

# **Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines**

## **ATWEC Technologies, Inc.**

3147 Players Club Parkway  
Memphis, TN 38125

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901-690-2471

www.atwec.com

admin@atwec.com

SIC Code: Primary Code 5013; Secondary Code 3600, 3714

### **Quarterly Report**

For the Period Ending: September 30, 2020  
(the "Reporting Period")

As of September 30, 2020, the number of shares outstanding of our Common Stock was:

289,398,368

As of June 30, 2020, the number of shares outstanding of our Common Stock was:

289,398,368

As of December 31, 2019, the number of shares outstanding of our Common Stock was:

282,883,368

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control<sup>4</sup> of the company has occurred over this reporting period:

Yes: ☐ No: ☒

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<sup>4</sup> "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

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**1) Name of the issuer and its predecessors (if any): ATWEC Technologies, Inc.**

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

The Company has been known as **ATWEC Technologies, Inc** since September 29, 2003. From February 23, 1987, the date of incorporation, until September 29, 2003, the Company was known as Agri-Foods International, Inc.

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable)  
Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

**Date:** February 23, 1987; **State of incorporation:** Nevada; **Current Standing:** Active

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

Not applicable

**2) Security Information**

Trading symbol:	ATWT
Exact title and class of securities outstanding:	Common Stock
CUSIP:	050055 201
Par or stated value:	.001
Total shares authorized:	500,000,000 as of date: September 30, 2020
Total shares outstanding:	289,398,368 as of date: September 30, 2020
Number of shares in the Public Float <sup>5</sup> :	4,015,771 as of date: September 30, 2020
Total number of shareholders of record:	1616 as of date: September 30, 2020

*All additional class(es) of publicly traded securities (if any):*

Trading symbol:	N/A
Exact title and class of securities outstanding:	Preferred Stock
CUSIP:	N/A
Par or stated value:	.001
Total shares authorized:	200,000 as of date: September 30, 2020
Total shares outstanding:	200,00 as of date: September 30, 2020

**Transfer Agent**

Name: Continental Stock Transfer and Trust Company  
Phone: 212-509-4000  
Email: cstmail@continentalstock.com

Is the Transfer Agent registered under the Exchange Act?<sup>6</sup> Yes: ☒ No: ☐

<sup>5</sup> "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

<sup>6</sup> To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.



Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

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:

The Company has not had any of these actions occur during the past twelve (12) months. The Company did not file any amendments with the Nevada Secretary of State as contemplated in the quarterly report for the period ending 6-30-2019. However, the Company anticipates issuing additional Common and Preferred shares sometime during 2020, and as such has contemplated filing an amendment to the Certificate of Incorporation in Nevada, whereby the Company would increase its authorized Common shares, from 500,000 up to 1,000,000,000, and would increase its authorized Preferred shares, from 200,000 up to 400,000. The Company's Board of Directors anticipates filing this amendment by September 2020.

### 3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.**

Disclosure under this item shall include, in chronological order, all offerings and issuances of 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. Using the tabular format below, please describe these events.

#### A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u>  Date: January 2018 Common: 267,883,368 Preferred: 200,000			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individuals with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
12/9/2019 (See footnote)	New issuance	15,000,000	Common	\$2,000,000	Yes	Antevorta Capital, LLC  (Julius Csurgo, CEO)	Cash	Restricted	Exemption per 4(a)(2) of the 1933 Act
1/8/2020	New issuance	20,000,000	Common	\$100,000	Yes	Vertex Pacifica, Inc.	Debt conversion	Unrestricted	Exemption per 4(1) and Rule 144(d)

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						(Lisa Gordon, CEO)			of the 1933 Act
2/10/2020	Cancellation	-15,000,000	Common	\$2,000,000	Yes	Antevorta Capital, LLC  (Julius Csurgo, CEO)	N/A	Restricted	Exemption per 4(a)(2) of the 1933 Act
3/20/2020	New issuance	1,000,000	Common	\$90,000	No	Alta Waterford, LLC  (Ben Steinberg, Manager)	Services	Restricted	Exemption per 4(a)(2) of the 1933 Act
6/6/2020	New issuance	500,000	Common	\$80,000	No	ICF Industries, Inc.  (Paul Riss)	Services	Restricted	Exemption per 4(a)(2) of the 1933 Act
6/6/2020	New issuance	10,000	Common	\$1,600	No	Mario Hernandez	Services	Restricted	Exemption per 4(a)(2) of the 1933 Act
6/6/2020	New issuance	5,000	Common	\$800	No	Luis Ramirez	Services	Restricted	Exemption per 4(a)(2) of the 1933 Act
Shares Outstanding on Date of This Report:									
Ending Balance:									
Date: Sept. 30, 2020    Common:									
289,398,368 <sup>7</sup>									
Preferred: 200,000									

**Example:** A company with a fiscal year end of December 31<sup>st</sup>, in addressing this item for its quarter ended September 30, 2019, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2017 through September 30, 2019 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

On December 9, 2019, the Company entered into a stock purchase agreement with Toronto venture capital firm Antevorta Capital Partners ("ACP"), whereby ATWT issued 15M restricted common shares to ACP in return for US\$2,000,000, or \$0.1333 per share, conditioned upon, among other things: due diligence completion, signoff by the Company's legal counsel, payment in-full by ACP, and final approval by the ATWT Board of Directors. The Company never actually received

<sup>7</sup> See equity footnote for reconciliation of outstanding shares per ATWEC books and records and the outstanding shares per the Transfer Agent.



any funds as consideration for the shares, and on February 10, 2020, the Company elected to cancel the transaction, with ACP's knowledge and approval and acceptance of the cancellation, at which time the 15M common shares were cancelled, and rendered null and void. The approval and authorization paperwork has been submitted to the transfer agent, and the Company expects the shareholder statements to reflect these changes during May 2020.

#### B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities..

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☐

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individuals with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
3/6/11	\$1,347,421	\$1,447,221	\$0	3/15/21	None	Taylor Trust Alex Wiley	Payment for patent rights
2/20/12	\$20,000	\$20,000	\$0	2/20/21	50% of bid price at time of conversion	Darnell Stitts, Jr.	Loan
7/12/12	\$25,000	\$25,000	\$0	7/12/21	50% of bid price at time of conversion	Frank and Audrey Martin	Loan
12/19/12	\$11,120	\$11,120	\$0	12/19/21	50% of bid price at time of conversion	Carolyn Cunningham	Loan
1/14/13	\$15,000	\$15,000	\$0	1/14/22	50% of bid price at time of conversion	George Douglas	Loan
8/10/13	\$20,000	\$20,000	\$0	8/10/22	50% of bid price at time of conversion	Robin Regester	Loan
12/9/13	\$25,000	\$25,000	\$0	12/9/22	50% of bid price at time of conversion	Mattie Stits	Loan
11/25/15	\$8,800	\$8,800	\$0	11/15/21	50% of bid price at time of conversion	Teresa Lovitt	Loan
11/15/16	\$9,080	\$9,080	\$0	11/15/22	50% of bid price at time of conversion	Adrien Killebrew	Loan

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1/3/18	\$12,500	\$12,500	\$0	1/3/21	50% of bid price at time of conversion	Ben Lewis	Loan
7/21/18	\$3,540	\$3,540	\$0	7/21/21	50% of bid price at time of conversion	George Rush	Loan
6/5/17	\$8,405	\$8,405	\$0	6/4/20	50% of bid price at time of conversion	Apex Pro Filings (Christina Loud)	Vendor Services
4/10/18	\$27,258	\$27,258	\$0	4/9/22	50% of bid price at time of conversion	Clean A Lot, Inc. (Audrey Davis)	Vendor Services
5/20/18	\$115,000	\$115,000	\$0	5/19/21	50% of bid price at time of conversion	Assembled Products, Inc. (Mike Stevens)	Vendor Services
10/22/18	\$62,175	\$62,175	\$0	10/21/21	50% of bid price at time of conversion	CQubed Data Systems (Roy Regester)	Vendor Services
3/17/15	\$21,345	\$21,345	\$0	3/16/21	50% of bid price at time of conversion	Apex Business Consulting, LLC (Mike Devine)	Consulting
12/13/13	\$67,200	\$68,00	\$0	12/31/21	50% of bid price at time of conversion	Alex Wiley	Accrued Wages
12/13/17	\$21,200	\$22,000	\$0	12/31/21	50% of bid price at time of conversion	Darnell Stitts	Accrued Wages
12/31/17	\$23,000	\$23,000	\$0	12/31/21	50% of bid price at time of conversion	Alex Wiley	Accrued Wages
12/31/18	\$35,000	\$35,000	\$0	12/31/21	50% of bid price at time of conversion	Darnell Stitts	Accrued Wages
12/31/19	\$38,000	\$38,000	\$0	12/31/21	50% of bid price at time of conversion	Darnell Stitts	Accrued Wages
6/26/20	\$30,000	\$30,000	\$0	12/26/20	The lesser of \$.15 or 70% of the lowest bid over the prior 5 days	EROP Capital, LLC (Vince Sbarra)	Promissory Note

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7/6/20	\$26,500	\$26,500	\$0	12/26/20	The lesser of \$.15 or 70% of the lowest bid over the prior 5 days	EROP Capital, LLC (Vince Sbarra)	Promissory Note
7/13/20	\$27,000	\$27,000	\$0	12/26/20	The lesser of \$.15 or 70% of the lowest bid over the prior 5 days	EROP Capital, LLC (Vince Sbarra)	Promissory Note
7/20/20	\$31,000	\$31,000	\$0	12/26/20	The lesser of \$.15 or 70% of the lowest bid over the prior 5 days	EROP Capital, LLC (Vince Sbarra)	Promissory Note
7/27/20	\$60,000	\$60,000	\$0	12/26/20	The lesser of \$.15 or 70% of the lowest bid over the prior 5 days	EROP Capital, LLC (Vince Sbarra)	Promissory Note
8/3/20	\$225,000	\$225,000	\$0	12/26/20	The lesser of \$.15 or 70% of the lowest bid over the prior 5 days	EROP Capital, LLC (Vince Sbarra)	Promissory Note
8/10/20	\$88,000	\$88,000	\$0	12/26/20	The lesser of \$.15 or 70% of the lowest bid over the prior 5 days	EROP Capital, LLC (Vince Sbarra)	Promissory Note
9/1/20	\$35,000	\$35,000	\$0	12/26/20	The lesser of \$.15 or 70% of the lowest bid over the prior 5 days	EROP Capital, LLC (Vince Sbarra)	Promissory Note
9/14/20	\$23,000	\$23,000	\$0	12/26/20	The lesser of \$.15 or 70% of the lowest bid over the prior 5 days	EROP Capital, LLC (Vince Sbarra)	Promissory Note

Use the space below to provide any additional details, including footnotes to the table above:

All interest on notes have been waived by shareholders

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#### 4) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☒ U.S. GAAP  
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)<sup>8</sup>:

Name: **Alex Wiley, III**  
Title: **CPA**  
Relationship to Issuer: **Independent Consultant, hired by the Company**

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

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Statement of Changes in Shareholders' Equity
- G. Financial notes; and
- H. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below. Financial Statements must be compiled in one document.

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

#### 5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

**A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")**

The Company markets and sells a unique line of hi-tech childcare safety and security products to schools and daycare centers across North America. The company is a Nevada corporation and currently has its headquarters in Memphis, TN with product manufacturing at a plant in Rogersville, AL. The company has invested its labor and capital towards the development, manufacturing and distribution of its Kiddie System products, specializing in the protection and safety of children as related to vehicles and transportation, which can be dangerous and potentially life threatening. The Kiddie Voice alarm system is protected by patent no. US 7,646.288 B2 "Occupant Warning System for School or Day Care Bus and Van", which ensures that a driver and others will be alerted by a unique warning system that prevents children from being forgotten or left in vehicles.

<sup>8</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.



Thousands of children get forgotten or "left behind" in school transport vehicles each year, and since 2000 more than 400 children have died in unattended vehicles in the US, either in extreme heat or cold conditions according to industry research data. The total number of accidents and incidents causing children distress or harm is estimated at greater than 20,000 during this period. These statistics prove that children are constantly at risk and even one accident is too many and must be prevented by society if possible. The Kiddie Systems product line has been developed to combat this danger, and is now being implemented across the US, protecting day care children and drivers from potential disasters.

The Company has elected to form a new division which will promote advocacy for children's safety all over the world and "provide the technology to save children's lives". Laws have now been passed in California, New York, Texas, Florida, Tennessee, Wisconsin, Arkansas, and Louisiana which require vehicle alarm and warning systems to be installed in all the state's daycare vans and buses, and ATWEC Technologies hopes to capitalize on this growing awareness and safety movement in order to sell and install its products across the US, Canada, and Mexico.

The Company is now devoting most of its focus on increasing its sales and marketing efforts of its Kiddie Voice product for school and daycare buses and vans in warm-weather states such as Florida, Georgia, Louisiana and Texas, as well as New York and Illinois. The Company's strategic vision is to drive the business and create worldwide brand recognition as the "premier childcare safety company in the world". The Company is targeting schools on a state-by state basis, and with increased market penetration through 2022, the Company projects increased revenues and earnings each year.

With its unique patented technology, the successful sales and distribution of the Kiddie Systems products comprise the Company's strategic plan. The Company's immediate marketing strategy is the launch of a world-class marketing campaign via telemarketing operators, advertisements in trade journals, direct mailings, and direct marketing with a focus on child safety and efficiency. Traditional advertisement, web links, multiple search engine listings, direct email promotions and value-added reseller distributor accounts will all contribute to driving sales and revenues of the Kiddie Systems products.

**B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of such entity's business, contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference**

The Company has no subsidiaries, parents, or affiliated companies.

**C. Describe the issuers' principal products or services, and their markets**

ATWEC Technologies has developed and sells the following two automotive safety products:

1. Kiddie Voice: The Company's Kiddie Voice' safety alarm system, which is designed to prevent the abandonment of small children on a daycare bus or van. The system automatically activates each time the ignition of a vehicle is turned off, as an immediate electronic message begins to warn the driver to check the entire vehicle for all passengers. This feature occurs each time a daycare vehicle is started and then switched off. Once activated, the Kiddie Voice system can only be turned off by the driver walking to the inside rear of the vehicle and pressing the reset switch located there. Stories of childhood fatalities on daycare vans and school buses continue to flood news headlines. These situations often result from simple oversights or a failure to adhere to the most elementary safety guidelines. In all these instances, these tragic circumstances could have been prevented with the Company's Kiddie Voice system. The patented system retails in the US for \$299 and is installed by the Company's trained and certified technicians. The Kiddie Voice technology prompts the driver to become actively involved and totally accountable during the transport of children to their homes and classrooms.

Daycare Centers Using Kiddie Voice System (Tennessee customers using products):

(at least one (1) or more systems installed in their active vehicle fleet)

AC Jackson Daycare

Around the Clock Daycare Christian United Daycare Cooper's Cottage

Creative Christian learning Creative Learning Childcare Educare Learning Center

Ellis Grove Learning Center

Hooks-Dimmick (Euclid) Hooks-Dimmick (Howell)

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Horn Lake Road Daycare  
Jack & Jill Daycare  
Kids Cottage Daycare Kids Schools, Inc.  
Kings and Queens Daycare  
LaShawn's Around the Clock  
Learn it Write Children  
Lil Angels Daycare  
Little People Child Development  
Luv & Hugs Childcare  
Macon Road Childcare  
Merryland Childcare  
Mrs. Zana's Childcare  
New Tyler Learning Center  
Our Future Learning Center  
Peabody Avenue Daycare  
Primetime Daycare Center  
Pyramid Quality Childcare Resurrection Community  
Riverview Kansas Daycare  
Small World Learning Center  
Spirit, Soul, and Body Ministries  
South Memphis Child Development  
Tanglewood Child Development  
The Little Village Childcare  
Twinkles Daycare Center  
United Methodist Neighborhood

2. Kiddie Alert: The Company's Kiddie Alert system is a back-up voice-enhanced alerting system, designed for larger motor vehicles, including buses, vans, and trucks. The system is automatically activated each time the vehicle's transmission is shifted into reverse. At that time, a piercing electronic beeping, along with effective voice messaging, begins alerting pedestrians the vehicle is preparing for rearward motion and to "please stand clear." The system currently retails for \$99. According to the US Department of Transportation, 27% of all vehicle accidents occurred during reverse. Further research has revealed that approximately 70% of these accidents could have been prevented with the use of a collision avoidance system such as Kiddie Alert. This advanced vehicle backup technology can enhance any vehicle's current reverse-sensory system. Kiddie Alert delivers voice commands to children or adults in proximity to the rear of the reversing vehicle. Unlike the outdated piezo electric beeping sounds, the new generation voice command module heightens the awareness to exercise extreme caution for drivers and pedestrians, during any vehicle's reverse movement. The Company utilizes the motto: "No distractions. No excuses. No oversights. Just safety."

#### **6) 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 currently leases approximately 2,300 square feet of commercial office space in Memphis, at 3147 Players Club Parkway, Memphis, TN 38125. The Company utilizes the space for its corporate headquarters, where it conducts its business operations, including all sales, training, marketing, website management. R&D, and other management

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functions. The Company has signed a lease with the landlord that will run through the end of 2021, and pays rent monthly. The Company utilizes three full-time employees who work out of this office. The Company is responsible for paying its own utilities. The Company utilizes outside sales representatives and distributors, who operate primarily on a local and regional basis. The Company is now seeking to move its headquarters to Atlanta, GA upon receipt of the proposed financing, for several reasons including larger customer base, efficiency of travel, and proximity to financing sources. Management has begun searching for office space, for lease, throughout the Atlanta area, with hopes to sign a lease sometime in mid-2021. The Company outsources its manufacturing function, for the production of its Kiddie Systems product line, to two companies with manufacturing plants located in the Southeast United States, and is constantly seeking alternative sources of manufacturing, production, and other outsourced functions, in order to optimize efficiency and minimize costs.

## 7) 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 or beneficial shareholders.

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% or more of any class of the issuer's securities, as well as any officer, and any director of the company, regardless of the number of shares they own. If any listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Alex T. Wiley	President, CEO, Director, Greater than 5% owner	Memphis, TN	105,000,000 200,000	Common Preferred	36.28% 100%	Preferred shares carry 1 for 10,000 voting rights, or 2B voters for a total of 2.135B outstanding class or 93.3%
Darnell Stitts	CFO, Director, Greater than 5% owner	Memphis, TN	25,000,000	Common	8.62%	
Bishop David Hall	Outside Director	Memphis, TN	5,000,000	Common	1.72%	
Glover Gray	Shareholder	Memphis, TN	5,000,000	Common	1.72%	

## 8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 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);

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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

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

#### 9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

##### Securities Counsel

Name: Stephen Mills  
Firm: Law Office of Stephen Mills  
Address 1: PO Box 281077  
Address 2: Nashville, TN 37228  
Phone: (615) 476-1151  
Email: stephenmillslaw@gmail.com

##### Accountant or Auditor

Name: Alex Wiley, III  
Firm: Thompson & Wiley Consulting, LLC  
Address 1: 1601 Gander Cove Lane  
Address 2: Matthews, NC 28105  
Phone: (901) 672-4482  
Email: wileyalex3@gmail.com

##### Investor Relations

Name: N/A  
Firm:  
Address 1:  
Address 2:  
Phone:

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Email:

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared or provided information with respect to this disclosure statement**. This includes counsel, advisor(s) or consultant(s) or provided assistance or services to the issuer during the reporting period.

Name: Patrick R. Brown, Esq  
Firm: Law Office of Patrick Brown  
Nature of Services: Corporate legal counsel  
Address 1: 7337 Preakness Stakes Lane  
Address 2: Charlotte, TN 28215  
Phone: (706) 664-3837  
Email: Patrickbrown@gmail.com

**10) Issuer Certification**

*Principal Executive Officer:*

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, Alex Wiley certify that:

1. I have reviewed this quarterly disclosure statement of ATWEC Technologies, Inc.;
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.

\_\_\_\_ [Date] 11-13-2020

\_\_\_\_ [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

*Principal Financial Officer:*

I, Darnell Stitts certify that:

1. I have reviewed this quarterly disclosure statement] of ATWEC Technologies, Inc.;
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.

\_\_\_\_ [Date] Nov 13-2020

\_\_\_\_ [CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

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ATWEC TECHNOLOGIES, INC. (ATWT)

ATWEC Technologies, Inc.

Consolidated Balance Sheet

Period Ending 9/30/2020

**ASSETS**

**Current Assets:**

Cash on Hand/Checking Accounts	\$ 63,458
Accounts Receivable	5,150

**Total Current Assets**

**\$ 68,608**

**Fixed Assets:**

Computers	\$ 5,557
Less Depreciation	(3,757)
Furniture & Equipment	14,320
Less Depreciation	(5,321)
Leasehold Improvements	21,209
Less Depreciation	(7,880)

**Total Fixed Assets**

**\$ 24,128**

**Other Assets:**

Goodwill	\$ 1,499,100
Investments - C/S	38,277
Investments - Safeguard	40,000
Intellectual Property	1,552,690

**Total Other Assets**

**\$ 3,130,067**

**Total Assets**

**\$ 3,222,803**

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# ATWEC TECHNOLOGIES, INC. (ATWT)

## LIABILITIES & EQUITY

### Current Liabilities:

Accounts Payable	\$ 981
Loans Payable	0

**Total Accounts Payable** \$ 981

### Other Current Liabilities:

Taxes Payable	\$ 0
Wages Payable	0

**Total Current Liabilities** \$ 981

### Long-Term Liabilities:

Notes Payable Shareholders	\$ 105,040
Accrued Wages	34,400
Notes Payable Vendors	234,183
Notes Payable to Trust	1,337,421
Convertible Notes Payable	545,500

**Total Long-Term Liabilities** \$ 2,256,544

**Total Liabilities** \$2,257,525

## Equity

### Capital Stock:

Common Shares \$0.001 par value	\$ 1,361,106
Preferred Shares \$0.001 par value	20,000
Paid in Capital	531,088
Retained Earnings	(946,916)

**Total Equity** \$ 965,278

**Total Liabilities and Equity** \$3,222,803

ATWEC TECHNOLOGIES, INC.  
 QUARTERLY & YTD PROFIT & LOSS  
 Period ended September 30, 2020

	Jul 1- Sept 30	YTD TOTAL
<b>Ordinary Income/Expense</b>		
Income:		
Sales	\$ 8,031	\$ 8,866
KV-2	440	1,600
Discounts	0	(330)
<b>Total Sales</b>	<b>\$ 8,471</b>	<b>\$ 10,136</b>
Sales of Product Income	\$ 9,155	\$ 13,388
Services	275	455
Shipping Income	111	281
<b>Total Income</b>	<b>\$ 19,012</b>	<b>\$ 24,260</b>
Cost of Goods Sold:		
Cost of Goods Sold	\$ 16,639	\$ 20,250
<b>Total Cost of Goods Sold</b>	<b>\$ 16,639</b>	<b>\$ 20,250</b>
<b>Gross Profit</b>	<b>\$ 2,373</b>	<b>\$ 4,010</b>
Expenses/Professional Services:		
Depreciation	\$ 685	\$ 7,859
Research & Development	22,000	22,000
Sales & Marketing	165,000	181,550
Corporate Fees & Expenses	0	15,525
Consulting Services	0	83,475
Legal Services	0	1,750
Transfer Agent Services	2,248	11,223
Utilities	550	550
Office & General Administration	170,071	170,071
Telephone	650	650
Insurance	135	135
Rent	12,800	12,800
<b>Total Expenses</b>	<b>\$ 374,139</b>	<b>\$ 507,588</b>
<b>Net Operating Loss</b>	<b>\$ (371,766)</b>	<b>\$ (503,578)</b>
<b>Net Loss</b>	<b>\$ (371,766)</b>	<b>\$ (503,578)</b>

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# ATWEC TECHNOLOGIES, INC. (ATWT)

## Cash Flow Statement

Period Ending 9/30/2020

Third Quarter

September 30, 20220

<b>Cash from Operations</b>	
Net Loss	<b>\$(371,766)</b>
Depreciation	\$ 685
(Increase) decrease in accounts receivable	\$ 0
Increase (decrease) in accounts payable	\$ 0
(Increase) decrease in inventory	\$ 0
<b>Net cash from (used by) Operating Activities</b>	<b>\$ (371,081)</b>
<b>Cash from Investing Activities</b>	
Purchase of equipment	\$ 0
<b>Net cash from (used by) Investing activities</b>	<b>\$ 0</b>
<b>Cash from Financing Activities</b>	
Issuance of common stock for services	\$0
Proceeds from note payable	\$ 515,500
Payment of accrued salary to officer	\$ (120,000)
<b>Net cash from (used by) Financing Activities</b>	<b>\$ 395,500</b>
Total Cash Flow	\$ 24,419
Beginning Cash	\$ 39,039
Ending Cash	<b>\$ 63,458</b>

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**ATWEC TECHNOLOGIES, INC. (ATWT)**  
**Consolidated Statement of Changes in Shareholder's Equity**  
**As of September 30, 2020**

	<b>Common Shares</b>		<b>Preferred Shares</b>			
	<b>Shares</b>	<b>\$ Amount</b>	<b>Shares</b>	<b>\$ Amount</b>	<b>Accumulated Deficit</b>	<b>Total Shareholder Equity</b>
Balance at 6/30/2020	289,398,368	\$1,892,194	200,000	\$20,000	\$(575,150)	1,337,044
Common stock issue for cash	0	0	0	0	0	0
Preferred stock issued for services	0	0	0	0	0	0
Common stock issued for cancellation of debt	0	0	0	0	0	0
Common stock issued for services	0	0	0	0	0	0
Prior Period Adj.	0	0	0	0	0	0
Net Loss					\$(371,766)	\$(371,766)
<b>Balance at 9/30/2020</b>	<b>289,398,368</b>	<b>\$1,892,194</b>	<b>200,000</b>	<b>\$20,000</b>	<b>\$(946,916)</b>	<b>965,278</b>

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# ATWEC TECHNOLOGIES, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED September 30, 2020

### 1. Organization and Principal Activities

ATWEC Technologies, Inc., a Nevada c-corporation, originally incorporated on February 23, 1987, is publicly traded on the OTC Markets under the symbol 'ATWT'. ATWEC is a US-based technology company, with offices in Memphis, TN and manufacturing center in Rogersville, AL, which develops, markets, and sells a unique line of cutting-edge security devices, designed to protect the transportation of child students, while aiding administrators, and giving parents valuable "peace of mind". The Company has invested substantial resources towards the production and sale of its kiddie Systems™ product line, being sold to schools, churches, and day care centers throughout North America. The Company has taken an active role in helping to pass sweeping statewide legislation designed to protect children, with states now mandating the Company's safety devices, and imposes fines and other penalties for organizations not in compliance. This development has caused a marked demand for the Company's products and services, with additional gains projected through 2022.

The unaudited financial statements included herein were prepared from the records of the Company and adjusted for comparative purposes. These financial statements reflect all adjustments which, in the opinion of management, are necessary to provide the results of operations and financial position for the nine months ended September 30, 2020. Significant adjustments may be required upon the financial statements being audited to be in conformity with Generally Accepted Accounting Principles of the United States of America.

### 2. Going Concern

As reflected in the accompanying consolidated financial statements, as of September 30, 2020, the Company had \$68,608 of current liquid assets and \$981 of current liabilities, for a working capital of \$67,627. These factors raise questions about the Company's ability to continue as a going concern. In view of the matters described above, recoverability of a major portion of the recorded asset amounts shown in the accompanying consolidated balance sheet is dependent upon the Company's ability to complete its proposed acquisition, raise additional capital, obtain liability financing, make immediate sales, and succeed in its future operations. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classification of recorded asset amounts or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

The accounts have been prepared on the basis that the entity can meet its commitments as and when they fall due and can therefore continue normal business activities, and the realization of assets in the ordinary course of business. Management has taken the following steps to revise its operating and financial requirements, which it believes are sufficient to provide the Company with the ability to continue as a going concern. The Company has been actively pursuing an acquisition target, a private US corporation currently engaged in child safety vehicle and tracking technology, and other strategic partners, in order to obtain up to US\$1,089,000 in investment capital during 4Q 2020 in order to pay off creditors, and also to obtain a line of credit and/or a funding via Regulation

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A, for up to an additional US\$2,000,000, by early 2021, upon successful registration statement(s), which would provide the Company with necessary working capital, and enhance stockholders' investment.

Throughout the third quarter of 2020, the Company's Board of Directors sought to raise short-term capital through loans and/or equity investment, via limited private placements, while also seeking to reduce corporate debt where optimal, so that the Company could strengthen its balance sheet, and obtain funds necessary for paying key creditors, such as OTC Markets, Continental Stock Transfer & Trust Company, Assembled Products, marketing and investor relations firms, attorneys, consultants, accountants, and other vendors. The Company hopes to attract new investors and complete an acquisition with a targeted candidate by December 2020, and Management believes that these corporate actions will allow the Company to experience substantial growth in 2020-21 fiscal years.

### 3. Summary of Significant Accounting Policies

#### Basis of Presentation

The accompanying consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States of America ("US GAAP"). The consolidated financial statements include the account of ATWEC Technologies, Inc. and all of its current lines of business, including Kiddie Systems™ products and services, alarm monitoring services, and other potential newly-developed vehicle security technologies.

#### Statement of Cash Flows

In accordance with Financial Accounting Standards Board ("FASB") guidance, cash flow from the Company's operations is calculated based upon the functional currency. As a result, amounts related to assets and liabilities reported on the statement of cash flows may not necessarily agree with changes in the corresponding balances on the balance sheet.

#### Use of Estimates

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

#### Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits in banks with maturities of three months or less, and all highly liquid investments which are unrestricted as to withdrawal or use, and which have original maturities of three months or less. Fair Value of Financial Instruments estimates fair values of cash, property and equipment, and due to stockholder, none of which are held for trading purposes, approximates their carrying value because of short-term maturity of these instruments or the stated interest rates are indicative of market interest rates.

#### Accounts Receivable

Accounts receivable are recorded at the invoice amount and do not bear interest. The Company extends unsecured credit to its customers in the ordinary course of business but mitigates the associated risks by

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performing credit checks and actively pursuing past due accounts. An allowance for doubtful accounts is established and determined based on managements' assessment of known requirements, aging of receivables, payment history, the customer's current credit worthiness, and the economic environment. Recoveries of balances previously written off are also reflected in this allowance.

#### Concentrations of Credit Risk

Financial instruments that subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents. The Company maintains its cash and cash equivalents with high-quality institutions. Deposits held with banks may exceed the amount of insurance provided on such deposits. Generally, these deposits may be redeemed upon demand and therefore bear minimal risk.

#### Property, Plant, and Equipment

Property, plant, and equipment are carried at cost. The cost of repairs and maintenance is expensed as incurred; major replacements and improvements are capitalized. When assets are retired or disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gains or losses are included in income in the year of disposition.

The Company recognizes the depreciation of its property, plant, and equipment on a straight-line basis over the estimated useful lives of the assets based on their costs less 5% residual value. The useful lives for property, plant and equipment are estimated as follows:

Plant and machinery	10 years
Office equipment and furniture	5 to 10 years
Leasehold Improvements	5 to 10 years
Motor vehicles	5 to 10 years

#### Other Assets

The Company capitalizes the costs associated with obtaining patents, trademarks, or other intellectual property associated with its business. Such costs are amortized over the estimated useful life of such assets using the straight-line method, unless such useful life is deemed indefinite. Investments total \$78,277, and include amounts invested in other stocks and directly into the purchase of Safeguard Alarm and Guard Services, a TN security corporation, whereby the Company acquired their assets including the firm's security alarm accounts, client list, marketing, TN licenses, goodwill, and accounts receivable.

#### Goodwill

Goodwill is an accounting concept meaning the value of an entity over and above the value of its assets, or expressing the intangible but quantifiable 'prudent value of an ongoing business beyond its assets resulting in part from the reputation of the Company with its customers. As is given herein, goodwill is defined as the value between the proposed purchase price of the Company and the sum of the fair net value of the net assets. If another company were to acquire the Company, that company must recognize goodwill as an asset in its

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financial statements and present it as a separate line item on its balance sheet. In this sense, goodwill serves as the balancing sum that allows one company to provide accounting information regarding its purchase of another firm for a price substantially different from its book value.

#### Intellectual Property

Intellectual Property is a broad categorical description for the set of intangibles owned and legally protected by a company from outside use or implementation without consent. Intellectual property can generally consist of patents, trade secrets, copyrights, trademarks, or ideas and content. The Company has obtained several informal valuations on the value of its product concepts and trademarks, along with its patent no. US 7,646,288 B2 "Occupant Warning System for School or Day Care Bus and Van", which ensures that a driver and others will be alerted by a unique warning system that prevents children from being forgotten or left in vehicles. The Company has defined the value of the patent as a variable amount, increasing as the patent grows in value with the increased sales, and spreading acceptance and usage of its safety devices in North America, and this value has remained consistent since 2014, totaling \$1,552,690 as of 9/30/20.

#### Income Taxes

The Company accounts for income tax under the provisions of Statements of Financial Accounting Standards No. 109, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements. Deferred income taxes are provided using the liability method. Under the liability method, deferred income taxes are recognized for all significant temporary differences between the tax and financial statement bases of assets and liabilities. In addition, the Company is required to record all deferred tax assets, including future tax benefits of capital losses carried forward, and to record a "valuation allowance" for any deferred tax assets where it is more likely than not that the asset will not be realized.

#### 4. Accounts Receivable

The Company's accounts receivable on September 30, 2019 & 2020 are summarized as follows:

	<u>9/30/19</u>	<u>9/30/20</u>
Accounts Receivable	\$2,650	\$5,150
<u>Less: Allowance for doubtful accounts</u>	<u>0</u>	<u>0</u>
Accounts Receivable, net	\$2,650	\$5,150

The Company's accounts receivables consist of payments still outstanding for sales of the Company's patented Kiddie Voice TM systems, sold to customers in the child-care and special-needs industries. The expected duration for receiving complete payment for the product sales averages between 45-60 days.

#### 5. Liabilities

##### Loans from Shareholders:

Loans from shareholders and other Company insiders have been made to the Company since early 2012, in the total principal amount of \$105,040, with interest being charged to the Company at 3% per annum over the term of the notes (see the "NOTES"). The Company has raised money for meeting working capital needs by



obtaining investment during the past several years. This investment was procured by the Company's Board of Directors, with no finders, or any commissions paid out, at terms favorable to both the Company and the investor. The notes allowed the Company to operate its business and pay debts as they became due.

All of the notes have substantially similar terms, with 3-year Notes, and interest at 3% per annum. The notes can be rolled over for an additional 3-year term, and the amount due being convertible, at the Lender's option, into common shares at a price which is a standard discount to ATWT market price at the time of the conversion.

#### Accrued Wages:

Accrued wages are comprised of past salaries for all officers and directors of the Company, who have not been paid for prior services performed, for the Company's benefit. The Company has issued shares in prior years, so as to reduce this amount, and has been successful in maintaining a manageable amount owed. Although the Company has compensated its officers and directors with cash and stock payments since inception, its ongoing lack of sufficient working capital has often forced its key insiders to forego, or defer, substantial compensation, in the form of "accrued wages". As such, the Company's total Accrued Wages outstanding now totals \$34,400 as of 9/30/20, owed to the Company's CEO Alex Wiley and COO Darnell Stitts, respectively.

#### Notes Payable:

As of 9/30/20, Notes Payable are comprised of several key corporate vendors, including several service providers, all owed money by the Company for essential services given to the Company in prior fiscal years, when the Company felt it necessary to obtain these services during the normal course of business, for a total amount outstanding of \$234,138, whereby the Company entered into three-year notes with these vendors for the balances, with interest being paid at 6% per annum. The amount calculated has been adjusted to accurately reflect the current and updated amount of interest accrued, which will be repaid by the Company in due course. The Company has identified a California-based venture capital firm to assist the Company in paying off these vendors through a 3(a)10 financing vehicle, which would require a fairness opinion, which the Company anticipates it will commence in September 2020. The Taylor Trust has executed the sale of the Company's patent to the Company, in return for cash payment over time, with the current amount outstanding and due and payable to the Taylor Trust is \$1,347,421, in the form of Sale of Patent and Promissory Note, which was reduced by \$100,000 during 1Q, being paid down by a sophisticated investor in return for shares of common stock.

#### Convertible Secured Promissory Notes

On June 26, 2020 the Company entered into a convertible secured promissory note to pay to EROP Capital, LLC or its registered assigns (the "Holder"), the principal sum of US\$30,000.00, on the twelve month anniversary of the Original Issue Date (the "Maturity Date"), and to pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note.

The Company shall pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note at the rate of 8% per annum, of which six (6) months shall be guaranteed, subject to the terms of the agreement. Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30 calendar day periods, and shall accrue daily commencing on the Original Issue Date until payment in full of the outstanding principal, together with all accrued and unpaid interest, liquidated damages and other amounts which may become due. All overdue accrued and unpaid interest to be paid hereunder shall entail a late fee at an interest rate equal to the



lesser of 18% per annum or the maximum rate permitted by applicable law (the "Late Fees") which shall accrue daily from the date such interest is due hereunder through and including the date of actual payment in full.

At any time before the Maturity Date or conversion of this Note in full, and upon ten (10) days written notice to the Holder, the Company may prepay any portion of the principal amount of this Note and any accrued and unpaid interest, multiplied by 125%.

The Note shall also be redeemed in full by the payment of the principal amount and any accrued and unpaid interest, multiplied by 125%, upon (i) a Change of Control Transaction or the Company shall agree to sell or dispose of all or in excess of 33% of its assets in one transaction or a series of related transactions (whether or not such sale would constitute a Change of Control Transaction) or (ii) at the Maturity Date.

On July 2, 2020 the Company entered into a convertible secured promissory note to pay to EROP Capital, LLC or its registered assigns (the "Holder"), the principal sum of US\$26,500.00, on the twelve month anniversary of the Original Issue Date (the "Maturity Date"), and to pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note.

The Company shall pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note at the rate of 8% per annum, of which six (6) months shall be guaranteed, subject to the terms of the agreement. Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30 calendar day periods, and shall accrue daily commencing on the Original Issue Date until payment in full of the outstanding principal, together with all accrued and unpaid interest, liquidated damages and other amounts which may become due. All overdue accrued and unpaid interest to be paid hereunder shall entail a late fee at an interest rate equal to the lesser of 18% per annum or the maximum rate permitted by applicable law (the "Late Fees") which shall accrue daily from the date such interest is due hereunder through and including the date of actual payment in full.

At any time before the Maturity Date or conversion of this Note in full, and upon ten (10) days written notice to the Holder, the Company may prepay any portion of the principal amount of this Note and any accrued and unpaid interest, multiplied by 125%.

The Note shall also be redeemed in full by the payment of the principal amount and any accrued and unpaid interest, multiplied by 125%, upon (i) a Change of Control Transaction or the Company shall agree to sell or dispose of all or in excess of 33% of its assets in one transaction or a series of related transactions (whether or not such sale would constitute a Change of Control Transaction) or (ii) at the Maturity Date.

On July 13, 2020 the Company entered into a convertible secured promissory note to pay to EROP Capital, LLC or its registered assigns (the "Holder"), the principal sum of US\$27,000.00, on the twelve month anniversary of the Original Issue Date (the "Maturity Date"), and to pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note.

The Company shall pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note at the rate of 8% per annum, of which six (6) months shall be guaranteed, subject to the terms of the agreement. Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30 calendar day periods, and shall accrue daily commencing on the Original Issue Date until payment in full of the outstanding principal, together with all accrued and unpaid interest, liquidated damages and other amounts which may become due. All overdue accrued and unpaid interest to be paid hereunder shall entail a late fee at an interest rate equal to the lesser of 18% per annum or the maximum rate permitted by applicable law (the "Late Fees") which shall accrue daily from the date such interest is due hereunder through and including the date of actual payment in full.



At any time before the Maturity Date or conversion of this Note in full, and upon ten (10) days written notice to the Holder, the Company may prepay any portion of the principal amount of this Note and any accrued and unpaid interest, multiplied by 125%.

The Note shall also be redeemed in full by the payment of the principal amount and any accrued and unpaid interest, multiplied by 125%, upon (i) a Change of Control Transaction or the Company shall agree to sell or dispose of all or in excess of 33% of its assets in one transaction or a series of related transactions (whether or not such sale would constitute a Change of Control Transaction) or (ii) at the Maturity Date.

On July 20, 2020 the Company entered into a convertible secured promissory note to pay to EROP Capital, LLC or its registered assigns (the "Holder"), the principal sum of US\$30,000.00, on the twelve month anniversary of the Original Issue Date (the "Maturity Date"), and to pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note.

The Company shall pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note at the rate of 8% per annum, of which six (6) months shall be guaranteed, subject to the terms of the agreement. Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30 calendar day periods, and shall accrue daily commencing on the Original Issue Date until payment in full of the outstanding principal, together with all accrued and unpaid interest, liquidated damages and other amounts which may become due. All overdue accrued and unpaid interest to be paid hereunder shall entail a late fee at an interest rate equal to the lesser of 18% per annum or the maximum rate permitted by applicable law (the "Late Fees") which shall accrue daily from the date such interest is due hereunder through and including the date of actual payment in full.

At any time before the Maturity Date or conversion of this Note in full, and upon ten (10) days written notice to the Holder, the Company may prepay any portion of the principal amount of this Note and any accrued and unpaid interest, multiplied by 125%.

The Note shall also be redeemed in full by the payment of the principal amount and any accrued and unpaid interest, multiplied by 125%, upon (i) a Change of Control Transaction or the Company shall agree to sell or dispose of all or in excess of 33% of its assets in one transaction or a series of related transactions (whether or not such sale would constitute a Change of Control Transaction) or (ii) at the Maturity Date.

On July 27, 2020 the Company entered into a convertible secured promissory note to pay to EROP Capital, LLC or its registered assigns (the "Holder"), the principal sum of US\$60,000.00, on the twelve month anniversary of the Original Issue Date (the "Maturity Date"), and to pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note.

The Company shall pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note at the rate of 8% per annum, of which six (6) months shall be guaranteed, subject to the terms of the agreement. Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30 calendar day periods, and shall accrue daily commencing on the Original Issue Date until payment in full of the outstanding principal, together with all accrued and unpaid interest, liquidated damages and other amounts which may become due. All overdue accrued and unpaid interest to be paid hereunder shall entail a late fee at an interest rate equal to the lesser of 18% per annum or the maximum rate permitted by applicable law (the "Late Fees") which shall accrue daily from the date such interest is due hereunder through and including the date of actual payment in full.

At any time before the Maturity Date or conversion of this Note in full, and upon ten (10) days written notice to the Holder, the Company may prepay any portion of the principal amount of this Note and any accrued and unpaid

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interest, multiplied by 125%.

The Note shall also be redeemed in full by the payment of the principal amount and any accrued and unpaid interest, multiplied by 125%, upon (i) a Change of Control Transaction or the Company shall agree to sell or dispose of all or in excess of 33% of its assets in one transaction or a series of related transactions (whether or not such sale would constitute a Change of Control Transaction) or (ii) at the Maturity Date.

On August 3, 2020 the Company entered into a convertible secured promissory note to pay to EROP Capital, LLC or its registered assigns (the "Holder"), the principal sum of US\$225,000.00, on the twelve month anniversary of the Original Issue Date (the "Maturity Date"), and to pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note.

The Company shall pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note at the rate of 8% per annum, of which six (6) months shall be guaranteed, subject to the terms of the agreement. Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30 calendar day periods, and shall accrue daily commencing on the Original Issue Date until payment in full of the outstanding principal, together with all accrued and unpaid interest, liquidated damages and other amounts which may become due. All overdue accrued and unpaid interest to be paid hereunder shall entail a late fee at an interest rate equal to the lesser of 18% per annum or the maximum rate permitted by applicable law (the "Late Fees") which shall accrue daily from the date such interest is due hereunder through and including the date of actual payment in full.

At any time before the Maturity Date or conversion of this Note in full, and upon ten (10) days written notice to the Holder, the Company may prepay any portion of the principal amount of this Note and any accrued and unpaid interest, multiplied by 125%.

The Note shall also be redeemed in full by the payment of the principal amount and any accrued and unpaid interest, multiplied by 125%, upon (i) a Change of Control Transaction or the Company shall agree to sell or dispose of all or in excess of 33% of its assets in one transaction or a series of related transactions (whether or not such sale would constitute a Change of Control Transaction) or (ii) at the Maturity Date.

On August 10, 2020 the Company entered into a convertible secured promissory note to pay to EROP Capital, LLC or its registered assigns (the "Holder"), the principal sum of US\$88,000.00, on the twelve month anniversary of the Original Issue Date (the "Maturity Date"), and to pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note.

The Company shall pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note at the rate of 8% per annum, of which six (6) months shall be guaranteed, subject to the terms of the agreement. Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30 calendar day periods, and shall accrue daily commencing on the Original Issue Date until payment in full of the outstanding principal, together with all accrued and unpaid interest, liquidated damages and other amounts which may become due. All overdue accrued and unpaid interest to be paid hereunder shall entail a late fee at an interest rate equal to the lesser of 18% per annum or the maximum rate permitted by applicable law (the "Late Fees") which shall accrue daily from the date such interest is due hereunder through and including the date of actual payment in full.

At any time before the Maturity Date or conversion of this Note in full, and upon ten (10) days written notice to the Holder, the Company may prepay any portion of the principal amount of this Note and any accrued and unpaid interest, multiplied by 125%.



The Note shall also be redeemed in full by the payment of the principal amount and any accrued and unpaid interest, multiplied by 125%, upon (i) a Change of Control Transaction or the Company shall agree to sell or dispose of all or in excess of 33% of its assets in one transaction or a series of related transactions (whether or not such sale would constitute a Change of Control Transaction) or (ii) at the Maturity Date.

On September 1, 2020 the Company entered into a convertible secured promissory note to pay to EROP Capital, LLC or its registered assigns (the "Holder"), the principal sum of US\$35,000.00, on the twelve month anniversary of the Original Issue Date (the "Maturity Date"), and to pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note.

The Company shall pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note at the rate of 8% per annum, of which six (6) months shall be guaranteed, subject to the terms of the agreement. Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30 calendar day periods, and shall accrue daily commencing on the Original Issue Date until payment in full of the outstanding principal, together with all accrued and unpaid interest, liquidated damages and other amounts which may become due. All overdue accrued and unpaid interest to be paid hereunder shall entail a late fee at an interest rate equal to the lesser of 18% per annum or the maximum rate permitted by applicable law (the "Late Fees") which shall accrue daily from the date such interest is due hereunder through and including the date of actual payment in full.

At any time before the Maturity Date or conversion of this Note in full, and upon ten (10) days written notice to the Holder, the Company may prepay any portion of the principal amount of this Note and any accrued and unpaid interest, multiplied by 125%.

The Note shall also be redeemed in full by the payment of the principal amount and any accrued and unpaid interest, multiplied by 125%, upon (i) a Change of Control Transaction or the Company shall agree to sell or dispose of all or in excess of 33% of its assets in one transaction or a series of related transactions (whether or not such sale would constitute a Change of Control Transaction) or (ii) at the Maturity Date.

On September 14, 2020 the Company entered into a convertible secured promissory note to pay to EROP Capital, LLC or its registered assigns (the "Holder"), the principal sum of US\$23,000.00, on the twelve month anniversary of the Original Issue Date (the "Maturity Date"), and to pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note.

The Company shall pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note at the rate of 8% per annum, of which six (6) months shall be guaranteed, subject to the terms of the agreement. Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30 calendar day periods, and shall accrue daily commencing on the Original Issue Date until payment in full of the outstanding principal, together with all accrued and unpaid interest, liquidated damages and other amounts which may become due. All overdue accrued and unpaid interest to be paid hereunder shall entail a late fee at an interest rate equal to the lesser of 18% per annum or the maximum rate permitted by applicable law (the "Late Fees") which shall accrue daily from the date such interest is due hereunder through and including the date of actual payment in full.

At any time before the Maturity Date or conversion of this Note in full, and upon ten (10) days written notice to the Holder, the Company may prepay any portion of the principal amount of this Note and any accrued and unpaid interest, multiplied by 125%.

The Note shall also be redeemed in full by the payment of the principal amount and any accrued and unpaid interest, multiplied by 125%, upon (i) a Change of Control Transaction or the Company shall agree to sell or

dispose of all or in excess of 33% of its assets in one transaction or a series of related transactions (whether or not such sale would constitute a Change of Control Transaction) or (ii) at the Maturity Date.

## 6. Operating Expenses

The Company's operating expenses for the quarterly period ending September 30, 2020 totaled \$375,139, which included payments related to general and administrative expenses. The Company likewise made payments to vendors for transfer agent services, OTC Markets, accounting, and legal services, all required for the Company's compliance efforts. The Company also made significant progress in seeking financing and the marketing of its products and its stock, including an investor awareness program, and as such paid for various consulting services, in order to further these efforts.

## 7. Commitments and Contingencies

### Capital and Lease Commitments

As of September 30, 2020, the Company has no significant capital and lease commitments outstanding.

### Legal Proceedings

The Company is not currently involved in any litigation. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending, to the knowledge of the Company's Board of Directors.