INDEX TO FINANCIAL STATEMENTS

CREDNOLOGY HOLDING CORPORATION

CONSOLIDATED BALANCE SHEETS
UNAUDITED

ASSETS	December 31, 2016	December 31, 2015
CURRENT ASSETS		
Cash and cash equivalents	$ 36,414	$ 30,188
Accounts receivable	48,386	237,578
Prepaid expenses	-	129,400
Organizational costs	144,000	-
Total current assets	228,800	397,166
PROPERTY AND EQUIPMENT, net of accumulated depreciation	439,071	17,122
OTHER ASSETS		
Customer lead list, net of amortization of $176,310 and $144,983 respectively	-	31,327
Goodwill	451,695	446,291
Deposits	4,500	-
Total other assets	456,195	477,618
TOTAL ASSETS	$ 1,124,066	$ 891,906

LIABILITIES AND STOCKHOLDERS' EQUITY	December 31, 2016	December 31, 2015
CURRENT LIABILITIES		
Accounts payable	$ 11,791	$ 25,927
Notes Payable (Current Portion)	99,660	-
Convertible notes payable	6,087	37,255
Accrued default interest	153,782	12,074
Officer loan payable	0	160,432
Total current liabilities	271,320	235,688
LONG-TERM LIABILITIES		
Notes Payable	551,226	-
Total Long Term Liabilities	551,226	-
STOCKHOLDERS' EQUITY		
Preferred stock authorized 20,000,000 shares, $.001 par value each. At December 31, 2016 and December 31, 2015 there are 4 and 3 shares issued and outstanding, respectively	-	-
Common stock authorized 1,000,000,000 shares, $.001 par value each. At December 31, 2016 and December 31, 2015 there are 491,444,722 and 324,222,500 shares issued and outstanding, respectively	491,445	324,222
Additional paid in capital	887,018	712,569
Retained earnings (deficit)	(1,076,943)	(380,573)
Total stockholders' equity	301,520	656,218
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 1,124,066	$ 891,906

The accompanying notes are an integral part of these statements.

CREDNOLOGY HOLDING CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS

UNAUDITED

	For The Year Ended December 31, 2016	For The Year Ended December 31, 2015
Revenue-Merchandise sales	$ 774,877	$ 609,296
Cost of goods Sold	81,589	-
Gross Profit	693,288	609,296
Operating Expenses		
Salaries and wages	116,840	211,881
Selling, general and administrative	491,358	371,872
Stock issued for consulting services	60,000	17,625
Stock issued to Employees	40,000	-
Depreciation and amortization expense	28,575	38,100
Total operating expenses	736,773	639,478
Net income (loss) from operations	(43,485)	(30,182)
Other income/expense		
Defaulted interest expense	(151,208)	5,698
Net income (loss)	$ (194,693)	$ (35,880)
Basic earnings (loss) per common share	$ .00	$ .00
Weighted average shares outstanding (basic and diluted)	454,562,853	311,778,750

The accompanying notes are an integral part of these statements

CREDNOLOGY HOLDING CORPORATION

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY UNAUDITED

	Common Shares	Amount	Preferred Shares	Amount	Additional Paid in Capital	Accumulated earnings (deficit)	Total
Balance at December 31,2013 (Unaudited)	294,672,500	$ 294,672		$	$ 714,794	$ (344,683)	$ 545,64
Issuance of common shares for consulting services	9,750,000	9.750			7,875		17,62
Issuance of common shares for debt reduction	19,800,000	19,800			(10,100)		9,70
Net Loss for the year ended December 31, 2015						(35,880)	(35,88
Balance at December 31,2014	324,222,500,	$ 324,222		$	$ 712,569	$ (380,573)	$ 656,21
Issuance of common shares for consulting services	75,000,000	60,000			60,000		120,00
Issuance of common shares for employees	50,000,000	40,000			20,000		60,00
Issuance of common shares for debt Reduction	67,222,222	67,222			94,450		161,67
Loss incurred on the disposition of subsidiary companies						(616,345)	(616,34
Net (loss) for the year ended December 31, 2015						(194,693)	(194,69
Balance at December 31,2015	491,444,722	$ 491,444		$	$ 887,018	$ (1,191,611)	$ 186,85

(Unaudited)

The accompanying notes are an integral part of these statements

CREDNOLOGY HOLDING CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED

	For The Year Ended December 31, 2016	For The Year Ended December 31, 2015
OPERATING ACTIVITIES		
Net income (loss)	$ (194,693)	$ (35,880)
Adjustments for noncash and nonoperating items:		
Depreciation and amortization expense	28,575	38,100
Issuance of common stock for consulting fees	120,000	17,625
Issuance of Stock for Employees	60,000	-
Defaulted convertible notes principle	-	15,000
Issuance of common stock for debt	161,672	9,700
Loss incurred on disposition of assets	(616,345)	-
Changes in operating assets and liabilities:		
Accounts receivable	(189,182)	(72,571)
Goodwill	5,404	-
Prepaid expenses	(129,400)	-
Organization Costs	144,000	-
Accounts payable	14,136	5,113
Payroll liabilities and withholdings	-	(4,738)
Deposit	4,500	-
Officer loan payable	(160,432)	432
Accrued default interest	141,708	5,697
Cash provided (used) by operating activities	(610,067)	21,522)
INVESTING ACTIVITIES:		
Purchase of customer list leads	(31,327)	-
Purchase of property and equipment	393,374	-
Cash (used) by investing activities	362,047	-
FINANCING ACTIVITIES:		
Cash proceeds notes payable	264,746	-
Payments on convertible notes	(25,168)	(11,700)
Cash provided (used) by financing activities	239,578	(11,700)
NET INCREASE, (DECREASE) IN CASH AND CASH EQUIVALENTS	8,442	(33,222)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	30,188	63,410
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 38,630	$ 30,188
Supplemental Disclosures of Cash Flow Information:		
Interest expense paid	$ 9,500	$ -

The accompanying notes are an integral part of these statements

CREDNOLOGY HOLDING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS UNAUDITED

December 31, 2016

NOTE A – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations:

Crednology Holding Corporation (the "Company") (formerly "Cooper Holding Corp") was incorporated in the state of Delaware in 1998 under the name of Celebrity Entertainment Group, Inc.

Crednology Holding Corp.

Crednology Holding Corp, a Delaware corporation, is a public holding company that is an acquirer and operator of subsidiaries which concentrate their activities within the financial and credit industry. The Company is dedicated to enhancing shareholder value through a strategic combination of organic growth, mergers and acquisitions. The Company's three operating subsidiaries are:

Landmark PMG, LLC dba 4 Service Cloud:

4Service is a business continuity solutions provider that specializes in cloud computing and disaster recovery services.

The Company offers a 3-Tier approach to our disaster recovery strategy and our Private Managed Cloud Computing offering is comprised of only the best-in-class Industry leading equipment.

Utilizing the newest desktop and server virtualization technologies, our Cloud Computing solution allows any organization, regardless of size, to gain a world-class infrastructure and dramatically cut its IT costs across the board.

This Company was acquired on October 14, 2017

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

December 31, 2016

NOTE A – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Nature of Operations: (continued)

Riteman, Inc. dba ITatOnce:

ITatOnce is a Managed Services Provider specializing in High-End Technical and Professional Services with a focus on Infrastructure Virtualization.

ITatOnce offers a full array of IT Solutions and has a proven track record in deploying, implementing, and managing on-premise and cloud virtualized environments.

ITatOnce has helped many companies stabilize their IT environments by partnering with industry leading companies and deploying sound proven technical solutions.

This Company was acquired on October 14, 2017

California Recycles, Inc.:

California Recycles Inc. is a state certified E-Waste organization founded in 2003. The company primarily operates by entering into long term collection program agreements and managing collection events with Corporate Entities, Educational Institutions, State and Local municipalities. The State of California is leading the US in the collection of Electronic Waste efforts and each local municipality has a mandate to achieve required quotas of annual collection. The company has built a good reputation in the field among its type of clientele.

This Company was acquired on November 14, 2017

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

December 31, 2016

NOTE A – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Nature of Operations: (Continued)

The following companies were sold during the year ended December 31, 2016

CreditDNA, Inc.

CreditDNA offers an exclusive Personal Credit and Financial Management program not available through any non-affiliated credit or financial management company. With our cutting-edge Point Deduction Technology, easy to use Target Score Simulator, Budget Analysis Software and top-of-the-line Customer Service, we offer a unique way to understand your credit and finances. CreditDNA was created to inform the public about the importance of establishing and maintaining a healthy financial and credit lifestyle. Our staff has over 31 years of experience in educating the public on behavioral patterns in managing finances and credit. Combining strategic procedures, education, and testing, along with easy to use software, our members are able to develop and conquer their personal goals allowing them to become desirable borrowers for lenders, (who will in turn give them better rates), for anyone that is paying high insurance premiums, for anyone that is thinking of applying for credit or even a new job rates, for anyone that is paying high insurance premiums, for anyone that is thinking of applying for credit or even a new job.

This Company was sold on October 17, 2016

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

December 31, 2016

NOTE A – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ScoreNavigator, Inc.

ScoreNavigator is a credit data analysis company designed for customers and loan originators. ScoreNavigator provides consumers with an electronic version of a credit report and trans risk credit score. It's scientific analytical tool identifies where most errors occur in credit data, assigns a number from 0 to 100+ per credit line item, and recommendations provided are based on the understanding of credit score calculations and how different factors affect either positively or negatively. Our credit monitoring feature can be helpful for spotting certain problems, such as if somebody opens a new credit account in your name using stolen information. Members are alerted to important activity such as credit inquiries, public records, delinquencies, negative information, new accounts and other changes in their credit history.

The Target Score Simulator is an innovative product allowing you to enter a target score and based on credit data will provide a plan to achieve your goal. The Target Simulator, using Point Deduction Technology, analyzes your credit data and creates a list of recommendations. This information allows members to build a plan enabling them to capture and/or build points in the fastest, easiest, and most economical way.

This Company was sold on October 17, 2016

Basis of Presentation:

The financial statements included herein have been prepared without audit. Certain information and footnote disclosure normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. While management believes that the procedures followed in preparing these financial statements are reasonable, the accuracy of the amounts are in respects dependent upon the facts that will exist, and procedures that will be accomplished by the Company later in the year. These unaudited financial statements reflect all adjustments, including normal recurring adjustments which, in the opinion of management, are necessary to present the operations and cash flows for the periods presented.

NOTE A – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restatement of Previously Issued Financial Statements

During the second quarter ended June 30, 2013, after the Agreement and Plan of Exchange between Crednology Holding Corporation and Cooper Holding Corp, the following events have been restated to correct omissions in regards to the merger.

Convertible notes payable: (see Note-H)

Convertible notes payable aggregating $30,000 and $20,000 in the year 2013 have been restated. This resulted in an increase of $10,000 to legal and administrative fees and $40,000 to consulting and professional fees.

At December 31, 2014, the $30,000 note was in default and the $20,000 note had a balance of $3,955. At December 31, 2015, both notes were in default in the amounts of $ 33,300 and $ 3,955.

Accounts payable:

A consulting agreement executed on June 1, 2013 for professional services in the amount of $20,000 has been restated resulting in an increase to professional expenses.

Officer loan payable:

Expenses incurred by the President of the Company aggregated $160,000 during and after the merger. The restated expenses of travel, legal fees, general and administrative expenses resulted in an increase to operating expenses in the year 2013.

The effect of the above restatements resulted in an increase of net loss by $230,000 in the year 2013, an increase in net income by $9,669 in the year 2014 and a decrease of net loss by $11,003 in the year 2015.

CREDNOLOGY HOLDING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

December 31, 2016

NOTE A – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation (Continued)

Cash Equivalents

Investments having an original maturity of 90 days or less that are readily convertible into cash are considered to be cash equivalents. During the periods presented, the Company had no cash equivalents.

Accounts receivable

The Company uses the allowance method to account for uncollectible accounts receivable. We maintain allowances for the estimated losses from doubtful accounts which result when our customers are unable to make required payments. If the financial condition of our customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required which would result in an additional general and administrative expense in the period such determination was made. As of December 31, 2016 and 2015, there were no doubtful allowances recorded.

Prepaid Expenses

There were no prepaid expenses in 2016. Prepaid expenses as of December 31, 2015 consisted of rent in the amount of $900 and employment agreements on key officers of the Company. Common stock of 73 million shares were issued in the amount of $128,500 for the two year employment agreements. See Note-G.

NOTE A – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recently Enacted Accounting Standards

In May 2011, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") No. 2011-04 ("ASU 2011-04"), "Fair Value Measurement: Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs." ASU 2011-04 improves comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. generally accepted accounting principles and International Financial Reporting Standards. ASU 2011-04 clarifies the application of existing fair value measurement requirements including (1) the application of the highest and best use and valuation premise concepts, (2) measuring the fair value of an instrument classified in a reporting entity's shareholders' equity, and (3) quantitative information required for fair value measurements categorized within Level 3. ASU 2011-04 also provides guidance on measuring the fair value of financial instruments managed within a portfolio and application of premiums and discounts in a fair value measurement. In addition, ASU 2011-04 requires additional disclosure for Level 3 measurements regarding the sensitivity of fair value to changes in unobservable inputs and any interrelationships between those inputs. The amendments in this guidance are to be applied prospectively, and are effective for interim and annual periods beginning after December 15, 2011. The Corporation adopted this standard on March 1, 2012. The adoption of this standard did not have a material effect on the Corporation's financial statements.

NOTE A – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recently Enacted Accounting Standards (continued)

In June 2011, the FASB issued ASU No. 2011-05 ("ASU 2011-05"), "Comprehensive Income (Topic 220): Presentation of Comprehensive Income." ASU 2011-05 eliminates the option to present components of other comprehensive income as part of the statement of changes in shareholders' equity and requires the presentation of components of net income and other comprehensive income either in a single continuous statement or in two separate but consecutive statements. The provisions of this guidance are effective for interim and annual periods beginning after December 15, 2011. Effective March 1, 2012, the Corporation adopted the two consecutive statements approach for the presentation of components of net income (loss) and other comprehensive income (loss) and a total for comprehensive income (loss). The Corporation's Consolidated Financial Statements include the Consolidated Statement of Comprehensive Income as a result of adopting this standard. In February 2013, the FASB issued ASU No. 2013-02 ("ASU 2013-02"), "Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income." ASU 2013-02 requires entities to disclose additional information about changes in other comprehensive income by component. In addition, an entity is required to present, either on the face of the statement where income is presented or in the notes, significant amounts reclassified out of accumulated other comprehensive income and the income statement line items affected. The provisions of this guidance are effective prospectively for annual and interim periods beginning after December 15, 2012. The Corporation does not expect that the adoption of this standard will have a material effect on its financial statements.

In July 2012, the FASB issued ASU No. 2012-02 ("ASU 2012-02"), "Testing Indefinite-Lived Intangible Assets for Impairment." ASU 2012-02 gives entities an option to first assess qualitative factors to determine whether the existence of events and circumstances indicate that it is more likely than not that an indefinite-lived intangible asset is impaired. If based on its qualitative assessment an entity concludes that it is more likely than not that the fair value of an indefinite-lived intangible asset is less than its carrying amount, quantitative impairment testing is required. However, if an entity concludes otherwise, quantitative impairment testing is not required. ASU 2012-02 is effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012. The Corporation does not expect that the adoption of this standard will have a material effect on its financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

December 31, 2016

NOTE A – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

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

Property and Equipment

Property and equipment are stated at cost and are depreciated principally on methods and at rates designed to amortize their costs over their estimated useful lives.

The estimated service lives of property and equipment are principally as follows:

Furniture and fixtures	5- 7 years
Computer equipment	5- 7 years

Repairs and maintenance are expensed as incurred. Expenditures that increase the value or productive capacity of assets are capitalized.

Asset Impairments

The company regularly reviews its investments and other assets that include the extent to which carrying value exceeds its related market value, the financial condition of the investee, and the intent and ability to retain the investment for a sufficient period of time to allow for recovery of the market value of the investments.

NOTE A – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value of Financial Instruments

The Company defines the fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties. Financial instruments included in the Company's financial statements include cash and cash equivalents, short-term investments, accounts receivable, other receivables, other assets, accounts payable, notes payable and due to affiliates. Unless otherwise disclosed in the notes to the financial statements, the carrying value of financial instruments is considered to approximate fair value due to the short maturity and characteristics of those instruments.

Advertising Cost

Advertising expense for the years ended December 31, 2016 and 2015 aggregated $0 and $ 9,022, respectively.

Revenue Recognition

Revenue up until October 14, 2016 was principally derived from credit management services provided to our customers and members on a month to month basis and also on a yearly contract basis. We commence revenue recognition when all the following core revenue recognition criteria are satisfied: i) persuasive evidence of an arrangement exists; ii) delivery of the license or service has occurred or is occurring; iii) the arrangement fee is fixed or determinable and iv) collection of the arrangement fee is probable. These two revenue generating businesses were sold on October 17, 2016. Since October 17, 2016 our revenue is derived from contracts with our customers to whom, we provide cloud computing solutions, and also from disaster recovery fees charged to customers for recovering data. In addition, since November 14, 2016 revenue is also derived from sales of E waste products and services. No revenue is recognized until fully earned.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS UNAUDITED

December 31, 2016

NOTE B—EARNINGS PER SHARE

The computation of earnings per share is based on the weighted average number of common shares outstanding during the period presented. Diluted earnings per common share is the same as basic earnings per common share as there are no potentially dilutive securities outstanding (options and warrants). The weighted average number of shares outstanding for the period in which the combination took place is based on the weighted average number of shares of the legal subsidiary that are outstanding from the beginning of the period to the date.

NOTE C - INCOME TAXES

The Company provides for the tax effects of transactions reported in the financial statements. The provision, if any, consists of taxes currently due plus deferred taxes related primarily to differences between the basis of assets and liabilities for financial and income tax reporting. The deferred tax assets and liabilities, if any, represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. As of December 31, 2016 and 2015, the Company had deferred tax assets of $780,021 and $698,250. A valuation allowance of has been applied against deferred tax assets. The Company had no deferred tax liabilities as of December 31, 2016 and 2015, and no current tax liability.

At December 31, 2016 and 2015, the Company has net operating loss carryforwards for income tax purposes of approximately $1.2 million. These carry forward losses are available to offset future taxable income, if any, and expire in the year 2022.

CREDNOLOGY HOLDING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

December 31, 2016

NOTE C - INCOME TAXES (continued)

The components of income tax expense for the years ended December 31, 2016 and 2015 are as follows:

	RESTATED	RESTATED
	2016	**2015**
Current:		
Federal	$ (66,196)	$(12,199)
State	(15,575)	(2,135)
Deferred:		
Federal (benefit)	66,196	12,199
State (benefit)	15,575	2,153
Total provision for income taxes	$ 0	$ 0

SFAS No. 109 requires that a valuation allowance be provided if it is more likely than not that some portion or all of a deferred tax asset will not be realized.

NOTE D – INTANGIBLE ASSETS

Intangible Assets:

In 2015, intangible assets consist principally of acquired customer list leads, goodwill and licensing agreements. The amounts allocated to these intangible assets represent our estimates of their fair values at the acquisition date. The fair values are primarily estimated using the present value of expected future cash flows method of applying the income approach.

Goodwill:

Goodwill as of December 31, 2016 and 2015 is $451,695 and $446,291 respectively.

Goodwill represents the excess of the purchase consideration over the net of the acquisition-date fair value of identifiable assets acquired, including identifiable intangible assets, and liabilities assumed in connection with our business combinations. This goodwill as of December 31, 2015 that arose due to the acquisition of CreditDNA, Inc. and ScoreNavigator, Inc. has been eliminated on sale.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

December 31, 2016

NOTE D – INTANGIBLE ASSETS (Continued)

Customer Lead List:

The balance outstanding for the Customer Leads List as of December 31m 2016 and 2015 are $0 and $31,327 respectively.

The customer lead list consisted of mortgage company customers that the Company can place in their credit management program. The intangibles in the accompanying consolidated balance sheet have been written off in full.

NOTE E – COMMON/PREFERRED STOCK ISSUANCES

During the first quarter ended March 31, 2015, there were 7,750,000 shares of common stock issued for consulting services valued at $11,625. During the second quarter ended June 30, 2015, there were 2,000,000 shares of common stock issued for $6,000. During the third quarter ended September 2015, there were 19,800,000 shares issued for debt reduction valued at $9,700.

During the first quarter ended March 31, 2016, the following common stock shares were issued. 50,000,000 shares of common stock issued for consulting services valued at $40,000, effectively completed and earned on November 2, 2015. 50,000,000 shares of common stock were issued to certain employees for services rendered valued at 40,000 effectively completed on December 31, 2015. 25,000,000 shares of common stock were issued for consulting services valued at $20,000, effectively completed and earned on December 1, 2013.

In November and December 2016 there were two conversions of stock totaling shares of common stock

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

December 31, 2016

NOTE F– COMMITMENTS AND CONTINGENCIES

Lease agreement:

In March, 2016, the Company renewed its current standard lease agreement for one year with an option for an additional three years at a monthly rental fee of $3,750.

Share repurchase plan:

On October 28, 2013, the Company's Board of Directors approved a share repurchase plan. Under terms of the plan, the Company is authorized to repurchase up to an aggregate of $250,000 of its common stock over the next 18 months. Acquisitions of stock under the repurchase plan will be made from time to time at prices prevailing in the open market or in privately negotiated transactions as permitted by securities laws and other legal requirements, and subject to market conditions and other factors. The repurchase program will be funded by the Company's available cash and may be commenced or suspended at any time or from time to time. The plan will continue as long as periodic management reviews determine it to be fiscally feasible and may be discontinued at any time. This repurchase program is no longer active and no shares were repurchased during this period.

Legal Issues:

The Company may become subject to claims from time to time during the ordinary course of doing business. Until the merits of any such claim can be determined and the related monetary effect determined, the Company does not report any adjustment to the financial statements or recognize a contingent liability.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

December 31, 2016

NOTE G– RELATED PARTY TRANSACTIONS

There are no related party transactions.

NOTE H - CONVERTIBLE NOTES PAYABLE

Convertible notes payable, excluding accrued default interest totals $6,086.80 and $32,936 at December 31, 2016 and December 31, 2015, respectively.

Convertible notes payable consist of the following:

On July 18, 2013, the Company entered into a Convertible Note ("Convertible Note") with Tangiers Investment Group, LLC, ("Tangiers") in the amount of Twenty Thousand Dollars ($20,000). The Convertible Note was fully funded on July 18, 2013. The Convertible Note is convertible, in whole or in part, at any time and from time to time before maturity at the option of the holder at the Variable Conversion Price, which shall mean 50% of the Market Price. The Market Price is defined as the lowest Trading Price for the common stock during the 20 (twenty) Trading Day period ending one Trading Day prior to the date the Conversion Notice is sent. The Convertible Note has a term of one (1) year and accrues interest at a rate equal to ten percent (10%) per year. In the Event of Default, the Note shall bear interest on the due and unpaid principal amount at the rate ("Default rate") equal to the lower of 20% per annum or the highest rate permitted by law. In the event of acceleration of the Note, the amount due and owing to the Holder shall be 150% of the outstanding Principal Amount of the Note held by the Holder plus all accrued interest, fees and liquidated damages. As of December 31, 2016 and December 31, 2015, the Note is in default with principal outstanding balance of $2,636.80 and accrued default interest aggregating $ 36,552.31 and $1,175, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

December 31, 2016

On July 18, 2013, the Company entered into a Convertible Note ("Convertible Note") with Tangiers Investment Group, LLC, ("Tangiers") in the amount of Thirty Thousand Dollars ($30,000). The Convertible Note was fully funded on July 18, 2013. The Convertible Note is convertible, in whole or in part, at any time and from time to time before maturity at the option of the holder at the Variable Conversion Price, which shall mean 50% of the Market Price. The Market Price is defined as the lowest Trading Price for the common stock during the 20 (twenty) Trading Day period ending one Trading Day prior to the date the Conversion Notice is sent. The Convertible Note has a term of one (1) year and accrues interest at a rate equal to ten percent (10%) per year. In the Event of Default, the Note shall bear interest on the due and unpaid principal amount at the rate ("Default rate") equal to the lower of 20% per annum or the highest rate permitted by law. In the event of acceleration of the Note, the amount due and owing to the Holder shall be 150% of the outstanding Principal Amount of the Note held by the Holder plus all accrued interest, fees and liquidated damages. As of December 31, 2016 and December 31, 2015, the Note is in default with principal outstanding balances of $3,450.00 and $30,300, respectively. Accrued default interest as of December 31, 2016 and December 31, 2015, aggregated $113,291.07and $10,899, respectively.

NOTE I – LONG TERM LIABILITIES

Notes Payable

Notes Payable as at December 31, 2016 and 2015 totaled $651,226 and $0 respectively.

The first note is a loan that was raised to assist in the financing of infrastructure and growth of 4service Cloud. The original amount of the loan was $720,000 with interest at prime plus 3.5% repayable in monthly instalments of $8,087 over ten years. The loan is current with a balance as of December 31, 2016 and 2015 of $400,886.00 and $0 respectively.

The second loan was the financing of $250,000 provided by our CEO Orie Rechtman for the purchase of California Recycles, Inc.. The interest rate on this loan is at prime plus 2%. Mr. Rechtman has the option to convert the loan into common or preferred stock in the Company.

As of December 31, 2016 and 2015 there is $250,000 and $0 outstanding respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

December 31, 2016

NOTE J – SUBSEQUENT EVENTS

On January 18, 2017 the Company agree to an amendment to the note dated July 18, 2013. The terms of this amendment are as follows;

The "Conversion Price" shall be equal to 40% of the lowest trading price of the Company's common stock during the 20 consecutive Trading Days prior to the date on which Holder elects to convert all or part of the Note. For the purpose of calculating the Conversion Price only, any time after 4:00 pm Eastern Time (the closing time of the Principal Market) shall be considered to be the beginning of the next Business Day. If the Company is placed on "chilled" status with the Depository Trust Company ("DTC"), the discount shall be increased by 10%, i.e., from 60% to 70%, until such chill is remedied. If the Company is not Deposits and Withdrawal at Custodian ("DWAC") eligible through their Transfer Agent and DTC's Fast Automated Securities Transfer ("FAST") system, the discount will be increased by 5%, i.e., from 60% to 65%. In the case of both, the discount shall be a cumulative increase of 15%, i.e., from 60% to 75%. Any default of this Note not remedied within the applicable cure period will result in a permanent additional 10% increase, i.e., from 60% to 70%, in addition to any other discount, as provided above, to the Conversion Price discount.

On January 26, 2017, the Company entered into a Convertible Note ("Convertible Note") with Tangiers Investment Group, LLC, ("Tangiers") in the amount of Fifty Thousand Dollars ($50,000). The Convertible Note included an original issue discount of $5,000.
The Convertible Note is convertible, in whole or in part, at any time and from time to time before maturity at the option of the holder at the Variable Conversion Price, which shall mean 40% of the Market Price. The Market Price is defined as the lowest Trading Price for the common stock during the 20 (twenty) Trading Day period ending one Trading Day prior to the date the Conversion Notice is sent. The Convertible Note has a term of one (1) year and bears guaranteed interest at ten percent (10%). In the Event of Default, the Note shall bear interest on the due and unpaid principal amount at the rate ("Default rate") equal to the lower of 20% per annum or the highest rate permitted by law. In the event of acceleration of the Note, the amount due and owing to the Holder shall be 150% of the outstanding Principal Amount of the Note held by the Holder plus all accrued interest, fees and liquidated damages. respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

December 31, 2016

NOTE I – SUBSEQUENT EVENTS (Cont.)

On April 6, 2017, the Company entered into a Convertible Note ("Convertible Note") with Tangiers Investment Group, LLC, ("Tangiers") in the amount of One Hundred and Ten Thousand Dollars ($110,000). The Convertible Note included an original issue discount of $10,000. The Convertible Note is convertible, in whole or in part, at any time and from time to time before maturity at the option of the holder at the Variable Conversion Price, which shall mean 40% of the Market Price. The Market Price is defined as the lowest Trading Price for the common stock during the 20 (twenty) Trading Day period ending one Trading Day prior to the date the Conversion Notice is sent. The Convertible Note has a term of one (1) year and bears guaranteed interest at ten percent (10%). In the Event of Default, the Note shall bear interest on the due and unpaid principal amount at the rate ("Default rate") equal to the lower of 20% per annum or the highest rate permitted by law. In the event of acceleration of the Note, the amount due and owing to the Holder shall be 150% of the outstanding Principal Amount of the Note held by the Holder plus all accrued interest, fees and liquidated damages. respectively.