

AMERICAN GREEN INC

INTERIM FINANCIAL STATEMENTS

(UNAUDITED)

For the three months ended

September 30, 2016 and 2015

AMERICAN GREEN INC.
UNAUDITED CONSOLIDATED BALANCE SHEET
AT SEPTEMBER 30, 2016

ASSETS

CURRENT ASSETS:		
Cash	$	20,794
Loan receivable		100,000
Total current assets		120,794
OTHER ASSETS:		
Equipment		440,384
Investments		480,000
Project costs		600,960
Patents		93,665
Deposits		24,577
Total assets	$	1,760,380

LIABILITIES

CURRENT		
Accounts payable and accrued expenses	$	134,611
Loans from shareholders		2,055,818
Debentures payable and accrued interest		6,239,650
Total current liabilities		8,430,079
LONG TERM		
Acquisition Debt		736,407
Total Liabilities		9,166,486

STOCKHOLDERS' DEFICIT

Preferred stock Series B		79,000
Common stock		8,454,647
Additional paid-in capital		15,540,856
Accumulated (deficit)		(31,480,609)
Total stockholders' deficit		(7,406,106)
Total liabilities and stockholders' deficit	$	1,760,380

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
UNAUDITED

	For the three months ended September 30,	
	2016	**2015**
REVENUE		
Revenue	$	$ 258,635
Cost of sales		(190,395)
Gross profit	-	68,240
OPERATING EXPENSES		
General and administrative	$ 7,951	$ 31,685
Sales and marketing	2,538	23,451
Staff consultants	52,510	200,850
Outside consultants	31,731	83,276
Legal and accounting	62,904	60,794
Officer & Director compensation	75,000	48,000
Travel	766	21,443
Shareholder communication	5,778	47,190
Rent and utilities	19,658	27,413
Interest expense	135,478	137,048
Depreciation and amortization	1,904	2,500
Total operating expenses	396,218	683,650
(Loss) from operations	(396,218)	(615,410)
Abandoned projects	(40,000)	-
Gain on sale of building	6,923	-
Net (loss)	$ (429,295)	$ (615,410)

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
UNAUDITED

	Preferred Shares	Amount	Common Shares	Amount
Balance at June 30, 2015	6,500,000	65,000	4,581,830,860	$4,581,828
Shares issued for debentures prin & accrued intr			2,592,055,473	2,592,057
Shares issued for debt			23,071,363	23,072
Shares issued for services			50,735,346	50,736
Net (loss) for the year ended Jun. 30, 2016				
Balance at June 30, 2016	6,500,000	$65,000	7,247,693,042	$7,247,693
Shares issued for debentures prin & accrued intr				
Preferred B shares issued for cash	1,400,000	14,000		
Shares issued for debentures prin & accrued intr			1,206,954,286	1,206,954
Net (loss) for the three months ended Sept 30, 2016				
Balance at September 30, 2016	7,900,000	$79,000	8,454,647,328	$8,454,647

	Paid-In Capital	Accumulated (Deficit)	Total
Balance at June 30, 2015	$16,957,555	($28,343,863)	($6,739,480)
Shares issued for debentures prin & accrued intr	-829,171		1,762,886
Shares issued for debt	106,428		129,500
Shares issued for services	118,264		169,000
Net (loss) for the year ended Jun. 30, 2016		(2,707,451)	(2,707,451)
Balance at June 30, 2016	$16,353,076	($31,051,314)	($7,385,545)
Shares issued for debentures prin & accrued intr			
Preferred B shares issued for cash	2,800		16,800
Shares issued for debentures prin & accrued intr	(815,020)		391,934
Net (loss) for the three months ended Sept 30, 2016		(429,295)	(429,295)
Balance at September 30, 2016	$15,540,856	($31,480,609)	($7,406,106)

AMERICAN GREEN INC.
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the years ended June 30,	
OPERATING ACTIVITIES	**2016**	**2015**
Net (loss) for the period	$ (2,707,451)	$ (8,700,020)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Impairment of investments	391,025	5,431,164
Shares issued - debt and services	298,500	1,236,277
Shares issued - loans to shareholders	0	0
Depreciation & amortization	10,000	10,417
Changes in assets and liabilities		
(Incr)/decr - accounts receivable	7,504	(5,604)
(Incr)/decr - loan receivable	(100,000)	0
(Incr)/decr - Inventory	147,298	(28,002)
(Incr)/decr - Patents	15,954	0
(Incr)/decr - Furniture & equipment	0	9,404
(Incr)/decr - Security deposits	93,885	0
Incr/(decr) in accounts payable	(233,999)	(121,804)
Incr/(decr) in debentures payable	0	(702,341)
Incr/(decr) in accrued interest	224,710	192,737
Incr/(decr) - loans from shareholders	173,500	(446,323)
Net cash (used in) provided by operating activities	(1,679,074)	(3,124,095)
INVESTING ACTIVITIES		
Investment in machine technology	(44,133)	(195,251)
Net cash (used in) provided by investing activities	(44,133)	(195,251)
FINANCING ACTIVITIES		
Issuance of debentures for cash	1,918,398	3,287,143
Shares issued - debentures & interest	(231,280)	1,308,808
Reduction in acquisition debt	(605)	(1,429,587)
Net cash (used in) provided by financing activities	1,686,513	3,166,364
INCREASE (DECREASE) IN CASH	(36,694)	(152,982)
CASH, BEGINNING OF PERIOD	49,481	202,463
CASH, END OF PERIOD	$ 12,787	$ 49,481

NON CASH TRANSACTIONS IN COMMON SHARES
NONE

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN INC.
Notes to Unaudited Consolidated Financial Statements
For the three months ended September 30, 2016 and 2015
(Unaudited)

NOTE 1. THE COMPANY AND ITS SIGNIFICANT ACCOUNTING POLICIES

The Company

The Company was incorporated on November 12, 1998 in Nevada as Ti-Mail Inc. During the year 2000 it changed its name to Desert Winds Entertainment, Inc. and then during 2000 to SunnComm, Inc., during 2002 to SunnComm Technologies, Inc., and during 2004 to SunnComm International Inc. On June 14, 2007 the Company changed its name from SunnComm Technologies Inc. to The Amergence Group, Inc. On March 8, 2011 the Company changed its name to Altitude Organic Corporation. On January 6, 2012, the Company changed its name to Tranzbyte Corporation and on May 9, 2014 changed its name to American Green Inc. On May 10, 2016 the Company re-domesticated to Wyoming as American Green Inc.

The Company is developing a cultivation facility in Phoenix Arizona for medical marijuana, owns proprietary dispensing machines and all of the rights to line of health supplements under the label OneBode.

The unaudited financial statements included herein were prepared from the records of the Company in accordance with Generally Accepted Accounting Principles. These financial statements reflect all adjustments that are, in the opinion of management, necessary to provide a fair statement of the results of operations and financial position for the periods presented. Significant adjustments may be required upon the financial statements being audited to be in conformity with Generally Accepted Accounting Principles.

Going Concern

The Company operates in an industry that is subject to rapid change. The Company's operations will be subject to significant risk and uncertainties including financial, operational, technological, regulatory and other risks, including the potential risk of business failure.

The ability of the Company to continue as a going concern is dependent on the successful execution of Management's plans, which include sales of its products, further implementation of its business plan and continuing to raise funds through debt or equity financings. The Company will likely need to rely upon debt or equity financing in order to ensure the continuing existence of the business.

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.

Principles of Consolidation

The Company’s consolidated financial statements include the assets, liabilities and operating results of the Company and its wholly owned subsidiary.

Use of Estimates

The unaudited financial statements included herein were prepared from the records of the Company in accordance with Generally Accepted Accounting Principles. These financial statements reflect all adjustments that are, in the opinion of management, necessary to provide a fair statement of the results of operations and financial position.

Cash & Cash Equivalents

The company’s policy is to consider cash and cash equivalents to consist of checking accounts, money market accounts or certificates of deposit having maturity dates of 180 days or less.

Financial Instruments

Financial instruments consist primarily of cash, security deposits and obligations under accounts payable and accrued expenses. The carrying amounts of cash, accounts receivable, security deposits, accounts payable and accrued expenses approximate fair value because of the short-term maturity of those instruments.

Income Taxes

The Company records its federal and statement income tax liability as it is incurred. The company has accumulated net operating losses and does not have any outstanding income tax liabilities.

NOTE 2. INVESTMENTS

At May 24, 2010, the company entered into a Joint Venture Production Agreement with PanPacific International Limited, “PanPacific”, whereby it would receive 50% of the profits in three scheduled concerts with internationally known artists to be performed in Hong Kong, and other agreed-upon joint enterprises, for 60 million restricted common shares valued at $2,400,000. On August 9, 2010, PanPacific and the company formed a Nevada corporation and named it PanPacific International, Inc., “Pan International”. PanPacific contributed it business operation allowing Tranzbyte to establish a presence and capabilities in Hong Kong, Macao, and China mainland enabling the company to consider future joint ventures to be identified and its advertising network for 75% ownership and the company received 25% for its prior capital investment of 60 million common shares. During December 2010, the company issued a restricted stock dividend to its shareholders comprised of 80% of its holdings, which was 20% of Pan International’s total outstanding common shares. The company reduced its investment in Pan International by 80% to 480,000 shares for the dividend.

The company owns 10 million shares of Pan International representing 5% of Pan International’s total outstanding common shares with a cost basis of $480,000.

NOTE 3: LOAN RECEIVABLE

The Company has a note receivable from TrackX LLC for $100,000 that is due in full on March 28, 2017.

NOTE 4. PROJECT COSTS

The Company is working on the development of technology or acquisition of products to primarily support the medical marijuana industry.

NOTE 5: PATENTS

On August 6, 2014, the Company acquired the patent rights to technology supporting the Zazz Vending Machine. The patents will start being amortized when the Zazz machines are placed in service.

NOTE 6: DEPOSITS

Security Deposits

The Company has $14,577 in security deposits outstanding on lease space rentals and $10,000 on outstanding agreements.

NOTE 7. DEBENTURES PAYABLE

Retired Debentures

On December 15, 2006, the Company originally issued a debenture payable to a Holder for $150,942 in cash advances. The debenture accrues interest at 10% per annum and can convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2012, the Company owed $7,707 in principal and $28,529 in accrued interest. During the year quarter ended September 30, 2012, the Company issued 45,000,000 common shares valued at $11,486 paying off the principal and reducing the accrued interest by $3,779. During the quarter ended December 31, 2012, the Company issued 45,000,000 common shares valued at $24,925 that paid off all the accrued interest on the debenture resulting in the debenture being paid off and retired by the Company. On January 26, 2015 the 45,000,000 common shares that had been issued were returned to the Company and the debenture was increased by $24,925. No gain or loss was recorded on the transaction. On February 9, 2015 the Holder converted the $24,925 of principal for 7,121,429 common shares resulting in the entire principal and accrued interest being paid off.

During the quarter ended September 30, 2011 a lender advanced the company $7,500 that was converted into a debenture at December 31, 2011. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarters ended September 30, 2012 and December 31, 2012, interest accrued on the debenture was $188 and $188, respectively. During the quarter ended March 31, 2013 the debenture accrued $187 in interest and $188 for the quarter ended June 30, 2013. At June 30, 2013 the Holder was owed $7,500 in principal and $1,489 in accrued interest. During the quarter ended September 30, 2013, the Company issued 16,514,816 common shares to the Holder resulting in the entire principal and accrued interest being paid off.

On December 31, 2011 the Company issued a debenture to a Holder for $26,444 for cash advances to the Company during the quarter ended December 31, 2011. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. The debenture will accrue interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. During the quarter ended September 30, 2013, interest accrued on the debenture of $661. At September 30, 2013, the principal balance was $26,444 and the accrued interest was $4,627. The Company paid off the debenture during the quarter ended December 31, 2013 by issuing 48,080,000 common shares for $26,444 of principal and 8,812,727 common shares for $4,847 of accrued interest through the end of the same quarter.

On March 31, 2008, the company originally issued a debenture payable to a creditor for $205,000 of unpaid compensation. The debenture accrues interest at 10% per annum and can convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2012 the Company owed $11,015 in principal and $2,022 in accrued interest. During the quarter ended September 30, 2012 the debenture accrued $275 in interest. During the quarter ended March 31, 2013 the debenture accrued $276 in interest. At March 31, 2013, the Company owed the Holder $11,015 in principal and $2,848 in accrued interest. During the quarter ended December 31, 2013 the debenture accrued $261 in interest. At December 31, 2013 the Company owed the Holder $10,425 in principal and $782 in accrued interest. The Company paid off the debenture during the quarter ended March 31, 2014 by issuing 18,954,545 common shares for $10,425 of principal and 1,501,818 common shares for $826 of accrued interest through the end of the same quarter.

On December 31, 2009, the company originally issued a debenture payable to a creditor for $278,184 of unpaid compensation. The debenture accrues interest at 10% per annum and can convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2012, the Company owed the Holder $73,184 in principal and $23,511 in accrued interest. During the quarter ended September 30, 2012, the Company issued 45,000,000 common shares valued at $24,750 reducing the principal by $14,032 and accrued interest $10,718. During the quarter ended December 31, 2012 the Company issued a total of 120,000,000 common shares under two separate demands notices valued at a total of $66,000. During the quarter ended March 31, 2013 the debenture accrued $189 in interest. During the quarter ended September 30, 2013, the debenture accrued $189 of interest. During the quarter ended December 31, 2013 the debenture accrued $189 of interest and at December 31, 2013 the Company owed the debenture holder $7,570 of

principal and $944 of accrued interest. The Company paid off the debenture during the quarter ended March 31, 2014 by issuing 13,763,636 common shares for $7,570 of principal and 1,945,455 common shares for $1,070 of accrued interest through the end of the same quarter.

On June 29, 2012, the Company issued a $500,000 convertible debenture to a former president of the Company in exchange for his release of a $268,000 secured note that had a lien on the Company's inventory and any and all of its' assets of any kind or nature including assets held by its subsidiaries as of February 11, 2011. The value of the Debenture was determined based upon a discount to the book value of the Company's intellectual property and assets. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. During the quarter ended March 31, 2012 the Company issued a total of 475,000,000 common shares under four separate demand notices reducing the principal by $261,250. Accrued interest expense during the quarter ended March 31, 2013 was $2,662. During the quarters ended September 30, 2013 and December 31, 2013, the debenture accrued $675 of interest during each respective quarter. At December 31, 2013, the principal balance was $27,000 and the accrued interest was $29,036. The Company paid off the debenture during the quarter ended March 31, 2014 by issuing 49,090,909 common shares for $27,000 of principal and 50,909,091 common shares for $28,000 of accrued interest through the end of the same quarter. During October 2014 $11,000 was added back to the debenture resulting from shares that were cancelled from a prior issuance. During November 2014 the debenture was paid off by the issuance of 20,000,000 common shares to the Holder. On January 26, 2015, 58,000,000 common shares were returned to the Company for $31,900 that was the value they were originally converted at on February 7, 2013. On February 9, 2015, the Holder converted the total outstanding principal of $31,900 for 9,114,286 common shares of the Company.

On November 30, 2012, the Company reduced its loans from shareholders by $210,000 by issuing a debenture to a consulting corporation for its services for the same amount from January 1, 2011 through December 31 2011. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Accrued interest expense during the quarter ended March 31, 2013 was $5,250. During the quarter ended June 30, 2013, the Holder converted $84,820 of principal and $11,430 of accrued interest for 175,000,000 resulting in the outstanding principal being $125,180 at the end June 30, 2013. During the quarter ended September 30, 2013, the Holder converted $110,000 of principal for 210,379,957 common shares resulting in the outstanding principal being $15,180 at September 30, 2013. The debenture accrued $379 of interest during the quarter ended December 31, 2013 resulting in an outstanding principal balance of $15,180 and $379 of accrued interest at the end of the quarter. The Company paid off the debenture during the quarter ended March 31, 2014 by issuing 27,600,000 common shares for $15,180 of principal and 689,091 common shares for $379 of accrued interest through the end of the same quarter. On January 26, 2015 the Holder returned 12,500,000 common shares for $6,875 that was the value they were originally converted at on May 20, 2013. No gain or loss was recorded on the transaction. On February 9, 2015 the Holder converted the remaining $6,875 of principal for 1,964,286 common shares resulting in the debenture being paid off.

On November 30, 2012, the Company reduced its loans from shareholders by $165,000 by issuing a $165,000 convertible debenture to a former president of the Company for his services from January 1, 2010 thru January 31, 2011. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Accrued interest expense during the quarter ended March 31, 2013 was $4,125 and $4,125 for the quarter ended June 30, 2013 resulting in the Company owing $165,000 in principal and $9,625 in accrued interest at June 30, 2013. During the quarter ended September 30, 2013, the debenture accrued $4,125 in interest resulting in the Company owing 165,000 in principal and $13,750 in accrued interest. During the quarter ended December 31, 2013, the Holder converted into 218,107,273 common shares reducing the principal by $119,959 and 25,000,000 common shares for $13,750 of accrued interest. Interest of $2,626 accrued during the quarter resulting the principal balance being $45,041 and accrued interest being $2,626 at December 31, 2013. The Company paid off the debenture during the quarter ended March 31, 2014 by issuing 81,892,727 common shares for $45,041 of principal and 4,774,546 common shares for $2,626 of accrued interest through the end of the same quarter.

On June 30, 2013, the Company reduced its loans from shareholders by $59,167 by issuing a $59,167 convertible debenture to a consultant of the Company for expenses paid from January 1, 2012 thru June 30, 2012. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid

price 360 trading days before the conversion date. The terms of the conversion are the same as the terms of conversion in the grid note for each advance. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarters ended September 30, 2013, December 31, 2013 and March 31, 2014 the debenture accrued $1,479 of interest in each respective quarter. At March 31, 2014, the debenture had $59,167 of principal and $4,438 of accrued interest outstanding. During the quarter ended June 30, 2014, the Company paid off the principal and accrued interest on the Debenture with cash.

On September 30, 2011, the company reduced its accounts payable by $270,000 by issuing a debenture to the company's former president for the same amount for unpaid compensation from July 1, 2008 through December 31 2009. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended September 30, 2012, the Company issued 120,213,500 common shares valued at $78,275 reducing the principal by $72,650 and accrued interest $5,625. During the quarter ended December 31, 2012 the Company issued 85,000,000 shares reducing the principal by $46,750 and accrued interest expense during the quarter was $3713. During the quarter ended March 31, 2013 the Company issued 150,000,000 shares to the Holder reducing the principal by $53,450 and accrued interest by $29,050. During the same quarter $3,000 of interest accrued on the debenture. During the quarter ended September 30, 2013, the debenture accrued $2,254 of interest. At September 30, 2013 the Company owed the Holder $90,150 in principal and $7,507 in accrued interest. During the quarter ended December 31, 2013 the Holder converted $33,743 of principal into 61,350,909 common shares and $7,507 of accrued interest expense into 13,649,091 of common shares. During the quarter ending March 31, 2014, the Company retired $22,000 of debenture principal for the issuance of 40,000,000 common shares and $3,590 of accrued interest for 6,527,273 common shares. At September 30, 2014 the Company owed the Holder $34,407 in principal and $2,846 accrued interest. A total of $1,200 of interest accrued during the quarter resulting in the principal of $34,407 and $4,046 of accrued interest at December 31, 2014. On January 29, 2015, 40,000,000 common shares were returned to the Company resulting in increasing the debenture principal to $56,407. No gain or loss was recorded on the return of the shares. On February 12, 2015, the Holder converted the outstanding principal of $56,407 and accrued interest of $4,046 for 17,272,286 common shares resulting in the entire debenture being paid off.

On November 30, 2012, the Company reduced its loans from shareholders by $120,000 by issuing a $120,000 convertible debenture to a financial consultant of the Company for his services from January 1, 2011 thru December 31, 2011. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Accrued interest expense during the quarter ended September 30, 2013 resulted in the Company owing $120,000 in principal and $10,000 in accrued interest. During the quarter ended December 31, 2013, the Holder converted into 56,818,182 common shares reducing the principal by $31,250 and 18,181,818 common shares for $10,000 of accrued interest. Interest of $2,609 accrued during the quarter resulting the principal balance being $88,750 and accrued interest being $2,609 at December 31, 2013. During the quarter ending March 31, 2014, the Company retired $24,891 of debenture principal for the issuance of 45,256,364 common shares and $2,609 of accrued interest for 4,743,636 common shares. At March 31, 2014 the Company owed the Holder $63,859 in principal and $1,596 of accrued interest. During the quarter ended June 30, 2014, the Company retired $11,000 of principal and $1,596 of accrued interest. During the quarter ended September 30, 2014, the Company retired $22,859 of principal. At September 30, 2014 the Company owed the Holder $30,000 in principal and $2,075 of accrued interest. During the quarter ended December 31, 2014 the Company retired $14,000 of principal and $2,075 of accrued interest for the conversion of 29,227,273 common shares. At December 31, 2014 the Company owed the Holder $16,000 of principal and $213 of accrued interest. On January 9, 2015 the Company paid off the remaining $16,000 of principal and $213 of accrued interest by issuing 4,839,701 common shares to the Holder.

On November 15, 2013, the Company issued a debenture for $22,400 for cash advances in the same amount on the same date for cash advances to one of its subsidiaries for it's operation. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The terms of the conversion are the same as the terms of conversion in the note for each advance. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. From October 1, 2013 through June 30, 2014 the debenture accrued $560 of interest in each respective quarter. At December 31, 2014, the debenture had $22,400 of principal and $1,680 of accrued interest outstanding. On January 9, 2015 the Company paid off the remaining $22,400 of principal and $1,680 of accrued interest by issuing 7,188,060 common shares to the Holder.

On October 1, 2013, the Company issued a $10,000 convertible debenture for a $10,000 cash advance on September 16, 2013 to one of its subsidiaries for it's operation. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The terms of the conversion are the same as the terms of conversion in the note for each advance. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. From October 1, 2013 through June 30, 2014 the debenture accrued $250 of interest in each respective quarter. At December 31, 2014, the debenture had $10,000 of principal and $1,250 of accrued interest outstanding. On January 9, 2015 the Company paid off the remaining $10,000 of principal and $1,250 of accrued interest by issuing 3,558,209 common shares to the Holder.

On June 30, 2013, the Company reduced its loans from shareholders by $240,000 by issuing a $240,000 convertible debenture to a financial consultant of the Company for his services from July 1, 2012 thru June 30, 2013. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The terms of the conversion are the same as the consultant's terms of conversion for the shares earned during each quarter in which the services were rendered. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarters ended September 30, 2013, December 31, 2013 and March 31, 2014 the debenture accrued $6,000 of interest in each respective quarter. During the quarter ended September 30, 2014, the Company retired $3,500 of principal and $24,000 of accrued interest. At September 30, 2014 the Company owed the Holder $236,500 in principal and $5,906 of accrued interest. During the quarter ended December 31, 2014 the Company retired $27,094 of principal and $5,906 of accrued interest for the conversion of 60,000,000 common shares. At December 31, 2014 the Company owed the Holder $209,406 of principal and $4,750 of accrued interest. On January 14, 2015 the Company paid off the remaining $209,406 of principal and $4,750 of accrued interest by issuing 61,187,429 common shares to the Holder.

On October 1, 2013, the Company reduced its accounts payable by $217,293 by issuing a convertible debenture in the same amount to the Company for expenses paid on behalf of Tranzbyte from July 1, 2013 thru September 30, 2013. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The terms of the conversion are the same as the terms of conversion in the note for each advance. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. From October 1, 2013 through December 31, 2014 the debenture accrued $5,432 of interest in each respective quarter. At December 31, 2014, the debenture had $217,293 of principal and $27,160 of accrued interest outstanding. On January 14, 2015 the Company paid off the remaining $217,293 of principal and $27,160 of accrued interest by issuing 69,843,714 common shares to the Holder.

On December 30, 2013, the Company issued a debenture for $220,144 for cash advances in the same amount for expenses paid on behalf of the Company from October 1, 2013 thru December 30, 2013. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The terms of the conversion are the same as the terms of conversion in the note for each advance. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. The debenture accrued $5,504 of interest in each quarter March 31, 2014. At December 31, 2014, the debenture had $220,144 of principal and $16,152 of accrued interest outstanding. On January 14, 2015 the Company paid off the remaining $220,144 of principal and $16,512 of accrued interest by issuing 67,616,000 common shares to the Holder.

On March 31, 2014, the Company issued a debenture for $164,015 for expenses paid on behalf of the Company during the quarter ended March 31, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The terms of the conversion are the same as the terms of conversion in the note for each advance. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since April 1, 2014 the Debenture has accrued $4,100 of interest each quarter. At March 31, 2015, the debenture had $164,015 of principal and $16,401 of accrued interest outstanding. On May 18, 2015 the company retired the entire $164,015 of principal and $16,401 of accrued interest by issuing 58,198,710 common shares to the Holder.

On March 31, 2014, the Company issued a debenture for $220,000 for expenses paid on behalf of the Company during the quarter ended March 31, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The terms of

the conversion are the same as the terms of conversion in the note for each advance. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since April 1, 2014 the Debenture has accrued $5,500 of interest during each quarter. At March 31, 2015, the debenture had $220,000 of principal and $22,000 of accrued interest outstanding. On May 18, 2015 the company retired the entire $220,000 of principal and $22,000 of accrued interest by issuing 78,064,516 common shares to the Holder.

On June 30, 2014 the Company issued a debenture for $240,000 for services in the same amount rendered from July 1, 2013 through June 30, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Accrued interest during the quarter ended March 31, 2015 was $7,500. At December 31, 2014, the Debenture had $240,000 of principal and $15,000 of accrued interest outstanding. During the quarter ended September 30, 2014 the Company retired the entire debenture and accrued interest by approving the Holder's conversion of $274,000.00 comprised of $240,000.00 principal and $34,000.00 accrued interest for 288,421,052 common shares.

On June 23, 2014 the Company issued a debenture for $250,000 for cash in the same amount on the same date. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Interest expense during the quarter ended September 30, 2014 was $6,250. Since July 1, 2014 the Debenture has accrued $6,250 of interest during each quarter. On October 21, 2015 the Company retired the entire debenture and accrued interest by approving the Holder's conversion of $281,250 comprised of $250,000 principal and $31,250 of accrued interest for 296,052,632 common shares.

On August 16, 2014 the Company issued a debenture for $100,000 for cash in the same amount on the same date. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the Debenture has been accruing interest at $2,500 each quarter. At December 31, 2015, the debenture had $100,000 of principal and $12,500 of accrued interest outstanding. During the quarter ended March 31, 2016 the paid-off and retired the Debenture by issuing 204,545,455 common shares.

On February 2, 2015 the Company issued a debenture for $20,000 for a cash advance. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture accrued $500 of interest during each quarter. During the quarter ended March 31, 2016 the Company paid off the entire debenture by issuing 39,696,364 common shares valued at $21,833.

On April 24, 2014 the Company issued a debenture for $310,000 for cash advanced to Company from April 3, 2014 to April 23, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2015 the Company effected two conversions totaling $182,083 comprised of $138,166 in principal and $43,917 in accrued interest. During the quarter ended March 31, 2016 the debenture accrued interest of $2,305 and the Company paid $79,636 in principal and $2,864 in accrued interest by issuing 150,000,000 common shares. During the quarter ended September 30, 2016 the Company paid off the remaining balance of $67,003 in principal and $1,675 of accrued interest.

Outstanding Debentures

On December 31, 2010, the Company issued a debenture payable for $162,706 for cash advances during the 2010 calendar year. The debenture accrues interest at 10% per annum and can convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended September 30, 2012, the Company issued 6,666,667 common shares valued at $6,667 reducing the principal by $1,092 and accrued interest $5,575. At September 30, 2012, the Company

owed the Holder $4,324 in principal and $7,816 in accrued interest. During the quarter ended June 30, 2013, the Holder converted $590 of principal and $2,848 of accrued interest for 6,250,000 common shares of the Company. During the quarter ended December 31, 2013 the debenture accrued $108 in accrued interest resulting in the Company owing $4,324 in principal and $8,462 in accrued interest at December 31, 2013. The Company paid off the debenture during the quarter ended March 31, 2014 by issuing 7,861,818 common shares for $4,324 of principal and 15,385,455 common shares for $8,462 of accrued interest through the end of the same quarter. On January 29, 2015, 28,800,000 common shares were returned to the Company that had been originally issued from a conversion of this debenture on April 27, 2012. The amount of the debenture was increased by $28,800 representing the amount of the reduction of the debenture at the time of its conversion on April 27, 2012. No gain or loss was recognized by the Company in the transaction. During the quarter ended March 31, 2016 the debenture accrued $720 of interest. During the quarter ended September 30, 2016 the debenture accrued $720 of interest resulting in the debenture having $28,800 in principal and $4,320 in accrued interest outstanding at September 30, 2016.

On April 24, 2014 the Company issued a debenture for $500,000 for cash in the same amount on the same date. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Interest expense during the quarter ended September 30, 2014 was $12,500. Since July 1, 2014 the Debenture has accrued $15,500 of interest during each quarter. During the quarter ended June 30, 2015 the debenture accrued $20,833 in interest. Also, the Holder converted $30,000 of accumulated accrued interest into 9,677,419 common shares. During the quarter ended September 30, 2015, the Holder converted $110,000 of principal for 99,490,662 common shares and $28,333 of accrued interest for 18,279,355 common shares. During the quarter ended March 31, 2016 the debenture accrued $9,750 of interest. During the quarter ended September 30, 2016 the Company reduced its outstanding principal by $149,000 and accrued interest by $2,256 by issuing 410,731,429 common shares resulting in the debenture having $121,788 in principal and $4,907 in accrued interest outstanding at September 30, 2016.

On September 30, 2014 the Company issued a debenture for $550,000 for cash advances during the quarter. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the Debenture has been accruing interest at $13,750 each quarter. During the quarter ended March 31, 2016 the debenture accrued interest of $12,500 and the Company paid $50,000 in principal and $68,750 in accrued interest by issuing 215,909,091 common shares. During the quarter ended September 30, 2016 the debenture accrued $12,350 of interest and the Company reduced the outstanding principal by $35,000 and accrued interest by $25,000 by issuing 200,000,000 common shares. At September 30, 2016 the debenture had $465,000 of principal and $12,350 of accrued interest outstanding.

On September 30, 2014 the Company issued a debenture for $127,177 for expenses paid on behalf of the Company during the quarter. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the Debenture has been accruing interest at $3,179 each quarter. During the quarter ended March 31, 2016 the debenture accrued interest of $1,529 and the Company paid $66,000 in principal and $15,897 in accrued interest by issuing 148,903,606 common shares. During the quarter ended September 30, 2016 the debenture accrued $1,529 of accrued interest resulting in $4,588 of accrued interest and $61,177 in principal outstanding at September 30, 2016.

On September 30, 2014 the Company issued a debenture for $210,000 for services in the same amount on the same rendered from January 1, 2012 through December 31, 2013. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued $5,250 of interest. During the quarter ended September 30, 2016 the Company accrued $5,250 of interest resulting in the debenture having $210,000 in principal and $42,000 in accrued interest outstanding at September 30, 2016.

On October 30, 2014 the Company issued a debenture for $300,000 for three cash advances during October 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

During the quarter ended March 31, 2016 the debenture accrued interest of $6,750 and the Company paid $30,000 in principal and $25,000 in accrued interest by issuing 100,000,000 common shares. During the quarter ended September 30, 2016 the Company accrued $6,750 of interest resulting in $20,250 of accrued interest and $270,000 in principal outstanding at September 30, 2016.

On November 25, 2014 the Company issued a debenture for $170,000 for two cash advances during November 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued $4,250 of interest. During the quarter ended September 30, 2016 the debenture accrued $4,250 of interest resulting in the debenture having $170,000 in principal and $29,750 in accrued interest outstanding at September 30, 2016.

On December 1, 2014 the Company issued a debenture for $125,000 for two cash advances during the quarter ended December 31, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture accrued $3,125 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued $3,125 of interest. During the quarter ended September 30, 2016 the debenture accrued $3,125 of interest resulting in the debenture having $125,000 in principal and $21,875 in accrued interest outstanding at September 30, 2016.

On December 19, 2014 the Company issued a debenture for $275,000 for five cash advances during the December 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued $6,875 of interest. During the quarter ended September 30, 2016 the debenture accrued $6,875 resulting in the debenture having $275,000 in principal and $48,125 in accrued interest outstanding at September 30, 2016.

On January 9, 2015 the Company issued a debenture for $100,000 for a cash advance. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At December 31, 2015, the Debenture had $100,000 of principal and $9,167 of accrued interest outstanding. During the quarter ended March 31, 2016 the debenture accrued $2,500 of interest. During the quarter June 30, 2016 the debenture accrued $2,500 of interest resulting in the debenture having $100,000 in principal and $14,167 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $2,500 of interest resulting in the debenture having $100,000 in principal and $16,667 in accrued interest outstanding at September 30, 2016.

On January 30, 2015 the Company issued a debenture for $175,000 for three cash advances during the January 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued $4,375 of interest. During the quarter ended September 30, 2016 the debenture accrued $4,375 of interest resulting in the debenture having $175,000 in principal and $29,166 in accrued interest outstanding at September 30, 2016.

On February 24, 2015 the Company issued a debenture for $155,000 for two cash advances during February 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture accrued $3,875 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued $3,875 of interest. During the quarter ended June 30, 2016 the Company reduced its outstanding principal $38,208 and accrued interest by $16,792 having issued 100,000,000 common shares. During the quarter ended September 30, 2016 the debenture accrued $2,920 in interest resulting in the debenture having $116,792 in principal and $5,839 in accrued interest outstanding at September 30, 2016.

On March 31, 2015 the Company issued a debenture for $353,000 for four cash advances during March 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest

closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture accrued $8,825 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued $8,825 of interest resulting in the debenture having $353,000 in principal and $35,300 in accrued interest outstanding at March 31, 2016. On April 26, 2016, the debenture was sold to a different Holder and the Company agreed to change the terms of the debenture to a restated principal balance of $398,450 that includes a discounted interest rate and a due date of January 27, 2017. During the quarter ended September 30 2016 the Company reduced the outstanding principal balance by $112,000 by issuing 400,000,000 common shares. The outstanding balance on the debenture at September 30, 2016 was $70,450.

On May 1, 2015 the Company issued a debenture for $105,000 for two cash advances during April 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued $2,625 of interest. During the quarter ended June 30, 2016 the debenture accrued $2,625 in interest resulting in the debenture having $105,000 in principal and $12,250 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $2,625 in interest resulting in the debenture having $105,000 in principal and $14,875 in accrued interest outstanding at September 30, 2016.

On May 1, 2015 the Company issued a debenture for $25,000 for a cash advance. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture accrued $625 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued $625 of interest. During the quarter ended June 30, 2015 the debenture accrued $625 in interest resulting in the debenture having $25,000 in principal and $2,917 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $625 in interest resulting in the debenture having $25,000 in principal and $3,542 in accrued interest outstanding at September 30, 2016.

On June 3, 2015 the Company issued a debenture for $180,000 for three cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued $4,500 of interest. During the quarter ended June 30, 2016 the debenture accrued $4,500 in interest resulting in the debenture having $180,000 in principal and $18,000 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $4,500 in interest resulting in the debenture having $180,000 in principal and $22,500 in accrued interest outstanding at September 30, 2016.

On June 30, 2015 the Company issued a debenture for $200,000 for three cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued $5,000 of interest. During the quarter ended June 30, 2016 the debenture accrued $5,000 in interest resulting in the debenture having resulting in the debenture having $200,000 in principal and $20,000 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $5,000 in interest resulting in the debenture having resulting in the debenture having $200,000 in principal and $25,000 in accrued interest outstanding at September 30, 2016.

On June 26, 2015 the Company issued a debenture for $165,000 for a $150,000 cash advance. The debenture will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date but can't convert below $.000825 per common share. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion and is due June 25, 2016. At September 30, 2016, the Debenture had $165,000 of principal outstanding that includes imputed interest.

On June 30, 2015 the Company issued a debenture for $240,000 for services rendered from July 1, 2014 through June 30, 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any

conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue $6,000 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued $6,000 of interest. During the quarter ended June 30, 2016 the debenture accrued $6,000 in interest resulting in the debenture having $240,000 in principal and $24,000 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $6,000 in interest resulting in the debenture having $240,000 in principal and $30,000 in accrued interest outstanding at September 30, 2016.

On June 30, 2015 the Company issued a debenture for $226,966 for expenses paid on behalf of the Company from April 1, 2014 through June 30, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued $5,674 of interest. During the quarter ended June 30, 2016 the debenture accrued $5,674 in interest resulting in the debenture having $226,966 in principal and $22,696 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $5,674 in interest resulting in the debenture having $226,966 in principal and $28,370 in accrued interest outstanding at September 30, 2016.

On June 30, 2015 the Company issued a debenture for $120,000 for services rendered from January 1, 2014 through December 31, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue $3,000 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued $3,000 of interest. During the quarter ended June 30, 2016 the debenture accrued $3,000 in interest resulting in the debenture having $120,000 in principal and $12,000 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $3,000 in interest resulting in the debenture having $120,000 in principal and $15,000 in accrued interest outstanding at September 30, 2016.

On July 31, 2015 the Company issued a debenture for $85,000 for cash advances during July 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue $2,125 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued $2,125 of interest. During the quarter ended June 30, 2016 the debenture accrued $2,125 in interest resulting in the debenture having $85,000 in principal and $6,375 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $2,125 in interest resulting in the debenture having $85,000 in principal and $8,500 in accrued interest outstanding at September 30, 2016.

On August 31, 2015 the Company issued a debenture for $90,000 for cash advances during August 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue $2,250 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued $2,250 of interest. During the quarter ended June 30, 2016 the debenture accrued $2,250 in interest resulting in the debenture having $90,000 in principal and $6,750 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $2,250 in interest resulting in the debenture having $90,000 in principal and $9,000 in accrued interest outstanding at September 30, 2016.

On August 31, 2015 the Company issued a debenture for $20,000 for cash advances during August 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue $500 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued $500 of interest. During the quarter ended June 30, 2016 the debenture accrued $500 in interest resulting in the debenture having $20,000 in principal and $1,500 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $500 in interest resulting in the debenture having $20,000 in principal and $2,000 in accrued interest outstanding at September 30, 2016.

On September 13, 2015 the Company issued a debenture for $20,000 for cash advances during September 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue $500 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued $500 of interest. During the quarter ended June 30, 2016 the debenture accrued $500 in interest resulting in the debenture having $20,000 in principal and $1,500 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $500 in interest resulting in the debenture having $20,000 in principal and $2,000 in accrued interest outstanding at September 30, 2016.

On September 29, 2015 the Company issued a debenture for $60,000 for cash advances during September 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue $1,500 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued $1,500 of interest. During the quarter ended June 30, 2016 the debenture accrued $1,500 in interest resulting in the debenture having $60,000 in principal and $4,500 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $1,500 in interest resulting in the debenture having $60,000 in principal and $6,000 in accrued interest outstanding at September 30, 2016.

On September 30, 2015 the Company issued a debenture for $85,000 for cash advances during September 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue $2,125 of interest during each quarter. During the quarter ended June 30, 2016 the debenture accrued $2,125 in interest resulting in the debenture having $85,000 in principal and $8,500 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $2,125 in interest resulting in the debenture having $85,000 in principal and $10,625 in accrued interest outstanding at September 30, 2016.

On October 31, 2015 the Company issued two debentures for $83,000 totaling 166,000 for five cash advances during October 2015. Each debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holders are restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since their inception the debentures will accrue a total of $4,150 of interest during each quarter. During the quarter ended March 31, 2016 the debentures accrued $4,150 of interest. During the quarter ended June 30, 2016 each debenture accrued $2,767 in interest resulting in the debentures having $166,000 in principal and $11,066 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 each debenture accrued $2,075 in interest resulting in the debentures totaling $166,000 in principal and $15,216 in accrued interest outstanding at September 30, 2016.

On November 30, 2015 the Company issued a debenture for $60,000 for two cash advances during November 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue $1,500 of interest during each quarter. During the quarter ended March 31, 2016. During the quarter ended June 30, 2016 the debenture accrued $500 in interest resulting in the debenture having $60,000 in principal and $1,500 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $500 in interest resulting in the debenture having $60,000 in principal and $2,000 in accrued interest outstanding at September 30, 2016.

On November 30, 2015 the Company issued a debenture for $72,500 for two cash advances during November 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue $1,812 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued $1,813 of interest. During the quarter ended June 30, 2016 the debenture accrued $1,813 in interest resulting in the debenture having $72,500 in principal and $4,230 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $1,813 in interest resulting in the debenture having $72,500 in principal and $6,042 in accrued interest outstanding at September 30, 2016.

On December 31, 2015 the Company issued a debenture for $115,000 for four cash advances during December 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue $2,875 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued $2,875 of interest. During the quarter ended June 30, 2016 the debenture accrued $2,875 in interest resulting in the debenture having $115,000 in principal and $5,750 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $2,875 in interest resulting in the debenture having $115,000 in principal and $8,625 in accrued interest outstanding at September 30, 2016.

On December 31, 2015 the Company issued a debenture for $40,000 for three cash advances during December 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue $1,000 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued $1,000 of interest. During the quarter ended June 30, 2016 the debenture accrued $1,000 in interest resulting in the debenture having $40,000 in principal and $2,000 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $1,000 in interest resulting in the debenture having $40,000 in principal and $3,000 in accrued interest outstanding at September 30, 2016.

On January 31, 2016 the Company issued a debenture for $90,000 for cash advances during January 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued $150 of interest. During the quarter ended June 30, 2016 the debenture accrued $2,250 in interest resulting in the debenture having $90,000 in principal and $2,400 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $2,250 in interest resulting in the debenture having $90,000 in principal and $4,650 in accrued interest outstanding at September 30, 2016.

On January 31, 2016 the Company issued a debenture for $32,500 for cash advances during January 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued $542 of interest. During the quarter ended June 30, 2016 the debenture accrued $812 in interest resulting in the debenture having $32,500 in principal and $1,354 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $812 in interest resulting in the debenture having $32,500 in principal and $2,166 in accrued interest outstanding at September 30, 2016.

On February 28, 2016 the Company issued a debenture for $122,000 for cash advances during February 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued $1,016 of interest. During the quarter ended June 30, 2016 the debenture accrued $3,050 in interest resulting in the debenture having $122,000 in principal and $4,066 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $3,050 in interest resulting in the debenture having $122,000 in principal and $7,116 in accrued interest outstanding at September 30, 2016.

On February 28, 2016 the Company issued a debenture for $112,000 for cash advances during February 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued $933 of interest. During the quarter ended June 30, 2016 the debenture accrued $2,800 in interest resulting in the debenture having $112,000 in principal and $3,733 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $2,800 in interest resulting in the debenture having $112,000 in principal and $6,533 in accrued interest outstanding at September 30, 2016.

On March 31, 2016 the Company issued a debenture for $232,398 for cash advances during March 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued no interest. During the quarter ended June 30, 2016 the debenture accrued $5,810 in interest resulting in the debenture having $232,398 in principal and $5,810 accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $5,810 in interest resulting in the debenture having $232,398 in principal and $11,620 accrued interest outstanding at September 30, 2016.

On March 31, 2016 the Company issued a debenture for $40,500 for cash advances during March 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued no interest. During the quarter ended June 30, 2016 the debenture accrued $1,012 in interest resulting in the debenture having $40,500 in principal and $1,012 accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $1,012 in interest resulting in the debenture having $40,500 in principal and $2,024 accrued interest outstanding at September 30, 2016.

On April 30, 2016 the Company issued a debenture for $56,000 for cash advances during April 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued $933 in interest resulting in the debenture having $56,000 in principal and $933 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $1,400 in interest resulting in the debenture having $56,000 in principal and $2,33 in accrued interest outstanding at September 30, 2016.

On April 30, 2016 the Company issued a debenture for $56,000 for cash advances during April 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued $933 in interest resulting in the debenture having $56,000 in principal and $933 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $1,400 in interest resulting in the debenture having $56,000 in principal and $2,33 in accrued interest outstanding at September 30, 2016.

On May 31, 2016 the Company issued a debenture for $107,500 for cash advances during May 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued $895 in interest resulting in the debenture having $107,500 in principal and $895 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $2,688 in interest resulting in the debenture having $107,500 in principal and $2,688 in accrued interest outstanding at September 30, 2016.

On May 31, 2016 the Company issued a debenture for $107,500 for cash advances during May 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued $895 in interest resulting in the debenture having $107,500 in principal and $895 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $2,688 in interest resulting in the debenture having $107,500 in principal and $2,688 in accrued interest outstanding at September 30, 2016.

On June 30, 2016 the Company issued a debenture for $101,500 for cash advances during June 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the

Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued no interest resulting in the debenture having $101,500 in principal and no accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $2,538 in interest resulting in the debenture having $101,500 in principal and $2,538 in accrued interest outstanding at September 30, 2016.

On June 30, 2016 the Company issued a debenture for $47,000 for cash advances during June 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued no interest resulting in the debenture having $47,000 in principal and no accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued $1,175 in interest resulting in the debenture having $47,000 in principal and $1,175 in accrued interest outstanding at September 30, 2016.

On July 31, 2016 the Company issued a debenture for $30,000 for cash advances during July of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended September 30, 2016 the debenture accrued $500 in interest resulting in the debenture having $30,000 in principal and $500 in accrued interest outstanding at September 30, 2016.

On August 31, 2016 the Company issued a debenture for $110,000 for cash advances during August of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended September 30, 2016 the debenture accrued $917 in interest resulting in the debenture having $110,000 in principal and $917 in accrued interest outstanding at September 30, 2016.

On August 31, 2016 the Company issued a debenture for $38,000 for cash advances during July and August of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended September 30, 2016 the debenture accrued $375 in interest resulting in the debenture having $38,000 in principal and $375 in accrued interest outstanding at September 30, 2016.

On September 30, 2016 the Company issued a debenture for $89,600 for cash advances during September of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended September 30, 2016 the debenture accrued no interest resulting in the debenture having $89,600 in principal and no accrued interest outstanding at September 30, 2016.

On September 30, 2016 the Company issued a debenture for $59,100 for cash advances during September of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended September 30, 2016 the debenture accrued no interest resulting in the debenture having $59,100 in principal and no accrued interest outstanding at September 30, 2016.

NOTE 8: LOANS FROM SHAREHOLDERS

Amounts owed to directors, officers or other consultants for services that are also shareholders are accrued as loans from shareholders.

NOTE 9. STOCKHOLDERS EQUITY

Preferred Stock

On January 20, 2012, David Gwyther obtained 6,500,000 Preferred Series B shares from the prior owner. The Preferred Series B shares held by the Company's Chairman, David Gwyther have voting control of the Company with 1,000 votes for each preferred share held. Each Preferred B share can convert into 20 shares of common stock.

On September 13, 2016 the Company issued 1,400,000 Preferred Series B shares to two non-affiliates for $16,800.

At September 30, 2016 the Company had authorized 30,000,000 preferred shares with 7,900,000 preferred shares outstanding at $.001 par and can issue shares of preferred stock in such classes and with such preferences as may be determined by the board of directors or the bylaws of the Company.

Common Stock

On June 14, 2007 the Company consolidated its authorized and outstanding common shares at a 1 for 1,000 ratio. After the stock consolidation the Company had authorized 870,000 common shares at a par value of $.001.

On May 29, 2012, the Company increased its authorized common shares to 1,350,000,000.

On December 14, 2012, the Company increased its authorized common shares to 1,995,000,000.

On January 17, 2013, the Company increased its authorized common shares to 2,750,000,000.

On August 30, 2013, the Company increased its authorized common shares to 3,750,000,000.

On January 9, 2014 the Company increased its authorized common shares to 4,750,000,000.

On July 7, 2015 the Company increased its authorized common shares to 7,750,000,000.

On July 15, 2016 the Company increased its authorized common shares to 9,750,000,000.

On October 25, 2016 the Company increased its authorized common shares to 14,750,000,000.

During the quarter ended September 30, 2013, the Company issued 14,471,743 restricted common shares to its directors for services valued at $70,635, 216,514,545 common shares to retire $117,500 in outstanding debenture debt and accrued interest and 2,832,552 restricted common shares valued at $10,000 for consulting services.

During the quarter ended December 31, 2013 the Company paid down $211,396 of debentures payable along with accrued interest on the debentures of $36,104 under four separate conversions totaling the issuance of 450,000,000 common shares.

On October 30, 2013, the Company issued its first tranche of restricted common shares totaling 171,342,846 to the shareholders of three companies it agreed to purchase. See footnote 1 "Acquisitions".

During the quarter ended March 31, 2014, the Company issued 370,895,682 common shares to retire $203,993 of debenture debt and accrued interest to various debenture holders.

During the quarter ended June 30, 2014, the Company issued 1,365,671 common shares for past services rendered by its past Chief Operating Officer, 2,000,000 shares to its current President as part of his employment agreement and 17,534,624 common shares for service rendered during 2013 by a director. The Company also issued 22,901,818 common shares to a debenture holder in payment of $11,000 of principal and $1,596 of accrued interest.

During the quarter ended September 30, 2014, the Company issued 91,561,818 common shares to retire $50,359 of principal and accrued interest on two debentures (see note 5 for details). It also issued 31,361,763 common shares to officers for past services rendered valued at $90,750 and 7,784,070 common shares to consultants valued at $23,000.

During the quarter ended December 31, 2014, the Company issued 202,853,958 common shares for the final payment to the members of OneBode Holdings LLC and OneBode Ventures LLC in order to obtain all of their

outstanding membership units. Also during the quarter there was 10,000,000 common shares issued to staff consultants as bonuses and 109,227,273 common shares issued to three debenture holders to reduce their debenture debt and accrued interest $60,075.

During the quarter ended March 31, 2015, the Company issued 37,739,546 common shares for the final payment to the shareholders of Yo It's Me, Inc. in order to obtain all of the outstanding shares of Yo. Also during the quarter there was 5,000,000 common shares issued to a consultant and 11,574,282 common shares to directors and officers for their 2014 services that were unpaid. In addition there were 249,505,400 common shares issued to five debenture holders that reduced their debenture principal by $815,350 and accrued interest $55,611. During January 2015 there were 216,842,686 common shares returned by certain Debenture Holders valued at $125,003 in exchange for increasing their respective debenture debt by the same amount which was when the shares were originally issued.

During the quarter ended June 30, 2015, the Company issued 145,940,645 common shares to two debenture holders to retire $384,015 of principal and $68,401 of accrued interest. It also issued 750,000 restricted common shares for services.

During the quarter ended September 30, 2015, the Company issued 406,191,069 common shares to two debenture holders to retire $350,000 of principal and $62,333 of accrued interest. It also issued 192,307,692 restricted common shares that were escrowed for an acquisition; however, the shares were returned to the Company during November 2015.

During the quarter ended December 31, 2015, the Company issued 487,718,949 common shares to two debenture holders to retire $388,166 of principal and $75,167 of accrued interest. It also issued 30,133,189 restricted common shares to consultants valued at $125,000 and 23,071,363 restricted common shares to directors and officers valued at $129,500.

During the quarter ended March 31, 2016 the Company issued 859,054,545 common shares to two debenture holders to retire $345,636 of principal and $126,844 of accrued interest. It also issued 20,601,357 restricted common shares to directors valued at $44,000.

During the quarter ended June 30, 2016 the Company issued 859,090,909 common shares to two debenture holders to retire $358,615 of principal and $56,135 of accrued interest.

During the quarter ended September 30, 2016 the Company issued 1,206,954,286 common shares to three debenture holders to retire $363,003 of principal and $28,931 of accrued interest.

At September 30, 2016, the Company had 9,750,000,000 authorized common shares and 8,454,647,328 common shares issued and outstanding.

NOTE 10. SUBSEQUENT EVENTS

On October 25, 2016 the Company increased its authorized common shares to 14,750,000,000 and kept its authorized preferred shares at 30,000,000.