GOLDEN GRAIL TECHNOLOGY CORP.

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2014

Annual Report for the Period Ended December 31, 2014

1) Name of the issuer and its predecessors (if any)

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

Golden Grail Technology Corp. on November 6, 2014
Golden Energy Corp. on May 9, 2009
Superblue Domain Technologies, Inc. on August 21, 2007

2) Address of the issuer's principal executive offices

Company Headquarters
Address 1: 12555 Orange Drive
Address 2: Suite 4041
Address 3: Davie, FL 33330
Phone: 954-862-3682
Email: info@goldengrailtechnology.com

IR Contact
Address 1: Windmill Communications
Address 2: 2001 Hollywood Blvd, Suite 201
Address 3: Hollywood, FL 33020
Phone: 855-371-3936
Email: lauren@choosewindmill.com

3) Security Information

Trading Symbol: GOGY
Exact title and class of securities outstanding: Common Stock
CUSIP: 38105V105
Par or Stated Value: 0.001
Total shares authorized: 5,000,000,000 as of: December 31, 2014
Total shares outstanding: 35,624,100 as of: December 31, 2014

Additional class of securities (if necessary):
Trading Symbol: GOGY
Exact title and class of securities outstanding: SERIES A CONVERTIBLE PREFERRED SHARES
CUSIP: _____
Par or Stated Value: $0.001
Total shares authorized: 4,000,000 as of: December 31, 2014
Total shares outstanding: 0 as of: December 31, 2014

Additional class of securities (if necessary):
Trading Symbol: GOGY
Exact title and class of securities outstanding: SERIES B CONVERTIBLE PREFERRED SHARES
CUSIP: _____
Par or Stated Value: $0.001
Total shares authorized: 1,000,000 as of: December 31, 2014

Total shares outstanding: 425,000 as of: December 31, 2014

Transfer Agent
Name: Standard Registrar and Transfer Company, Inc.
Address 1: 12528 South 1840 East
Address 2: Draper, Utah 84020
Phone: 801-571-8844
Is the Transfer Agent registered under the Exchange Act?* Yes: ☒ No: ☐

*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

None.

Describe any trading suspension orders issued by the SEC in the past 12 months.

None.

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None.

4) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

A. The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.);

B. Any jurisdictions where the offering was registered or qualified;

C. The number of shares offered;

D. The number of shares sold;

E. The price at which the shares were offered, and the amount actually paid to the issuer;

F. The trading status of the shares; and

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

On September 29, 2014 the Company issued a stock grant to an employee in the amount of 10,000,000 shares of common stock, valued at $1,500,000. The shares were be issued with a substantial right of forfeiture as follows: (i) The Employee cannot transfer the shares and must return all shares to the Employer if he terminates employment within two years from date of issuance; (ii) upon the happening of the acquisition of the company, a change in control of the company, or a merger by the company that results in a change of control the Board may elect, at its sole discretion, to require the return of 9,500,000 shares (adjusted for an splits or other actions) and Employee agrees that the such shares shall be returned to the Company upon such request. The certificate contains a legend stating that the shares have not been registered under the Securities Act of 1933 as amended.

On September 29, 2014 the Company issued 2,300,000 shares of common stock upon conversion of 575,000 shares of Series B preferred stock. The certificate contains a legend stating that the shares have not been registered under the Securities Act of 1933 as amended.

5) Financial Statements

Provide the financial statements described below for the most recent fiscal year end or quarter end to maintain qualification for the OTC Pink Current Information tier. For the initial disclosure statement (qualifying for Current Information for the first time) please provide reports for the two previous fiscal years and any interim periods.

A. Balance sheet;
B. Statement of income;
C. Statement of cash flows;
D. Financial notes; and
E. Audit letter, if audited

The financial statements have been prepared in accordance with US GAAP and are being posted through the OTC Disclosure & News Service as a separate report. The financial statements are hereby incorporated by reference.

Information contained in a Financial Report is considered current until the due date for the subsequent Financial Report. To remain in the OTC Pink Current Information tier, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of its fiscal quarter-end date.

6) Describe the Issuer's Business, Products and Services

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

A. a description of the issuer's business operations;

From the time of incorporation the Company has been involved in several different business ventures. Golden Grail Technology intends to focus on developing high end eCommerce sites with an efficient use of technology, people and capital.

Date and State (or Jurisdiction) of Incorporation:

Nevada, December 3, 1985

B. the issuer's primary and secondary SIC Codes;

6719

C. the issuer's fiscal year end date;

December 31

D. principal products or services, and their markets;

The Company intends to focus on developing eCommerce websites.

7) Describe the Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Company has an agreement to lease office space in Davie, Florida through July 31, 2015.The Company believes the space is adequate for its current needs.

8) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant shareholders.

A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

Michael Brodsky - President, Secretary, Treasurer and Sole Director

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None.

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

   None.

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

   None.

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

   None.

C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

Michael Brodsky 12555 Orange Drive, Suite 4041 Davie, FL 33330	10,000,000 shares of common stock	28.1%
Corporate Services Northwest Inc 12819 SE 38th St, #21 Bellevue, WA 98006-1326	6,130,600 shares of common stock	17.2%
CP US Income Group, LLC 1428 Brickell Ave Miami, FL 33133	425,000 shares of Series B Convertible Preferred Shares	100%

9) Third Party Providers

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel
Name: Jonathan D. Leinwand
Firm: Jonathan D. Leinwand P.A.
Address 1: 200 S Andrews Ave, Suite 703B
Address 2: Ft. Lauderdale, FL 33301
Phone: 954-903-7856
Email: jonathan@jdlpa.com

Accountant or Auditor
Name: Robert C. Scherne
Firm: Robert C. Scherne CPA, PC
Address 1: 27 Arbor Road
Address 2: Syosset, NY 11791

10) Issuer Certification

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles, but having the same responsibilities).

The certifications shall follow the format below:

I, Michael Brodsky certify that:

1. I have reviewed this quarterly disclosure statement of Golden Grail Technology Corp.;

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

March 31, 2015

/s/Michael Brodsky , President, Secretary, Treasurer and Director

GOLDEN GRAIL TECHNOLOGY CORP.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2014

GOLDEN GRAIL TECHNOLOGY CORP.

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GOLDEN GRAIL TECHNOLOGY CORP.
BALANCE SHEETS
(UNAUDITED - Prepared by Management)

	December 31, 2014	December 31, 2013
Assets		
Current assets:		
Cash	$ 61,854	$ 75,841
Total assets	$ 61,854	$ 75,841
Liabilities and deficiency in stockholders' equity		
Current liabilities:		
Accounts payable and accrued expenses	$ 168,376	$ 3,376
Accrued interest	21,289	7,189
Accrued preferred dividends	639,109	540,000
Loans payable	6,200	6,200
Note payable	100,000	100,000
Total current liabilities	934,974	656,765
Note payable, long term	350,000	-
Total liabilities	1,284,974	656,765
Deficiency in stockholders' equity:		
Preferred stock, Undesignated, par value $.001 per share; 5,000,000 shares authorized, none issued and outstanding	-	-
Preferred stock, Series A, par value $.001 per share; 4,000,000 shares authorized, none issued and outstanding	-	-
Preferred stock, Series B, par value $.001 per share; 1,000,000 shares authorized, 425,000 and 1,000,000 shares issued and outstanding, respectively	425	1,000
Common stock, par value $.001 per share; 5,000,000,000 shares authorized, 35,624,100 and 23,324,100 shares issued and outstanding, respectively	35,624	23,324
Additional paid-in capital	982,309	655,643
Accumulated deficit	(2,241,478)	(1,260,891)
Total deficiency in stockholders' equity	(1,223,120)	(580,924)
Total liabilities and deficiency in stockholders' equity	$ 61,854	$ 75,841

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

GOLDEN GRAIL TECHNOLOGY CORP.
STATEMENTS OF OPERATIONS
(UNAUDITED - Prepared by Management)

	Years ended December 31, 2014	2013
Sales	$ 18,834	$ -
Cost of sales	7,191	-
Gross profit	11,643	-
Operating expenses	978,130	29,372
Loss from operations before interest expense	(966,487)	(29,372)
Interest expense, net	(14,100)	(7,189)
Loss before income taxes	(980,587)	(36,561)
Provision for income taxes	-	-
Net loss	(980,587)	(36,561)
Preferred dividend	(99,109)	(120,000)
Net loss attributable to common shareholders	(1,079,696)	(156,561)
Net loss per basic and diluted share	$ (0.04)	$ (0.01)
Weighted average shares outstanding, basic and diluted	24,612,045	23,324,100

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

GOLDEN GRAIL TECHNOLOGY CORP.
STATEMENT OF DEFICIENCY IN STOCKHOLDERS' EQUITY
FOR THE TWO YEARS ENDED DECEMBER 31, 2014
(UNAUDITED - Prepared by Management)

	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Stockholders' Deficiency
	Shares	Amount	Shares	Amount			
Balance, December 31, 2012	1,000,000	$ 1,000	23,324,100	$ 23,324	$ 775,643	$ (1,224,330)	$ (424,363)
Preferred dividend					(120,000)		(120,000)
Net loss	-	-	-	-	-	(36,561)	(36,561)
Balance, December 31, 2013	1,000,000	1,000	23,324,100	23,324	655,643	(1,260,891)	(580,924)
Conversion of preferred stock	(575,000)	(575)	2,300,000	2,300	(1,725)	-	-
Shares issued for consulting service			1,250,000	1,250	186,250	-	187,500
Common stock award			10,000,000	10,000	(10,000)	-	-
Stock based compensation					250,000		250,000
Shares cancelled			(1,250,000)	(1,250)	1,250		-
Preferred dividend					(99,109)		(99,109)
Net loss	-	-	-	-	-	(980,587)	(980,587)
Balance, December 31, 2014	425,000	$ 425	35,624,100	$ 35,624	$ 982,309	$ (2,241,478)	$ (1,223,120)

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

GOLDEN GRAIL TECHNOLOGY CORP.
STATEMENTS OF CASH FLOWS
(UNAUDITED - Prepared by Management)

	Years Ended December 31, 2014	2013
Cash flows from operating activities:		
Net loss	$ (980,587)	$ (11,547)
Adjustments to reconcile net loss to net cash used by operating activities:		
Stock based compensation	250,000	-
Amortization of prepaid stock based compensation	187,500	-
Change in assets and liabilities:		
Accounts payable and accrued expenses	179,100	5,300
Cash used by operating activities	(363,987)	(6,247)
Cash flows from financing activities:		
Proceeds from notes	350,000	100,000
Cash provided by financing activities	350,000	100,000
Net (decrease) increase in cash	(13,987)	93,753
Cash, beginning of period	75,841	2,213
Cash, end of period	$ 61,854	$ 95,966
Supplemental Schedule of Cash Flow Information:		
Cash paid for interest	$ -	$ -
Cash paid for income taxes	$ -	$ -
Noncash financial activities:		
Common stock issued for prepaid fees	$ 187,500	$ -

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

Golden Grail Technology Corp.
Notes to Financial Statements
December 31, 2014 and 2013
(UNAUDITED)

Note 1 - Nature of Operations and Going Concern

Nature of Operations

Golden Grail Technology, Corp. ("Golden Grail" the "Company", "we", "us", "our") was incorporated in the State of Nevada on December 3, 1985 as Intermountain Capital, Inc. The Company has changed names a number of times since its incorporation and became Golden Grail Technology Corp. on November 6, 2014.

Golden Grail previously operated in the oil and gas industry and ceased those operations in 2009. The Company is currently focused on developing high end eCommerce sites with an efficient use of technology, people and capital.

The first technology business launched is an eCommerce site focused on high quality jewelry. The name of this website is www.bandsofvalor.com. The jewelry offered on this website revolves around first responders (fire, police, EMS). The Bands of Valor concept was formed in early 2014 and the site was launched in the third quarter of 2014. Bands of Valor is a company that honors those who serve through the form of jewelry. We offer an array of commemorative regalia that serve as constant reminders to others of the service an individual has selflessly given. The sale of NYPD and FDNY jewelry is limited to Officially Licensed vendors carefully selected by the City of New York. We are very proud to have the ability to make the premier line of NYPD and FDNY jewelry available. The designs have been hand crafted by an award winning jewelry designer with more than 35 years of fine jewelry experience.

The next business introduced is based on innovations in the fragrance industry. The new site, www.aireomatic.com was launched at the end of the fourth quarter of 2014. Aireomatic is a site that brings innovative fragrance options to your everyday life. We offer an array of products to suit each individual's unique needs. The fragrance industry has come a long way and there are many options available. We have launched a website that brings to you the newest, most innovative products in the industry for you to enjoy.

Going Concern

The accompanying unaudited financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has negative cash flows from continuing operations and has a working capital deficit of $873,120 at December 31, 2014. These factors raise substantial doubt about the Company's ability to continue as a going concern.

The Company's ability to continue existence is dependent upon commencing its planned operations, management's ability to develop and achieve profitable operations and/or upon obtaining additional financing to carry out its planned business. However, there can be no assurance that these arrangements will be sufficient to fund its ongoing capital expenditures, working capital, and other cash requirements. The outcome of these matters cannot be predicted at this time.

There can be no assurance that any additional financings will be available to the Company on satisfactory terms and conditions, if at all. In the event we are unable to continue as a going concern, we may elect or be required to seek protection from our creditors by filing a voluntary petition in bankruptcy or may be subject to an involuntary petition in bankruptcy. To date, management has not considered this alternative, nor does management view it as a likely occurrence.

The accompanying unaudited financial statements do not include any adjustments related to the recoverability or classification of asset-carrying amounts or the amounts and classification of liabilities that may result should the Company be unable to continue as a going concern.

Note 2 - Summary of Significant Accounting Policies

Use of estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles 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 consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Basic and diluted loss per share

We utilize ASC 260, "Earnings Per Share" for calculating the basic and diluted loss per share. In accordance with ASC 260, the basic and diluted loss per share is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding. Diluted net loss per share is computed similar to basic loss per share except that the denominator is adjusted for the potential dilution that could occur if stock options, warrants, and other convertible securities were exercised or converted into common stock. Potentially dilutive securities are not included in the calculation of the diluted loss per share if their effect would be anti-dilutive. The Company has 8,866,667 and 5,000,000 common stock equivalents at December 31, 2014 and 2013, respectively. For the years ended December 31, 2014 and 2013 these potential shares were excluded from the shares used to calculate diluted earnings per share as their inclusion would reduce net loss per share.

Fair value of financial instruments

Our short-term financial instruments, including cash, accounts payable and notes payable, consist primarily of instruments without extended maturities, the fair value of which, based on management's estimates, reasonably approximate their book value.

Income taxes

The Company utilizes ASC 740 "Income Taxes" which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each year-end based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income.

Cash and cash equivalents

For purposes of the statement of cash flows, cash and cash equivalents includes demand deposits, saving accounts and money market accounts. The Company considers all highly liquid debt instruments with maturities of three months or less when purchased to be cash and cash equivalents.

Recently Issued Accounting Standards

In June of 2014 the Financial Accounting Standards Board issued Accounting Standards Update ASU 2014-10, "Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation" ("ASU 2014-10"). The amendments in ASU 2014-10 remove the definition of a development stage entity from the master glossary of the Accounting Standards Codification, thereby removing the financial reporting distinction between development stage entities and other reporting entities from U.S. GAAP. In addition, the amendments eliminate the requirements for development stage entities to (1) present inception-to-date information in the statements of income, cash flows, and shareholder equity, (2) label the financial statements as those of a development stage entity, (3) disclose a description of the development stage activities in which the entity is engaged, and (4) disclose in the first year in which the entity is no longer a development stage entity that in prior years it had been in the development stage.

The amendments also clarify that the guidance in Topic 275, Risks and Uncertainties, is applicable to entities that have not commenced planned principal operations.

The Company has elected to adopt the provisions of ASU 2014-10 for its fiscal year ended December 31, 2013. The adoption of ASU 2014-10 did not have a significant impact on our results of operations, financial condition or cash flow.

Other recent accounting pronouncements issued by the FASB and the SEC did not, or are not believed by management to have a material impact on the Company's present or future consolidated financial statements.

Note 3 - Stockholders' Equity

Preferred stock:

The Company is authorized to issue 10,000,000 shares of its preferred stock, with par value of $0.001 per share. The Company has designated 4,000,000 shares of preferred stock as Series A, and 1,000,000 shares of preferred stock as Series B. There are 5,000,000 shares of preferred stock that remain undesignated.

Series A Preferred Stock
The Company has designated 4,000,000 shares of preferred stock as Series A preferred stock. There are no shares of Series A preferred stock issued and outstanding. The Series A preferred shares have a liquidation value of $1.00 per share. They have the right to receive a quarterly dividend equal to 40% of the quarterly net income of the Company, but not less than $0.0015 per share. The dividend is to be paid in cash or common shares on the Company, at the option of the holder. The shares are convertible in at least 1,000 shares increments, each increment representing 10,000 shares of common stock. On the fifth anniversary of issuance, all unconverted shares of Series A preferred stock will automatically convert into common shares.

Series B Preferred Stock
The Company has designated 1,000,000 shares of preferred stock as Series B preferred stock. There are 425,000 and 1,000,000 shares of Series B preferred stock issued and outstanding at September 30, 2014 and December 31, 2013, respectively. The Series B shares were issued in 2009. The Series B preferred shares have a liquidation value of $4.00 per share. They have the right to receive a quarterly dividend equal to $0.03 per share. The dividend is to be paid in cash or common shares on the Company, at the option of the holder. The shares are convertible in at least 1,000 shares increments, each increment representing 4,000 shares of common stock. On the fifth anniversary of issuance, all unconverted shares of Series B preferred stock were to automatically convert into common shares.

On September 19, 2014 the holders of the Series B preferred stock acknowledged that the preferred shares were not automatically converted into common stock on the fifth anniversary of issue and have waived the requirement for such automatic conversion. The designations of the Series A and Series B preferred stock have been amended to remove the automatic conversion features and to remove the option for the holder to receive payment of dividends in common stock.

During 2014, 575,000 shares of Series B preferred stock were converted into 2,300,000 shares of common stock.

Common stock:

The Company is authorized to issue 5,000,000,000 shares of its common stock, with par value of $0.001 per share. As of December 31, 2014 and 2013 there were 35,624,100 and 23,324,100 shares of common stock issued and outstanding, respectively.

During 2014 the Company issued 1,250,000 shares of common stock, valued at $187,500, pursuant to a consulting agreement. The shares were cancelled at the request of the consultant on December 18, 2014

During 2014 the Company issued a stock grant to an employee in the amount of 10,000,000 shares of common stock, valued at $1,500,000. The shares were be issued with a substantial right of forfeiture as follows: (i) The

Employee cannot transfer the shares and must return all shares to the Employer if he terminates employment within two years from date of issuance; (ii) upon the happening of the acquisition of the company, a change in control of the company, or a merger by the company that results in a change of control the Board may elect, at its sole discretion, to require the return of 9,500,000 shares (adjusted for an splits or other actions) and Employee agrees that the such shares shall be returned to the Company upon such request.The expense will be recorded over that two year period. We have recorded an expense of $125,000 during the year ended December 31, 2014.

During 2014 the Company issued 2,300,000 shares of common stock upon conversion of 575,000 shares of Series B preferred stock.

Note 4 – Notes Payable

February 2013 Note

On February 8, 2013, the Company entered into a Securities Purchase Agreement with IBC Funds, LLC ("IBC") providing for the sale by the Company to IBC of an 8% convertible debenture in the principal amount of $100,000. The debenture matures on February 7, 2014 and bears an interest rate of 8% per annum, payable on the Maturity Date. IBC may convert, after six months, the outstanding principal and accrued interest on the debenture into shares of the Company's common stock, par value $0.001 per share ("Common Stock") at a conversion price per share equal to the average of the closing price of the Common Stock during the five (5) trading days immediately preceding the date of conversion as quoted by Bloomberg, LP, but not less than $0.10 per share.

With the exception of the shares that the Company is obligated to issue to previous investors, for as long as the debenture is outstanding, the Conversion Price of the debenture shall be subject to adjustment for issuances of Common Stock or securities convertible into common stock or exercisable for shares of Common Stock at a purchase price of less than the then-effective Conversion Price, on any unconverted amounts, such that the then applicable Conversion Price shall be adjusted using full-ratchet anti-dilution on such new issuances, subject to customary carve outs, including restricted shares granted to officers, and directors and consultants.

The debenture was not paid at maturity and the Company was in default on the note. On September 18, 2014 the holder waived the default provisions, including the default interest rate, and the maturity date was extended to December 18, 2014. Additionally, the conversion price was amended to be 50% of the lowest price traded during the last 10 trading days immediately preceding a Notice of Conversion. On December 18, 2014 the maturity date was extended to May 18, 2015.

September 2014 Note

On September 16, 2014, the Company entered into a Securities Purchase Agreement with IBC Equity Holdings, Inc. ("IBC Equity") providing for the sale by the Company to IBC Equity of an 8% convertible debenture in the principal amount of $150,000. The debenture matures on September 16, 2017 and bears an interest rate of 8% per annum, payable annually. IBC Equity may convert the outstanding principal and accrued interest on the debenture into shares of the Company's common stock at a conversion price per share equal to 40% of lowest closing bid price of the common stock during the twenty (20) trading days immediately preceding the date of conversion as quoted by Bloomberg, LP.

For as long as the debenture is outstanding, the Conversion Price of the debenture shall be subject to adjustment for issuances of Common Stock or securities convertible into common stock or exercisable for shares of Common Stock at a purchase price of less than the then-effective Conversion Price, on any unconverted amounts, such that the then applicable Conversion Price shall be adjusted using full-ratchet anti-dilution on such new issuances, subject to certain excepted issuances, as defined.

November 2014 Note

On November 4, 2014, the Company entered into a Securities Purchase Agreement with IBC Capital Group, Inc. ("IBC Capital") providing for the sale by the Company to IBC Capital of an 8% convertible debenture in the principal amount of $200,000. The debenture matures on November 4 2017 and bears an interest rate of 8% per annum, payable on the Maturity Date. IBC may convert, after six months, the outstanding principal and accrued interest on the debenture into shares of the Company's common stock, par value $0.001 per share ("Common Stock") at a conversion price equal to 40% of the lowest closing bid price as of 4 pm (New York Time) for the Company's stock during the previous 20 trading days.

For as long as the debenture is outstanding, the Conversion Price of the debenture shall be subject to adjustment for issuances of Common Stock or securities convertible into common stock or exercisable for shares of Common Stock at a purchase price of less than the then-effective Conversion Price, on any unconverted amounts, such that the then applicable Conversion Price shall be adjusted using full-ratchet anti-dilution on such new issuances, subject to certain excepted issuances, as defined.

Note 5 - Income Taxes

The Company utilizes ASC 740 "Income Taxes", which requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the consolidated financial statement or tax returns. Under this method, deferred tax liabilities and assets are determined based on the difference between consolidated financial statements and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

Since the Company has incurred annual losses since inception, there has been no income tax expense or liability. The Company has provided a 100% valuation allowance for any deferred tax benefits resulting from net operating loss carryovers due to our limited operating history. In addressing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences are deductible.

The provisions of ASC 740 require companies to recognize in their financial statements the impact of a tax position if that position is more likely than not to be sustained upon audit, based upon the technical merits of the position. ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken on a tax return. ASC 740 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods and disclosure.

Management does not believe that the Company has any material uncertain tax positions requiring recognition or measurement in accordance with the provisions of ASC 740. Accordingly, the adoption of these provisions of ASC 740 did not have a material effect on the Company's financial statements. The Company's policy is to record interest and penalties on uncertain tax positions, if any, as income tax expense.

All tax years for the Company remain subject to future examinations by the applicable taxing authorities.

NOTE 6 - SUBSEQUENT EVENTS

None.