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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2017

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 000-54830

SUNSTOCK, INC.
(Exact Name of Registrant as Specified in its Charter)

SANDGATE ACQUISITION CORPORATION
(Former Name of Registrant as Specified in its Charter)

Delaware	**46-1856372**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

111 Vista Creek Circle
Sacramento, California 95835
(Address of principal executive offices) (zip code)

916-860-9622
(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 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. Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). [X] Yes [ ] No

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

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [ ] (Do not check if smaller reporting company)	Smaller reporting company [X]
	Emerging growth company [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [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. [ ]

Indicate the number of shares outstanding of each of the issuer's classes of stock, as of the latest practicable date.

Class	Outstanding at November 14, 2017
Common Stock, par value $0.0001	47,653,638

Documents incorporated by reference: None

TABLE OF CONTENTS

PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SUNSTOCK, INC.
CONDENSED BALANCE SHEETS

		September 30, 2017 (Unaudited)		December 31, 2016
ASSETS				
Current assets				
Cash	$	7,227	$	16,601
Other receivable		-		1,000
Inventory - products		8,716		4,681
Inventory - silver		378,704		358,178
Prepaid services		2,754,730		27,170
Prepaid expenses		20,673		6,600
Total Current Assets		3,170,050		414,230
Property and equipment-net		9,417		5,091
Total assets	$	3,179,467	$	419,321
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable and accrued expenses	$	49,262	$	56,411
Accrued litigation		82,660		82,660
Convertible notes payable, net of discount		92,305		-
Derivative liability - conversion feature		306,016		-
Common stock payable		800,060		-
Total Current Liabilities		1,330,303		139,071
Total liabilities		1,330,303		139,071
Commitments and contingencies				
Stockholders' equity				
Preferred stock; $0.0001 par value, 20,000,000 shares authorized; zero shares issued and outstanding		-		-
Common stock, $0.0001 par value, 300,000,000 shares authorized; 46,343,638 and 18,927,638 shares issued and outstanding as of September 30, 2017 and December 31, 2016, respectively		4,634		1,892
Additional paid - in capital		38,124,197		7,324,620
Subscription receivable		(6,000)		-
Accumulated deficit		(36,273,667)		(7,046,262)
Total stockholders' equity		1,849,164		280,250
Total liabilities and stockholders' equity	$	3,179,467	$	419,321

The accompanying notes are an integral part of the financial statements

SUNSTOCK, INC.
CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

	For the three months ended September 30,		For the nine months ended September 30,	
	2017	2016	2017	2016
Revenues	$ 1,601	$ 9,966	$ 8,386	$ 33,476
Cost of revenue	1,137	5,335	5,948	17,921
Gross profit	464	4,631	2,438	15,555
Operating expenses	10,294,883	1,063,768	29,038,076	1,706,652
Operating loss	(10,294,419)	(1,059,137)	(29,035,638)	(1,691,097)
Other income (expense):				
Unrealized gain (loss) on investments in precious metals	1,042	(1,577)	17,050	114,055
Realized gain (loss) on investments in marketable securities	-	-	-	5,046
Interest expense	(69,479)	-	(156,406)	-
Changes in fair value of derivative liability	(197,353)	-	(52,411)	-
Loss before income tax	(10,560,209)	(1,060,714)	(29,227,405)	(1,571,996)
Income tax	-	-	-	-
Net loss	$ (10,560,209)	$ (1,060,714)	$ (29,227,405)	$ (1,571,996)
Loss per share - basic and diluted	$ (0.24)	$ (0.09)	$ (0.87)	$ (0.14)
Weighted average number of common shares outstanding - basic and diluted	43,105,377	11,444,284	33,653,785	11,027,097

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

SUNSTOCK, INC.
CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

		For the nine months ended		
		September 30, 2017		September 30, 2016
OPERATING ACTIVITIES				
Net loss	$	(29,227,405)	$	(1,571,996)
Adjustments to reconcile net loss to net cash used in operating activities				
Realized gain on marketable securities, net		-		(5,046)
Change in fair value of derivative liability		52,411		
Unrealized gain on investment in precious metals		(17,050)		(114,055)
Depreciation		4,048		2,622
Amortization of debt discount and issuance costs		88,466		-
Common stock issued for services including amortization of prepaid consulting		28,055,190		1,589,138
Excess fair value of derivative		57,693		-
Services for common stock payable		800,060		-
Changes in operating assets and liabilities				
Other Receivables		1,000		(887)
Inventories - products		(4,035)		3,514
Prepaid expenses & services		(14,073)		(2,222)
Accrued litigation		-		27,460
Accounts payable		(7,149)		1,105
Net cash used in operating activities		(210,844)		(70,367)
INVESTING ACTIVITIES				
Inventories - silver		(3,476)		(12,179)
Purchase of property and equipment		(8,374)		(300)
Proceeds from sales of marketable securites		-		44,616
Cash provided by (used in) investing activities		(11,850)		32,137
FINANCING ACTIVITIES				
Proceeds from convertible notes payable		199,750		-
Proceeds from issuance of common stock		13,570		26,777
Net cash provided by financing activities		213,320		26,777
Net change in cash		(9,374)		(11,453)
Cash, beginning of period		16,601		13,699
Cash, end of period	$	7,227	$	2,246
SUPPLEMENTAL DISCLOSURE OF NON-CASH				
Common stock issued as prepaid consulting	$	9,839,700	$	403,500
Shares issued under stock subscription receivable	$	6,000	$	403,500
Fair value of derivatives recorded as debt discount	$	195,911	$	-

The accompanying notes are an integral part of the financial statements

NOTE 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

Sunstock, Inc. (formerly known as Sandgate Acquisition Corporation) (“Sunstock” or “the Company”) was incorporated on July 23, 2012 under the laws of the State of Delaware to engage in any lawful corporate undertaking, including, but not limited to, selected mergers and acquisitions. Sunstock operations to date have been limited to issuing shares of its common stock. Sunstock may attempt to locate and negotiate with a business entity for the combination of that target company with Sunstock, (See Note 9). The combination will normally take the form of a merger, stock-for-stock exchange or stock-for-assets exchange. In most instances, the target company will wish to structure the business combination to be within the definition of a tax-free reorganization under Section 351 or Section 368 of the Internal Revenue Code of 1986, as amended. No assurances can be given that Sunstock will be successful in locating or negotiating with any target company.

In December 2014, the Company purchased 100 ounces of silver. In 2015, the Company purchased additional precious metals for $302,429 and shifting more of its capital to the acquisition of precious metals. The Company holds physical coins and bullion rather than contracts for delivery of precious metals or certificates. In time of economic crisis, there may be no guarantee of the delivery of precious metals as contracts and certificates may exceed available stock.

Currently, the Company anticipates holding its precious metals as a long-term investment. Depending on market conditions, the Company anticipates holding its silver holdings until the market price exceeds $50. Likewise, the Company does not plan to sell its gold holdings unless the market price exceeds $2,500.

BASIS OF PRESENTATION

The condensed balance sheet as of December 31, 2016, which has been derived from audited financial statements and the interim unaudited condensed financial statements as of June 30, 2017 and 2016 have been prepared in accordance with Accounting Principles Generally Accepted in the United States of America (U.S. GAAP) for interim financial information and with the instructions to Securities and Exchange Commission (“SEC”) Form 10-Q and Article 8 of SEC Regulation S-X. These condensed financial statements do not include all the information and footnotes required by U.S. GAAP for complete financial statements. Therefore, these unaudited condensed financial statements should be read in conjunction with the Company’s audited financial statements and notes thereto for the year ended December 31, 2016, included in the Company’s Form 10-K.

The condensed financial statements included herein as of and for the three months ended June 30, 2017 and 2016 are unaudited; however, they contain all normal recurring accruals and adjustments that, in the opinion of the Company’s management, are necessary to present fairly the condensed financial position of the Company as of June 30, 2017, the condensed results of its operations and cash flows for the three and six months ended June 30, 2017 and 2016 and the condensed cash flows for the nine months ended September 30, 2017 and 2016. The results of operations for three and nine months ended September 30, 2017 are not necessarily indicative of the results to be expected for the full year or any future interim periods.

USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates made by the Company’s management include but are not limited to valuation of marketable securities, and derivative liabilities, realizability of inventories and value of stock-based transactions.

INVENTORIES

Inventories consist of merchandise for sale and are stated at the lower of cost or market determined on a first-in, first-out (FIFO) method. When a purchase contains multiple copies of the same item, they are stated at average cost.

Inventories – silver consists primarily of silver and small amounts of gold held for sale and are stated at cost. Currently, the Company anticipates holding its precious metals as a long-term investment. Depending on market conditions, the Company anticipates holding its silver holdings until the market price exceeds $50. Likewise, the Company does not plan to sell its gold holdings unless the market price exceeds $2,500.

At each balance sheet date, the Company evaluates its ending inventory quantities on hand and on order and records a provision for excess quantities and obsolescence. Among other factors, the Company considers historical demand and forecasted demand in relation to the inventory on hand, competitiveness of product offerings, market conditions and product life cycles when determining obsolescence and net realizable value. In addition, the Company considers changes in the market value of components in determining the net realizable value of its inventory. Provisions are made to reduce excess or obsolete inventories to their estimated net realizable values. Once established, write-downs are considered permanent adjustments to the cost basis of the excess or obsolete inventories.

REVENUE RECOGNITION

The Company recognizes revenues in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Certification (ASC") Topic 605. Accordingly, the Company recognizes revenues when there is persuasive evidence that an arrangement exists, product delivery and acceptance have occurred, the sales price is fixed or determinable, and collectability of the transaction is assured.

EARNINGS (LOSS) PER COMMON SHARE

Basic earnings (loss) per share represents income (loss) available to common stockholders divided by the weighted-average number of common shares outstanding during the period which excluded unvested restricted stock. Diluted earnings (loss) per share reflects additional common shares that would have been outstanding if dilutive potential common shares had been issued, as well as any adjustment to income (loss) that would result from the assumed issuance. The potentialcommon shares that may be issued by the Company relate to outstanding stock options and have been excluded from the computation of diluted earnings (loss) per share because they would reduce the reported loss per share and therefore have an anti-dilutive effect.

As of June 30, 2017, there were no potentially dilutive shares that were excluded from the diluted earnings (loss) per share as their effect would have been antidilutive for each of the periods presented.

STOCK BASED COMPENSATION

ASC 718 "Compensation - Stock Compensation" prescribes accounting and reporting standards for all stock-based payment awards to employees, including employee stock options, restricted stock, employee stock purchase plans and stock appreciation rights, may be classified as either equity or liabilities. The Company determines if a present obligation to settle the share-based payment transaction in cash or other assets exists. A present obligation to settle in cash or other assets exists if: (a) the option to settle by issuing equity instruments lacks commercial substance or (b) the present obligation is implied because of an entity's past practices or stated policies. If a present obligation exists, the transaction is recognized as a liability; otherwise, the transaction is recognized as equity.

The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of ASC 505-50 "Equity - Based Payments to Non-Employees." Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date.

In July 2017, the FASB issued ASU No. 2017-11, which eliminates the requirement to classify financial instruments as derivative liabilities simply because they have down round pricing protection. The Company has often issued warrants with down round pricing protection as part of its financing activities. Currently, the Company has convertible notes payable and warrants with down round pricing protection that are classified as derivative liabilities. The Company revalues these warrant tranches each reporting period and records the valuation differences as a component of other income in the statement of operations. The adoption of this ASU will allow the Company to classify its remaining warrant derivatives as equity and future warrants that might be issued by the Company with down round price protection will qualify as equity rather than derivative liability for balance sheet presentation purposes. This ASU is effective for annual periods beginning after December 15, 2018, and early adoption is permitted. The Company is determining the financial impact of this ASU.

Fair Value Measurements

Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability. U.S. GAAP establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. The established fair value hierarchy prioritizes the use of inputs used in valuation methodologies into the following three levels:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets. A quoted price in an active market provides the most reliable evidence of fair value and must be used to measure fair value whenever available.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability. For example, level 3 inputs would relate to forecasts of future earnings and cash flows used in a discounted future cash flows method.

The Company's financial instruments consist of cash, accounts payable, accrued expenses, notes payable and convertible notes payable. The carrying value for all such instruments approximates fair value due to the short-term nature of the instruments.

The Company uses Level 3 of the fair value hierarchy to measure the fair value of the derivative liabilities and revalues its derivative convertible notes at every reporting period and recognizes gains or losses in the statements of operations that are attributable to the change in the fair value of the derivative convertible notes, preferred stock and warrant liabilities.

NOTE 2 - GOING CONCERN

The Company has not posted operating income since inception. It has an accumulated deficit of approximately $36,000,000 as of September 30, 2017. These matters raise substantial doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to generate sufficient cash flows from operations to meet its obligations, which it has not been able to accomplish to date, and /or obtain additional financing from its stockholders and/or other third parties.

These condensed financial statements have been prepared on a going concern basis, which implies the Company will continue to meet its obligations and continue its operations for the next year. The continuation of the Company as a going concern is dependent upon financial support from its stockholders, the ability of the Company to obtain necessary equity financing to continue operations, successfully locating and negotiating with an acquisition target.

There is no assurance that the Company will ever be profitable. The condensed financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should the Company be unable to continue as a going concern.

NOTE 3 - RECENT ACCOUNTING PRONOUNCEMENTS

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Updates ("ASU") No. 2014-09. "Revenue from Contracts with Customers." This new standard will replace the existing revenue recognition guidance in U.S. GAAP. The core principle of the ASU is the recognition of revenue for the transfer of goods and services equal to the amount an entity expects to receive for those goods and services. This ASU requires additional disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and estimates and changes in those estimates. For public entities, the amendments in this update are effective for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period. While we are still currently assessing the impact of the new standard, our revenue is generated from the sale of finished product to customers. Those sales predominantly contain a single delivery element and revenue is recognized at a single point in time when ownership, risks and rewards transfer. The timing of revenue recognition for these product sales are not materially impacted by the new standard. We will update certain disclosures, as applicable to meet the requirements of the new guidance.

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)." This new standard establishes a right-of-use ("ROU") model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. ASU 2016-02 is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early adoption is permitted. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Company is currently evaluating the impact of the adoption of ASU 2016-02 on the Company's financial statements.

In March 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-09, Improvements to Employee Share-Based Payment Accounting, which amends ASC Topic 718, Compensation - Stock Compensation. The ASU involves several aspects of the accounting for share-based payment transactions, including the income tax consequences, forfeitures, classification of awards as either equity or liabilities and classification on the statement of cash flows. Certain of these changes are required to be applied retrospectively, while other changes are required to be applied prospectively. ASU 2016-09 is effective for public business entities for annual reporting periods beginning after December 15, 2016, and interim periods within that reporting period. Early adoption will be permitted in any interim or annual period, with any adjustments reflected as of the beginning of the fiscal year of adoption. As a result of the adoption of this ASU as of January 1, 2017, we have made an entity-wide accounting policy election to account for forfeitures when they occur. There is no cumulative-effect adjustment as a result of the adoption of this ASU as our estimated forfeiture rate prior to adoption of this ASU was 0%. The adoption of this ASU did not have a material impact on our condensed financial statements and related disclosures.

In November 2015, the FASB issued ASU No. 2015-17, Balance Sheet Classification of Deferred Taxes. Current U.S. GAAP requires an entity to separate deferred income tax liabilities and assets into current and noncurrent amounts in a classified statement of financial position. To simplify the presentation of deferred income taxes, the amendments in this update require that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. The amendments in this update apply to all entities that present a classified statement of financial position. The current requirement that deferred tax liabilities and assets of a tax-paying component of an entity be offset and presented as a single amount is not affected by the amendments in this update. The amendments in this update will align the presentation of deferred income tax assets and liabilities with International Financial Reporting Standards (IFRS) and are effective for fiscal years after December 15, 2016, including interim periods within those annual periods. The adoption of this ASU as of January 1, 2017 did not have a material impact on our condensed financial statements and related disclosures.

In July 2015, the FASB issued ASU No. 2015-11, Inventory (Topic 330): Simplifying the Measurement of Inventory. Topic 330. Inventory, currently requires an entity to measure inventory at the lower of cost or market. Market could be replacement cost, net realizable value, or net realizable value less an approximately normal profit margin. The amendments apply to all other inventory, which includes inventory that is measured using first-in, first-out (FIFO) or average cost. An entity should measure in scope inventory at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. The amendments in this ASU more closely align the measurement of inventory in U.S. GAAP with the measurement of inventory in IFRS. For public business entities, the amendments are effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. The amendments should be applied prospectively with earlier application permitted as of the beginning of an interim or annual reporting period. The adoption of this ASU as of January 1, 2017 did not have a material impact on our condensed financial statements and related disclosures.

In August 2014, the FASB issued ASU 2014-15, Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern. This ASU 2014-15 describes how an entity should assess its ability to meet obligations and sets rules for how this information should be disclosed in the condensed consolidated financial statements. The standard provides accounting guidance that will be used along with existing auditing standards. The ASU 2014-15 is effective for the annual period ending after December 15, 2016. Early application is permitted. The adoption of this ASU as of January 1, 2017 did not have a material impact on our condensed financial statements and related disclosures.

NOTE 4 - RELATED PARTY BALANCES

During the period ended September 30, 2017 and year ended December 31, 2016, the Company was provided a non-interest bearing, non-secured line of credit by a shareholder for up to $30,000. The line is due on demand. At September 30, 2017 and year ended December 31, 2016, the Company had net borrowings of approximately $0 and $30,000, respectively, and is still available to draw down. At December 31, 2016, the amount is included in accounts payable in the accompanying condensed balance sheets. See Note 6 for shares of stock issued to related parties.

During the quarter ended June 30, 2017, the Company entered a 19-month lease with the parents of Jason Chang for Corporate office space at $1,200 per month running through December 2018.

NOTE 5 - COMMITMENTS AND CONTINGIENCIES

The Company entered into a lease agreement in December 2015 for 2,700 square feet of retail shop space to replace their previous location below. The lease requires combined monthly payments of base rent of $1,950 for six months beginning January 2015 with an option for an additional one year running through June of 2017. This lease is currently on a month to month basis at September 30, 2017.

During June of 2017, the Company entered into a three-month consulting agreement with PAG Group, LLC., to help develop business growth opportunities through September 2017 for $20,000.

During the quarter ended June 30, 2017, the Company entered a 19-month lease with the parents of Jason Chang for Corporate office space at $1,200 per month running through December 2018.

In addition to these commitments please see below Note 9 – Subsequent Events for activities in October 2017.

LITIGATION

In December 2013, the Company issued 75,000 shares of common stock to a third party (the “Shareholder”) for consideration of $16,000. Such consideration was received directly by Jason Chang, CEO, and was not deposited into the Company’s bank account. As the funds had not been received by the Company, such amounts have been recorded as compensation to Mr. Chang as of December 31, 2014 (see Note 5). In April 2014, the Company received notice from the Shareholder that he had filed a lawsuit against the Company and its CEO relating to the delay in the complainants’ stock reaching public listing services. The Company had made efforts to settle this issue, without an agreement being reached. As such, the Company has recorded a loss contingency based on its best estimate of all costs to be incurred for the ultimate settlement of this matter. In June 2016, the Company settled for $82,660 which has been reflected in accrued litigation on the accompanying balance sheet as of September 30, 2017 and December 31, 2016. Repayment of which is anticipated in the 4th quarter of 2017.

INDEMNITIES AND GUARANTEES

The Company has made certain indemnities and guarantees, under which it may be required to make payments to a guaranteed or indemnified party, in relation to certain actions or transactions. The Company indemnifies its directors, officers, employees and agents, as permitted under the laws of the State of Delaware. About its facility leases, the Company has agreed to indemnify its lessors for certain claims arising from the use of the facilities. The duration of the guarantees and indemnities varies, and is generally tied to the life of the agreement. These guarantees and indemnities do not provide for any limitation of the maximum potential future payments the Company could be obligated to make. The Company entered into a lease agreement in December 2015 for 2,700 square feet of retail shop space. The lease requires combined monthly payments of base rent of $1,950 for six months beginning January 2015 with an option for an additional one year running through June of 2017. Currently the Company is on a month to month agreement.

Historically, the Company has not been obligated nor incurred any payments for these obligations and, therefore, no liabilities have been recorded for these indemnities and guarantees in the accompanying balance sheet.

NOTE 6 – OUTSTSANDING DEBT

Convertible notes payable are as follows as of September 30, 2017:

	Face Amount	Debt Discount	Net Amount	Interest rate	Accrued Interest	Maturity
Auctus	$ 112,250	$ 58,678	$ 53,572	12%	$ 6,310	February 24, 2018
EMA	115,000	76,267	38,733	10%	3,686	June 5, 2018
	$ 227,250	$ 134,945	$ 92,305	-	$ 9,996	-
Derivative liability	$ 306,016					

On May 24, 2017, the Company entered a Convertible Promissory Note with Auctus Fund, LLC., ("Auctus") in the principle amount of $112,250 (the "Auctus Note") The Auctus Note bears interest at the rate of 12% per annum (24% upon an event of default) and is due and payable on February 24, 2018. The principle amount of the Auctus Note and all accrued interest is convertible at the option of the holder at the lower of (a) 55% multiplied by the average of the two lowest trading prices during the 25 trading days prior to the date of the note and (b) 55%, (a 45% discount) multiplied by the average market price (the trading period preceding 25 days of the conversion date). The variable conversion term was a derivative liability and the Company recorded approximately $100,000 of debt discount upon issuance. The prepayment amount ranges from 135% to 140% of the outstanding principle plus accrued interest of the note, depending on when such prepayment is made. In addition, the Company recognized issuance costs of $12,750 on the funding date and amortized such costs as interest expense over the term of the note.

On June 5, 2017, the Company entered a Convertible Promissory Note with EMA Financial, LLC., ("EMA") in the principle amount of $115,000 (the "EMA Note"). The EMA Note bears interest at the rate of 10% per annum (24% upon an event of default) and is due and payable on June 5, 2018. The principle amount of the EMA Note and all accrued interest is convertible at the option of the holder at the lower of (a) the closing sales price 50% and (b) (a 50% discount) multiplied by the average market price (the trading period preceding 25 days of the conversion date) or the closing bid price. The variable conversion term was a derivative liability, see Note 7, and the Company recorded approximately $115,000 of debt discount upon issuance. The prepayment amount ranges from 135% to 150% of the outstanding principle plus accrued interest of the note, depending on when such prepayment is made. In addition, the Company recognized issuance costs of $15,000 on the funding date and amortized such costs as interest expense over the term of the note.

NOTE 7 – DERIVATIVE LIABILITIES

The Company evaluates its debt instruments, or other contracts to determine if those contracts or embedded components of those contracts qualify as derivatives to be separately accounted for under the relevant sections of ASC Topic 815-40, *Derivative Instruments and Hedging: Contracts in Entity's Own Equity* . The result of this accounting treatment could be that the fair value of a financial instrument is classified as a derivative instrument and is marked-to-market at each balance sheet date and recorded as a liability. In the event that the fair value is recorded as a liability, the change in fair value is recorded in the statement of operations as other income or other expense. Upon conversion or exercise of a derivative instrument, the instrument is marked to fair value at the conversion date and then that fair value is reclassified to equity. Financial instruments that are initially classified as equity that become subject to reclassification under ASC Topic 815-40 are reclassified to a liability account at the fair value of the instrument on the reclassification date.

Certain of the Company's embedded conversion features on debt are treated as derivatives for accounting purposes. The Company estimates the fair value of these embedded conversion features using the Black-Scholes Merton option pricing model ("Black-Scholes"). Based on these provisions, the Company has classified all conversion features and warrants as derivative liabilities at September 30, 2017.

	For the Three months ended September 30, 2017
Annual Dividend yield	0%
Expected life (years)	0.04
Risk-free interest rate	1.31%
Expected volatility	122% - 149%

The Company applies the accounting standard that provides guidance for determining whether an equity-linked financial instrument, or embedded feature, is indexed to an entity's own stock. The standard applies to any freestanding financial instrument or embedded features that have the characteristics of a derivative, and to any freestanding financial instruments that are potentially settled in an entity's own common stock.

From time to time, the Company has issued notes with embedded conversion features. Certain of the embedded conversion features contain price protection or anti-dilution features that result in these instruments being treated as derivatives. Accordingly, the Company has estimated the fair value of these embedded conversion features using Black-Scholes with the following assumptions:

The following table presents the changes in fair value of our embedded conversion features measured at fair value on a recurring basis for nine months ended September 30, 2017:

Balance December 31, 2016	$	-
Inssuance of embedded conversion feature		253,605
Change in fair value		52,411
Balance as of September 30, 2017	$	306,016

NOTE 8 - STOCKHOLDER'S EQUITY

The Company is authorized to issue 300,000,000 shares of common stock and 20,000,000 shares of preferred stock.

During 2016, the Company issued an aggregate of 330,000 shares of fully vested non-forfeitable shares of common stock to certain consultants of the Company to be earned over a one-year period. The shares were valued at $403,500 (based on the closing market price on the measurement date) of which $720 was received in cash and the remaining $402,780 was recorded as prepaid consulting. The Company has amortized the final portion of this prepaid expense of approximately $30,000 during the first quarter of 2017.

During the year ended December 31, 2016, the Company issued an aggregate of 6,600,000 shares of restricted stock to certain employees for future services (See Note 7 of our Annual Report on Form 10-K as of and for the year ended December 31, 2016 for details). During the nine months ended September 30, 2017, the Company recorded approximately $2,500,000 in stock based compensation expense related to the vesting terms of such restricted shares.

During the nine months ended September 30, 2017, the Company received an aggregate of $4,460 from the issuance of 326,000 shares of its common stock. In addition, the Company booked proceeds of $60 in relation to the sale of 60,000 shares issued in October 2017 in common stock payable.

During the nine months ended September 30, 2017, the Company issued 8,190,000 shares of fully vested non-forfeitable shares of common stock to certain consultants for future services. The fair value of the shares issued was determined to be approximately $9,800,000, of which, $6,000 is included in subscription receivable, and the remaining amount was recorded as prepaid consulting. During the three months and nine months ended September 30, 2017, the Company amortized approximately $4,000,000 and $7,100,000 (based on the closing price on the measurement date), respectively, to stock based compensation expense related to these issuances.

During the nine months ended September 30, 2017, the Company's CEO, Jason Chang was awarded 18.05 million of the Company's common stock for services valued at an aggregate of approximately $19,500,000 (based on the closing price on the grant date), of which $9,050 was received in cash and the remaining amount will be recorded as stock based compensation expense in the accompanying statement of operations as the amounts are earned through December 31, 2017. During the three months and nine months ended September 30, 2017, the Company recorded approximately $3,200,000 and $16,300,000, respectively, to stock based compensation expense related to these issuances. In addition, the Company booked a common stock payable of $800,000, of which $1,250 was received in cash, for 1,250,000 shares issued to Jason Chang in October 2017 (included in common stock payable at September 31, 2017).

During the nine months ended September 30, 2017, the Company issued 2,100,000 shares of Common Stock to other employees for future services. The fair value of the shares issued was determined to be approximately $2,900,000 based on the market price of the restricted stock on the measurement date and to be amortized to stock-based compensation expense over the term of the requisite service period. During the three months and nine months ended September 30, 2017, the Company recorded approximately $2,000,000 and $2,900,000, respectively, to stock based compensation expense related to these issuances.

NOTE 9 - SUBSEQUENT EVENTS

Notes Payable:

On October 11, 2017, Sunstock, Inc. (the "Company" or "we") entered into a securities purchase agreement ("SPA") with Auctus Fund, LLC, upon the terms and subject to the conditions of SPA, we issued a convertible promissory note in the principal amount of $85,000.00 (the "Note") to Auctus. The Company received proceeds of $74,250.00 in cash from Auctus. Interest accrues on the outstanding principal amount of the Note at the rate of 12% per year. The Note is due and payable on July 11, 2018. The Note is convertible into common stock, subject to Rule 144, at any time after the issue date, at the lower of (i) the lowest trading price during the previous twenty-five trading days prior to the date of the Note, and (ii) 50% multiplied by the lowest trading price during the twenty-five trading days prior to the conversion date. If the shares are not delivered to Auctus within three business days of the Company's receipt of the conversion notice, the Company will pay Auctus a penalty of $2,000 per day for each day that the Company fails to deliver such common stock through willful acts designed to hinder the delivery of common stock to Auctus. Auctus does not have the right to convert the Note, to the extent that it would beneficially own in excess of 4.99% of our outstanding common stock. The Company shall have the right, exercisable on not less than three (3) trading days' prior written notice to Auctus, to prepay the outstanding balance on this Note for (i) 135% of all unpaid principal and interest if paid within 90 days of the issue date and (ii) 150% of all unpaid principal and interest starting on the 91st day following the issue date. In the event of default, the amount of principal and interest not paid when due bear default interest at the rate of 24% per annum and the Auctus Note becomes immediately due and payable. Regarding the Note, the Company paid Auctus $10,750.00 for its expenses and legal fees.

The Note is a short-term debt obligation that is material to the Company. The Note also contains certain representations, warranties, covenants and events of default including if the Company is delinquent in its periodic report filings with the SEC, and increases in the amount of the principal and interest rates under the Note in the event of such defaults. In the event of default, at the option of Auctus and in Auctus's sole discretion, Auctus may consider the Note immediately due and payable.

On October 11, 2017, the "Company" entered into a securities purchase agreement ("SPA2") with EMA Financial, LLC ("EMA), upon the terms and subject to the conditions of SPA2, we issued a convertible promissory note in the principal amount of $85,000.00 (the "Note2") to EMA. The Company received proceeds of $74,295.00 in cash from EMA. Interest accrues on the outstanding principal amount of the Note2 at the rate of 12% per year. The Note2 is due and payable on October 11, 2018. The Note2 is convertible into common stock, subject to Rule 144, at any time after the issue date, at the lower of (i) the closing sale price of the common stock on the on the trading day immediately preceding the closing date, and (ii) 50% of the lowest sale price for the common stock during the twenty (25) consecutive trading days immediately preceding the conversion date. If the closing sale price at any time fall below $0.17 or less. (as appropriately and equitably adjusted for stock splits, stock dividends, stock contributions and similar events), then such 50% figure mentioned above shall be reduced to 35%. If the shares are not delivered to EMA within three business days of the Company's receipt of the conversion notice, the Company will pay EMA a penalty of $1,000 per day for each day that the Company fails to deliver such common stock through willful acts designed to hinder the delivery of common stock to EMA. EMA does not have the right to convert the note, to the extent that it would beneficially own in excess of 4.9% of our outstanding common stock. The Company shall have the right, exercisable on not less than five (5) trading days' prior written notice to EMA, to prepay the outstanding balance on this Note for (i) 135% of all unpaid principal and interest if paid within 90 days of the issue date and (ii) 150% of all unpaid principal and interest starting on the 91st day following the issue date. In the event of default, the amount of principal and interest not paid when due bear default interest at the rate of 24% per annum and the Note2 becomes immediately due and payable. In connection with the Note2, the Company paid EMA $10,605.00 for its expenses and legal fees.

The Note2 is a short-term debt obligation that is material to the Company. The Note2 also contains certain representations, warranties, covenants and events of default including if the Company is delinquent in its periodic report filings with the SEC, and increases in the amount of the principal and interest rates under the Note2 in the event of such defaults. In the event of default, at the option of EMA and in EMA's sole discretion, EMA may consider the Note2 immediately due and payable.

On October 24, 2017, the "Company" entered into a securities purchase agreement ("SPA3") with Powerup Lending Group, LTD ("POWER), upon the terms and subject to the conditions of SPA3, we issued a convertible promissory note in the principal amount of $108,000.00 (the "Note3") to POWER. The Company received proceeds of $105,000 in cash from POWER. Interest accrues on the outstanding principal amount of the Note3 at the rate of 12% per year. The Note3 is due and payable on July 30, 2018. The Note3 is convertible into common stock, subject to Rule 144, at any time after the issue date, at 61% of the lowest sale price for the common stock during the twenty (15) consecutive trading days immediately preceding the conversion date. If the shares are not delivered to POWER within three business days of the Company's receipt of the conversion notice, the Company will pay POWER a penalty of $2,000 per day for each day that the Company fails to deliver such common stock through willful acts designed to hinder the delivery of common stock to POWER. POWER does not have the right to convert the note, to the extent that it would beneficially own in excess of 4.99% of our outstanding common stock. The Company shall have the right, exercisable on not less than three (3) trading days' prior written notice to POWER, to prepay the outstanding balance on this Note for (i) 115% of all unpaid principal and interest if paid within 30 days of the issue date and (ii) 120% up to 140% of all unpaid principal and interest starting on the 31st day up to the 180th day following the issue date. In the event of default, the amount of principal and interest not paid when due bear default interest at the rate of 22% of all unpaid principal and interest per annum and the Note3 becomes immediately due and payable. In connection with the Note3, the Company paid POWER $3,000.00 for its expenses and legal fees.

The Note3 is a short-term debt obligation that is material to the Company. The Note3 also contains certain representations, warranties, covenants and events of default including if the Company is delinquent in its periodic report filings with the SEC, and increases in the amount of the principal and interest rates under the Note3 in the event of such defaults. In the event of default, at the option of POWER and in POWER's sole discretion, POWER may consider the Note3 immediately due and payable.

<u>Potential Acquisitions:</u>

On October 23, 2017 the Company entered into escrow to purchase a 100 room hotel located in Kern County, California for $4,100,000. This hotel acquisition is scheduled to close by January 12, 2018.

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

The following information should be read in conjunction with the condensed consolidated financial statements and notes thereto appearing elsewhere in this report. For additional context with which to understand our financial condition and results of operations, see the discussion and analysis included in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2016, filed with the Securities and Exchange Commission ("SEC") on April 27, 2017, as well as the consolidated financial statements and related notes contained therein.

Forward Looking Statements

Certain statements in this report, including information incorporated by reference, are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements reflect current views about future events and financial performance based on certain assumptions. They include opinions, forecasts, intentions, plans, goals, projections, guidance, expectations, beliefs or other statements that are not statements of historical fact. Words such as "may," "should," "could," "would," "expects," "plans," "believes," "anticipates," "intends," "estimates," "approximates," "predicts," or "projects," or the negative or other variation of such words, and similar expressions may identify a statement as a forward-looking statement. Any statements that refer to projections of our future financial performance, our anticipated growth and trends in our business, our goals, strategies, focus and plans, and other characterizations of future events or circumstances, including statements expressing general optimism about future operating results and the development of our products, are forward-looking statements.

Although forward-looking statements in this Quarterly Report on Form 10-Q reflect the good faith judgment of our management, such statements can only be based on facts and factors currently known by us. Consequently, forward-looking statements are inherently subject to risks and uncertainties and actual results and outcomes may differ materially from the results and outcomes discussed in or anticipated by the forward-looking statements. Factors that could cause or contribute to such differences in results and outcomes include, without limitation, those discussed elsewhere in this Quarterly Report on Form 10-Q. Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this Quarterly Report on Form 10-Q. We file reports with the SEC. You can read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549. You can obtain additional information about the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site (www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including us.

Overview

Sunstock, Inc., formerly Sandgate Acquisition Corporation ("Sunstock") was incorporated on July 23, 2012 under the laws of the State of Delaware to engage in any lawful corporate undertaking, including, but not limited to, selected mergers and acquisitions.

Management continue to develop the Company for the acquisition and operation of hotels, discount retail stores, and residential properties in the high demand areas of California, particularly Southern California and the San Francisco Bay Area. In December 2014, the Company commenced their investment in precious metals. At September 30, 2017, the Company has $378,704 in the inventory - silver.

In analyzing prospective business opportunities, Sunstock may consider such matters as the available technical, financial and managerial resources; working capital and other financial requirements; history of operations, if any; prospects for the future; nature of present and expected competition; the quality and experience of management services which may be available and the depth of that management; the potential for further research, development, or exploration; specific risk factors not now foreseeable but which may be anticipated; the potential for growth or expansion; the potential for profit; the perceived public recognition or acceptance of products, services, or trades; name identification; and other relevant factors. This discussion of the proposed criteria is not meant to be restrictive of the virtually unlimited discretion of Sunstock to search for and enter potential business opportunities.

Going Concern

The Company has not posted operating income since inception. It has an accumulated deficit of approximately $36,000,000 as of September 30, 2017. These matters raise substantial doubt about the Company’s ability to continue as a going concern. The Company’s continuation as a going concern is dependent on its ability to generate sufficient cash flows from operations to meet its obligations, which it has not been able to accomplish to date, and /or obtain additional financing from its stockholders and/or other third parties.

These Condensed financial statements have been prepared on a going concern basis, which implies the Company will continue to meet its obligations and continue its operations for the next fiscal year. The continuation of the Company as a going concern is dependent upon financial support from its stockholders, the ability of the Company to obtain necessary equity financing to continue operations, successfully locating and negotiating with an acquisition target.

There is no assurance that the Company will ever be profitable. The condensed financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should the Company be unable to continue as a going concern.

Critical Accounting Policies

There have been no material changes from the critical accounting policies as previously discussed in our Annual Report on Form 10-K for the year ended December 31, 2016.

Recently Adopted Accounting Pronouncements

In March 2016, the FASB issued Accounting Standards Update (“ASU”) No. 2016-09, Improvements to Employee Share-Based Payment Accounting, which amends ASC Topic 718, Compensation - Stock Compensation. The ASU involves several aspects of the accounting for share-based payment transactions, including the income tax consequences, forfeitures, classification of awards as either equity or liabilities and classification on the statement of cash flows. Certain of these changes are required to be applied retrospectively, while other changes are required to be applied prospectively. ASU 2016-09 is effective for public business entities for annual reporting periods beginning after December 15, 2016, and interim periods within that reporting period. Early adoption will be permitted in any interim or annual period, with any adjustments reflected as of the beginning of the fiscal year of adoption. As a result of the adoption of this ASU as of January 1, 2017, we have made an entity-wide accounting policy election to account for forfeitures when they occur. There is no cumulative-effect adjustment as a result of the adoption of this ASU as our estimated forfeiture rate prior to adoption of this ASU was 0%. The adoption of this ASU did not have a material impact on our condensed financial statements and related disclosures.

In November 2015, the FASB issued ASU No. 2015-17, Balance Sheet Classification of Deferred Taxes. Current U.S. GAAP requires an entity to separate deferred income tax liabilities and assets into current and noncurrent amounts in a classified statement of financial position. To simplify the presentation of deferred income taxes, the amendments in this update require that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. The amendments in this update apply to all entities that present a classified statement of financial position. The current requirement that deferred tax liabilities and assets of a tax-paying component of an entity be offset and presented as a single amount is not affected by the amendments in this update. The amendments in this update will align the presentation of deferred income tax assets and liabilities with International Financial Reporting Standards (IFRS) and are effective for fiscal years after December 15, 2016, including interim periods within those annual periods. The adoption of this ASU as of January 1, 2017 did not have a material impact on our condensed financial statements and related disclosures.

In July 2015, the FASB issued ASU No. 2015-11, Inventory (Topic 330): Simplifying the Measurement of Inventory. Topic 330. Inventory, currently requires an entity to measure inventory at the lower of cost or market. Market could be replacement cost, net realizable value, or net realizable value less an approximately normal profit margin. The amendments apply to all other inventory, which includes inventory that is measured using first-in, first-out (FIFO) or average cost. An entity should measure in scope inventory at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. The amendments in this ASU more closely align the measurement of inventory in U.S. GAAP with the measurement of inventory in IFRS. For public business entities, the amendments are effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. The amendments should be applied prospectively with earlier application permitted as of the beginning of an interim or annual reporting period. The adoption of this ASU as of January 1, 2017 did not have a material impact on our condensed financial statements and related disclosures.

In August 2014, the FASB issued ASU 2014-15, Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern. This ASU 2014-15 describes how an entity should assess its ability to meet obligations and sets rules for how this information should be disclosed in the condensed consolidated financial statements. The standard provides accounting guidance that will be used along with existing auditing standards. The ASU 2014-15 is effective for the annual period ending after December 15, 2016. Early application is permitted. The adoption of this ASU as of January 1, 2017 did not have a material impact on our condensed financial statements and related disclosures.

Results of Operations

Discussion of the Three Months ended September 30, 2017 and 2016

The Company generated revenues during the three months ended September 30, 2017 of $1,601 as compared to $9,966 in revenues posted for the three months ended September 30, 2016. The decrease in revenues is primarily due to the reduced emphasis on retail sales to hotel management focus.

For the three months ended September 30, 2017 and 2016 cost of sales was $1,137 and $5,335, respectively, which was driven by the decrease in revenues as disclosed above. Operating expenses increased to $10,294,883 for the three months ended September 30, 2017 from $1,063,768 for the same period of 2016 primarily because of share-based compensation and amortization of prepaid services.

During the three months ended September 30, 2017, the Company posted a net loss of $3,613,118 as compared to a net loss of $1,060,714 for the three months ended September 30, 2016, such increase is primarily related to an increase in expenses related to increase operating expenses, share-based compensation, interest expense and amortization of prepaid services.

The unrealized gain on investments in precious metals of $1,042 during the three months ended September 30, 2017, is related to the increase in the market value of the underlying assets held as of September 30, 2017.

Discussion of the Nine Months ended September 30, 2017 and 2016

The Company generated revenues during the nine months ended September 30, 2017 of $8,386 as compared to $33,476 in revenues posted for the nine months ended September 30, 2016. The decrease in revenues is primarily due to the reduced emphasis on retail sales to hotel management focus.

For the nine months ended September 30, 2017 and 2016 cost of sales was $5,948 and $17,921 respectively, which was driven by the decrease in revenues as disclosed above. Operating expenses increased to $29,038,076 for the nine months ended September 30, 2017 from $1,706,652 for the same period of 2016 primarily because of share-based compensation and amortization of prepaid services.

For the nine months ended September 30, 2017, the Company posted a net loss of $29,227,405 as compared to a net loss of $1,571,996 for the nine months ended September 30, 2016, such increase is primarily related to an increase in expenses related to increase operating expenses, share-based compensation, interest expense and amortization of prepaid services.

The unrealized gain on investments in precious metals of $17,050 during the nine months ended September 30, 2017, is related to the year to date increase in the market value of the underlying assets held as of September 30, 2017.

Liquidity and Capital Resources

As of September 30, 2017, the Company had $7,228 in cash and $8,716 in inventory – products and $378,704 in inventory - silver.

For nine months ended September 30, 2017, the Company received proceeds of $13,570 from the sale of common stock, (including $1,310 for shares payable) and a gross of $227,250 from the issuance of convertible notes payable.

Off-balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that would be considered material to investors.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Information not required to be filed by Smaller reporting companies.

ITEM 4. CONTROLS AND PROCEDURES

Pursuant to Rules adopted by the Securities and Exchange Commission, the Company carried out an evaluation of the effectiveness of the design and operation of its disclosure controls and procedures pursuant to Exchange Act Rules. This evaluation was done as of the end of the fiscal year under the supervision and with the participation of the Company's principal executive officer (who is also the principal financial officer). There have been no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of the evaluation. Based upon that evaluation, he believes that the Company's disclosure controls and procedures are not effective in gathering, analyzing and disclosing information needed to ensure that the information required to be disclosed by the Company in its periodic reports is recorded, summarized and processed timely. The principal executive officer is directly involved in the day-to-day operations of the Company.

Management's Report of Internal Control over Financial Reporting

The Company is responsible for establishing and maintaining adequate internal control over financial reporting in accordance with the Rule 13a-15 of the Securities Exchange Act of 1934. The Company's officer, its president, conducted an evaluation of the effectiveness of the Company's internal control over financial reporting as of September 30, 2017 based on the criteria establish in Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that the Company's internal control over financial reporting was not effective as of September 30, 2017, based on those criteria. A control system can provide only reasonably, not absolute, assurance that the objectives of the control system are met and no evaluation of controls can provide absolute assurance that all control issues have been detected.

Material Weaknesses:

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

The material weaknesses identified are:

1. Inadequate number of personnel that could accurately and timely record and report the Company's financial statements in accordance with GAAP;

We did not employ an adequate number of people to ensure a control environment that would allow for the accurate and timely reporting of the financial statements.

2. Ineffective controls to ensure that the accounting for transactions are recorded in accordance with GAAP financial statements;

During the period ended September 30, 2017, adjustments were made to the general ledger, which collectively could have a material effect on the financial statements.

Notwithstanding the existence of these material weaknesses in internal control over financial reporting, we believe that the financial statements in this Quarterly Report on Form 10-Q present, in all material respects, our financial condition in conformity with U.S. generally accepted accounting principles (GAAP). Further, we do not believe the material weaknesses identified had an impact on prior financial statements.

Remediation:

As part of our ongoing remedial efforts, we have and will continue to, among other things:

1. Expanded our accounting policy and controls organization by recently hiring qualified accounting and finance personnel;

2. Increase our efforts to educate both our existing and expanded accounting policy and control organization on the application of the internal control structure;

3. Emphasize with management the importance of our internal control structure;

4. Seek outside consulting services where our existing accounting policy and control organization believes the complexity of the existing exceeds our internal capabilities; and

5. Plan to implement improved accounting systems.

We believe that the foregoing actions will improve our internal control over financial reporting, as well as our disclosure controls and procedures. We intend to perform such procedures and commit such resources as necessary to continue to allow us to overcome or mitigate these material weaknesses such that we can make timely and accurate quarterly and annual financial filings until those material weaknesses are fully addressed and remediated.

Changes in Internal Control Over Financial Reporting

There have been no changes in the Company's internal controls over financial reporting during its current fiscal quarter that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In April 2014, the Company received notice that a shareholder had filed a lawsuit against the Company. The Company has settled the cost of this lawsuit at $82,660, and has reflected this amount in accrued litigation in the accompanying balance sheet as of September 30, 2017.

There are no other litigation pending or threatened by or against the Company.

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

During the three months ended September 30, 2017, we issued the following unregistered securities:

During the quarter ended September 30, 2017 we issued an aggregate of 5,320,000 shares of our common stock of which 80,000 shares were issued for $80 in cash and an additional 5,240,000 shares were issued for a combination of $1,250 in cash and $798,750 valued at the closing price on the date of grant for services $5,320 from a previous stock subscription. The issuance were exempt from registration pursuant to section 4(a) (2) of the Securities Act of 1993, due to the fact the investors are sophisticated investors, known to our management and familiar with our operations.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

ITEM 5. OTHER INFORMATION

(a) Not applicable.

(b) Item 407(c)(3) of Regulation S-K:

During the quarter covered by this Report, there have not been any material changes to the procedures by which security holders may recommend nominees to the Board of Directors.

ITEM 6. EXHIBITS

(a) Exhibits

31	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

SIGNATURES

Pursuant to the requirements 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.

SUNSTOCK, INC.

Dated: November 16, 2017

By: *<u>/s/ Jason C. Chang</u>*
Jason C. Chang
President, Chief Financial Officer
(Principal Executive and Accounting Officer)

EXHIBIT 31.1

CERTIFICATION PURSUANT TO SECTION 302

I, Jason C. Chang, certify that:

1. I have reviewed this Form 10-Q for the period ended September 30, 2017 of Sunstock, 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 evaluations; 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, to the registrant's auditors and the audit committee of 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.

Dated: November 16, 2017

By: */s/ Jason C. Chang*

Jason C. Chang
President, Chief Financial Officer
(Principal Executive and Accounting Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO SECTION 906

Pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, the undersigned officer of Sunstock Inc. (the "Company"), hereby certify to my knowledge that:

The Report on Form 10-Q for the period ended September 30, 2017 of the Company fully complies, in all material respects, with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Report fairly represents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Dated: November 16, 2017

By: */s/ Jason C. Chang*

Jason C. Chang
President, Chief Financial Officer
(Principal Executive and Accounting Officer)