## STATEMENT OF STOCKHOLDERS' EQUITY AS of DECEMBER 31, 2011

	Common Stock Shares	Series B Preferred Amount Shares Amou		ed Ser Amount	Series A Preferred unt Shares Amount		Retained Earnings	Total
Balance, 12/31/10	42,400,592,972	224	12,440,000	14	3	1	Ü	-7,641
Issuance of Common Stock for purchase	120,000,000	11,333						11,333
Rescission of Common Stock for purchase	-400,000,000	-4						-4
Rescission of Series B Preferred for Purchase			-2,000,000	-2				-2
Conversion of Series B Preferred to Common Stock	2,000,000,000	10						10
Rescission of Series B Preferred for Conversion to Common Stock			-8					
Net Loss for the Year Ended 12/31/2011							-11,754	-11,754
Balance, 12/31/11	44,120,592,572*	11,563	10,439,992	12	3	1	-19,634	-8,058

<sup>\*</sup>Actually 441,205,926 to account for 1:100 Reverse Stock Split