] | Solit Note [Member]						
Warrants purchase | shares					50,000	
Warrants expiration date					Jul. 15, 2020	
Debt instrument, face amount					$ 107,000	
Debt instrument, unamortized discount					7,000	
Payment of debt					100,000	
Issuance of warrants purchase value					$ 31,755	
Incentive shares | shares					13,000	
Incentive shares, value					$ 30,420	
5% Promissory Note Agreement [Member] | 'O'Leary Note [Member]						
Warrants purchase | shares				25,000		
Warrants expiration date				Jul. 17, 2020		
Debt instrument, face amount				$ 53,500		
Debt instrument, unamortized discount				3,500		
Payment of debt				50,000		
Issuance of warrants purchase value				$ 16,797		
Incentive shares | shares				6,500		
Incentive shares, value				$ 15,535		
Note Agreement and Common Stock Purchase Warrant [Member] | Paul J. Solit and Julie B. Solit [Member]						
Debt instrument, maturity date	Dec. 15, 2020					
Debt instrument, unamortized discount	$ 14,000					
Note Agreement and Common Stock Purchase Warrant [Member] | Richard O'Leary [Member]						
Warrants expiration date	Jun. 30, 2021					
Debt instrument, maturity date	Jan. 17, 2021					
Debt instrument, unamortized discount	$ 7,000					
Additional incentive shares | shares	6,500					
Additional incentive shares, value	$ 24,570					
Note Agreement and Common Stock Purchase Warrant [Member] | Lender [Member] |						

Paul J. Solit and Julie B. Solit [Member]						
Additional incentive shares | shares		13,000				
Additional incentive shares, value		$ 49,140				
Note Agreement and Common Stock Purchase Warrant [Member] | Lender [Member] | Richard O'Leary [Member]						
Additional incentive shares | shares		6,500				
Note Agreement and Common Stock Purchase Warrant [Member] | Equity Trust Company [Member]						
Stock issued during the period, shares | shares		33,000				
Incentive shares, value		$ 124,740				
Note Agreement and Common Stock Purchase Warrant [Member] | Equity Trust Company [Member] | Rawleigh H. Ralls IRA [Member]						
Stock issued during the period, shares | shares		191,000				
Debt instrument, maturity date		Jan. 10, 2021				
Debt instrument, unamortized discount		$ 34,000				
Incentive shares | shares		33,000				
Additional incentive shares | shares		33,000				
Warrant shares | shares		125,000				
Note Agreement and Common Stock Purchase Warrant [Member] | Equity Trust Company [Member] | Lender [Member]						
Additional incentive shares | shares		33,000				
Purchase of Inventory and Repurchase Agreement [Member]						
Debt instrument, maturity date	Dec. 10, 2020					
Purchase of Inventory and Repurchase Agreement [Member] | Assignee [Member]						
Debt instrument, description	The Company agreed to pay the Purchaser-Assignee 2% per month for extension periods commencing July 1, 2020 through December 10, 2020.					
Commitment fee	$ 13,053					
Finance receivables					$ 128,077	$ 128,077
Financing Arrangement [Member]						
Finance receivables					463,843	463,843
Receivables Purchase Agreement [Member]						
Receivables sold			$ 337,500	$ 250,000		
Proceeds from receivables			$ 250,000	$ 200,000		
Secured Line of Credit Agreement [Member]						
Debt instrument, face amount					$ 2,500,000	$ 2,500,000
Debt instrument, description						In the event of a default, any and all amounts due to PPE by Global, including principal and accrued but unpaid interest, shall increase by forty (40%) percent and the interest shall increase to five (5%) percent (the "Default Interest").
Debt instrument, interest rate					3.00%	3.00%
Line of credit					$ 1,153,800	$ 1,153,800
Debt instrument term						6 months

Debt - Schedule of Debt (Details) - USD ($)	Sep. 30, 2020	Dec. 31, 2019
Debt issuance costs		$ (15,573)
Total lines of credit	1,616,668	456,995
Convertible notes payable	560,000	
Less: current portion of long-term convertible notes payable	(498,002)	
Total long-term debt		6,208,678
Less: current portion of long-term debt	(821,092)	(1,365,675)
Noncurrent portion of long-term debt	821,271	42,492
Notes payable	2,667,513	3,282,021
Less: current portion of long-term debt - related parties	(1,214,698)	(1,686,352)
Noncurrent portion of long-term debt - related parties	1,452,815	1,595,669
Senior Convertible Notes Payable [Member]		
Senior convertible notes payable - related parties	1,428,161	1,428,161
Convertible notes payable		
Debt issuance costs	(353,664)	(366,666)
Total convertible notes payable	1,634,497	1,061,495
Noncurrent portion of long-term convertible notes payable	1,136,495	
Notes Payable [Member]		
Debt issuance costs	(148,278)	(212,848)
Notes payable	1,790,641	1,621,015
Total long-term debt	1,642,363	1,408,167
Less: current portion of long-term debt	(821,092)	(1,365,675)
Secured Line of Credit [Member]		
Lines of credit	1,153,800	
Receivables Financing [Member]		
Lines of credit	$ 462,868	$ 472,567

Debt - Schedule of Maturities of Long-term Debt (Details)	Sep. 30, 2020 USD ($)
Debt Disclosure [Abstract]	
2020 (excluding the nine months ended September 30, 2020)	$ 4,206,810
2021	206,760
2022	2,209,137
2023	1,440,275
Thereafter	
Long-term Debt, Gross	8,062,982
Less: debt discount	(501,941)
Long-term Debt	$ 7,561,041

Related Party Transactions (Details Narrative) - USD ($)	Sep. 30, 2020	Dec. 31, 2019
Due to related parties, current	$ 22,005	$ 17,253
SRM LLC and NL Penn Capital, LP. [Member]		
Due to related parties, current	22,005	$ 17,253
SRM Entertainment Group LLC [Member]		
Due from related parties,current	$ 104,000	

Commitments and Contingencies (Details Narrative) - USD ($)					3 Months Ended				9 Months Ended		
	Oct. 27, 2020	Oct. 27, 2020	Apr. 14, 2020	Feb. 12, 2020	Sep. 30, 2020	Jun. 30, 2020	Sep. 30, 2019	Jun. 30, 2019	Sep. 30, 2020	Sep. 30, 2019	Dec. 31, 2019
Operating lease, liability					$ 534,819				$ 534,819		
Right of use assets - operating leases, net					$ 505,933				505,933		$ 732,100
Operating cash outflows relating to operating lease liabilities						$ 71,090			219,608		
Operating lease expense						72,349			$ 226,167		
Operating lease, weighted average remaining lease term					3 years 8 months 12 days				3 years 8 months 12 days		
Operating lease, weighted average discount rate, percent					4.50%				4.50%		
Operating leases, rent expense						116,183		$ 128,256	$ 332,492	$ 410,759	
Rental income					$ 25,704	$ 25,704	$ 25,704	$ 25,704	$ 77,111	$ 77,111	
Subsequent Event [Member]											
Loss contingency damages sought, value	$ 8,000,000	$ 8,000,000									
Oceanside Traders, LLC [Member]											
Legal settlement amount			$ 443,383								
Settlement costs			284,249								
Oceanside Traders, LLC [Member] | Plaintiff for Goods Sold [Member]											
Legal settlement amount			141,007								
Oceanside Traders, LLC [Member] | Overpayments [Member]											
Legal settlement amount			138,180								
Oceanside Traders, LLC [Member] | Lost Profits [Member]											
Legal settlement amount			$ 279,187								
Rosenberg Fortuna & Laitman LLP [Member]											
Legal settlement amount				$ 50,000							

Settlement costs	$ 50,000

Stockholders' Equity (Details Narrative) - USD ($)		3 Months Ended		9 Months Ended			
	Jul. 15, 2020	Sep. 30, 2020	Sep. 30, 2019	Sep. 30, 2020	Sep. 30, 2019	Dec. 31, 2019	Feb. 09, 2018
Preferred stock, par value		$ 0.001		$ 0.001		$ 0.001	
Preferred stock, shares authorized		30,000,000		30,000,000		30,000,000	
Preferred stock, shares issued		0		0		0	
Preferred stock, shares outstanding		0		0		0	
Share-based compensation arrangement by share-based payment award, number of shares authorized		0		0			
Employee service share-based compensation, nonvested awards, compensation not yet recognized, stock options							
Common Stock [Member]							
Shares issued under stock-based incentives	1,764,705	150,000	3,000	150,000	3,000		
Omnibus Incentive Plan [Member]							
Share-based compensation arrangement by share-based payment award, number of shares authorized							1,764,705

Stockholders' Equity - Schedule of Share-based Compensation, Stock Options, Activity (Details)	9 Months Ended Sep. 30, 2020 USD ($) $ / shares shares
Equity [Abstract]	
Shares, Balance, January 1, 2020 | shares	80,000
Shares, Granted | shares	
Shares, Balance, September 30, 2020 | shares	80,000
Shares, Exercisable, Balance, September 30, 2020 | shares	80,000
Weighted Average Exercise Price, Balance, January 1, 2020 | $ / shares	$ 7.01
Weighted Average Exercise Price, Granted | $ / shares	
Weighted Average Exercise Price, Balance, September 30, 2020 | $ / shares	7.01
Weighted Average Exercise Price, Exercisable, Balance, September 30, 2020 | $ / shares	$ 7.01
Remaining Contractual Life in Years, Balance, September 30, 2020	3 years 8 months 12 days
Remaining Contractual Life in Years, Granted	0 years
Remaining Contractual Life in Years, Balance, September 30, 2020	3 years 6 months
Remaining Contractual Life in Years, Exercisable, Balance, September 30, 2020	3 years 6 months
Aggregate Intrinsic Value, Balance, January 1, 2020 | $	
Aggregate Intrinsic Value, Granted | $	
Aggregate Intrinsic Value, Balance, September 30, 2020 | $	
Aggregate Intrinsic Value, Exercisable, Balance, September 30, 2020 | $	

Subsequent Events (Details Narrative) - USD ($)											9 Months Ended	
	Nov. 19, 2020	Nov. 17, 2020	Nov. 10, 2020	Oct. 29, 2020	Oct. 27, 2020	Oct. 27, 2020	Oct. 16, 2020	Oct. 12, 2020	Oct. 08, 2020	Oct. 07, 2020	Sep. 29, 2020	Sep. 30, 2020	Dec. 31, 2019
Preferred stock, designated												30,000,000	30,000,000
Preferred stock, par value												$ 0.001	$ 0.001
Subsequent Event [Member]													
Stock conversion							Each share of Series B shall be convertible into 1 share of Common Stock, on or after the twelve month anniversary of the Original Issue Date at the option of the Holder thereof, for a total not to exceed 1,000,000 shares of Common Stock.						
Loss contingency damages sought value					$ 8,000,000	$ 8,000,000							
Shares issued upon conversion of restricted stock	40,000												
Value of converted common stock	$ 59,600												
Subsequent Event [Member] | Maximum [Member]													
Number of shares issued							1,000,000						
Subsequent Event [Member] | Series B Convertible Preferred Stock [Member]													
Preferred stock, designated							1,000,000						
Preferred stock, par value							$ 0.001						
Common Stock [Member] | Subsequent Event [Member] | Rawleigh Ralls [Member]													
Number of shares issued								125,000					
Number of shares issued, value								$ 250,000					
Purchase and Sale Agreement [Member] | Common Stock [Member] | Subsequent Event [Member] | Mercury FundingCo, LLC [Member]													
Number of shares issued									1,132,209				
Number of shares issued, value									$ 1,890,956				
Ownership interest									8.05%				
Purchase and Sale Agreement [Member] | Common Stock													

[Member] | Subsequent Event [Member] | Ventus Capital, LLC [Member]							
Number of shares issued				1,078,073			
Number of shares issued, value				$ 1,800,382			
Ownership interest				7.64%			
Purchase and Sale Agreement [Member] | Sellers [Member]							
Cumulative revenue						$ 10,000,000	
Number of shares issued						125,000	
Purchase and Sale Agreement [Member] | Sellers [Member] | Common Stock [Member]							
Number of shares issued during acquisition						2,210,382	
Purchase and Sale Agreement [Member] | Sellers [Member] | Preferred Stock [Member]							
Number of shares issued during acquisition						764,618	
Future Purchase Agreement [Member] | Subsequent Event [Member] | Itria Ventures, LLC [Member]							
Sale of receivables agreed			$ 155,000				
Receivables			$ 125,000				
Forbearance Agreement [Member] | Holder [Member] | Subsequent Event [Member] | Notes Payable [Member]							
Forbearance fee					$ 12,500		
Asset Purchase Agreement [Member]							
Payments to purchase assets							$ 300,000
Platform License Agreement [Member] | Licensor [Member]							
Number of shares issued							750,000
Licensor fee percenatge							30.00%
Employment Agreement [Member] | Subsequent Event [Member] | Laurie Argall [Member]							
Base salary		$ 60,000					
Inventory Management Agreement [Member] | Subsequent Event [Member] | Forever 8 Fund, LLC [Member]							
Ownership interest	45.00%						
Advanced the vendors	$ 239,283						