MYECHECK, INC.
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013

Contents

MyECheck, Inc.
CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2014 AND 2013

	December 31, 2014	December 31, 2013
ASSETS		
Current Assets		
Cash	$ 51,261	$ 65
Accounts receivable	146,740	6,000
Employee advances	2,500	-
Capitalized loan fees	193,975	-
Amortization of capitalized loan fees	(43,106)	-
Prepaid expenses	135,444	-
Total Current Assets	486,814	6,065
Fixed Assets - Net	61,730	3,374
Intangible Assets - Net Website net	20,250	-
Other Assets -Deposits	70,502	-
Total Other Assets	152,482	3,374
Total Assets	$ 639,296	$ 9,439
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable and accrued expenses	$ 379,913	$ 442,295
Payroll taxes payable	251,285	207,779
Accrued payroll	47,710	82,901
Accrued rent	32,904	-
Loans payable - related party	34,036	-
Loans payable - other	56,415	-
Derivative liability	439,368	-
Deferred revenue	25,000	-
Convertible notes - net	550,000	54,750
Total Current Liabilities	1,816,631	787,725
Stockholders' Deficit		
Preferred stock, $0.00001 par value, 100,000,000 authorized, one issued and outstanding	-	-
Common stock, $0.00001 par value, 4,900,000,000 shares authorized, 4,127,436,732 and 4,692,470,000 shares issued and outstanding, respectively	51,274	46,925
Treasury stock	(10,001)	-
Additional paid in capital	3,452,036	3,077,627
Subscription receivable	-	(17,500)
Common stock payable	191,917	-
Accumulated deficit	(4,862,561)	(3,885,338)
Total Stockholders' Deficit	(1,177,335)	(778,286)
Total Liabilities and Stockholders' Deficit	$ 639,296	$ 9,439

The accompanying notes are an integral part of these consolidated financial statements

MyECheck, Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	For the Years Ended December 31,	
	2014	**2013**
Revenues	$ 952,156	$ 89,496
Cost of revenues	46,527	-
Gross Profit	905,629	89,496
General and administrative	1,221,552	72,943
Research and Development	275,771	7,000
Total Operating Expenses	1,497,323	79,943
Income or (Loss) from Operations	(591,694)	9,553
Other Income /(Expense)		
Derivative liability	(488,246)	-
Change in fair value of derivative liabilities	48,878	24,351
Interest expense net of interest income	(23,066)	(26,613)
Loss on convertible note	(62,980)	-
Other income forgiveness of debt	140,685	130,167
Total Other Income/(Expense)	(384,729)	127,905
Net income or (loss) before income taxes	(976,423)	137,458
Provision for income taxes	(800)	(800)
Net (Loss) or Income	**$ (977,223)**	**$ 136,658**
Basic earnings per share	**$ 0.00**	**$ 0.00**
Diluted earnings per share	**$ 0.00**	**$ 0.00**
Weighted average number of shares outstanding during the period - basic	**4,198,671,107**	**4,153,976,849**
Weighted average number of shares outstanding during the period - fully diluted	**4,217,950,412**	**4,178,976,849**

The accompanying notes are an integral part of these consolidated financial statements

MyECheck, Inc.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	Preferred Stock		Common Stock		Treasury Stock		Additional	Subscription	Common Stock	Accumulated	
	Shares	Amount	Shares	Amount	Shares	Amount	Paid -in Capital	Receivable	Payable	Deficit	Total
Balance, December 31, 2011	**-**	**$ -**	**2,470,000**	**$ 2,470**	**-**	**$ -**	**$ 2,895,208**	**$ -**	**$ -**	**$ (4,097,500)**	**$ (1,199,822)**
Adjustment for reverse stock split	-	-	-	(2,445)	-	-	2,445	-	-	-	-
Common stock for employment agreement	1	-	3,000,000,000	30,000	-	-	-	-	-	-	30,000
Common stock in exchange of accounts payable	-	-	255,000,000	2,550	-	-	-	-	-	-	2,550
Conversion of debt into common stock	-	-	260,000,000	2,600	-	-	-	-	-	-	2,600
Net Income or (loss)	-	-	-	-	-	-	-	-	-	75,504	75,504
Balance, December 31, 2012	**1**	**-**	**3,517,470,000**	**35,175**	**-**	**-**	**2,897,653**	**-**	**-**	**(4,021,996)**	**(1,089,168)**
Conversion of debt to common stock	-	-	925,000,000	9,250	-	-	-	-	-	-	9,250
Net Income or (loss)	-	-	-	-	-	-	-	-	-	29,965	29,965
Balance, August 31, 2013	**1**	**-**	**4,442,470,000**	**44,425**	**-**	**-**	**2,897,653**	**-**	**-**	**(3,992,031)**	**(1,049,953)**
September Net profit	-	-	-	-	-	-	-	-	-	30,764	30,764
Stock issued for cash	-	-	250,000,000	2,500	-	-	15,000	(17,500)	-	-	-
Forgiveness of accrued compensation	-	-	-	-	-	-	84,281	-	-	-	84,281
Forgiveness of note payable, related party	-	-	-	-	-	-	62,964	-	-	-	62,964
Forgiveness of note payable, related party	-	-	-	-	-	-	17,729	-	-	-	17,729
Net Income or (loss)	-	-	-	-	-	-	-	-	-	75,929	75,929
Balance, December 31, 2013	**1**	**$ -**	**4,692,470,000**	**$ 46,925**	**-**	**$ -**	**$ 3,077,627**	**$ (17,500)**	**$ -**	**$ (3,885,338)**	**$ (778,286)**
Purchase shares of Treasury Stock at par	(1)	-	-	-	-	(1)	-	-	-	-	(1)
Subscription receivable	-	-	-	-	-		-	45,500	-	-	45,500
Conversion of debt to common stock	-	-	25,000,000	250	-	-	94,750	-	-	-	95,000
Purchase shares of Treasury Stock at par	-	-	(1,000,000,000)	-	(1,000,000,000)	(10,000)	-	-	-	-	(10,000)
Subscription receivable	-	-	400,000,000	4,000	-	-	24,000	(28,000)	-	-	-
Common stock for services capitalized loan fees	-	-	2,941,176	29	-	-	99,971	-	-	-	100,000
Common stock for broker fees	-	-	970,000	10	-	-	32,970	-	-	-	32,980
Common stock for services	-	-	500,000	5	-	-	14,995	-	-	-	15,000
Common stock payable for services	-	-	-	-	-	-	-	-	185,500	-	185,500
Common stock for compensation	-	-	5,555,556	55	-	-	107,723	-	6,417	-	114,195
Net income or (loss)	-	-	-	-	-	-	-	-	-	(977,223)	(977,223)
Balance, December 31, 2014	**-**	**-**	**4,127,436,732**	**51,274**	**(1,000,000,000)**	**(10,001)**	**3,452,036**	**-**	**191,917**	**(4,862,561)**	**$ (1,177,335)**

The accompanying notes are an integral part of these consolidated financial statements

MyECheck, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	For the Years Ended December	
	2014	2013
Cash Flows from Operating Activities:		
Net income	$ (977,223)	$ 136,658
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation expense	51,061	178
Loss on debt conversion	62,980	-
Change in fair value of derivative liabilities	439,368	(24,351)
Warrants issued for services	-	390
Stock based Compensation	299,695	-
Other income forgiveness of debt	(147,164)	(130,167)
Changes in operating assets and liabilities:		
(Increase) Decrease in:		
Accounts receivable	(140,740)	(6,000)
Employee advances	(2,500)	-
Prepaid expenses	(135,444)	-
Increase in:		
Accounts payable and accrued expenses	110,030	41,388
Deferred revenue	25,000	-
Payroll taxes payable	15,971	-
Accrued payroll	-	18,271
Net Cash Used By Operating Activities	(398,966)	36,367
Cash Flows from Investing Activities		
Purchase of computer equipment	(62,561)	(3,552)
Purchase of website	(9,000)	-
Security deposit on new facility	(70,502)	-
Purchase of treasury stock	(10,001)	-
Net Cash Used by Investing Activities	(152,064)	(3,552)
Cash Flows from Financing Activities:		
Repayment of convertible debt	(22,750)	(22,750)
Proceeds from loan payable - related parties	34,036	-
Proceeds from stock subscription receivable	45,500	-
Proceeds of convertible debenture	489,025	-
Proceeds from note payable	56,415	-
Repayment of shareholders	-	(10,000)
Net Cash Provided by Financing Activities	602,226	(32,750)
Net Increase or (Decrease) in Cash	51,196	65
Cash at Beginning of Period	65	-
Cash at End of Period	$ 51,261	$ 65
Supplemental Disclosure of Cash Flow Information		
Cash Paid for:		
Taxes	$ 4,800	$ -
Interest	$ -	$ -
Supplemental Disclosure of Non Cash Investing and Financing Activities		
Forgiveness of accrued officers comp	$ -	$ 84,281
Forgiveness of N/P R/P	$ -	$ 62,964
Forgiveness of N/P R/P	$ -	$ 17,729
Common shares issued website	$ 15,000	$ -
Common shares issued capitalized loan fees	$ 133,000	$ -
Issuance for debt	$ 32,000	$ 8,860
Subscription receivable	$ 28,000	$ 17,500

The accompanying notes are an integral part of these consolidated financial statements

NOTE 1 – ORGANIZATION, BASIS OF PRESENTATION AND NATURE OF OPERATIONS

Organization

MyECheck, Inc. ("MEC") ("the Company") was incorporated in the state of Delaware on October 29, 2004. The Company's office is located at Folsom, California. On May 25, 2012 the Company was redomiciled in the State of Wyoming. In addition, the Company registered as a foreign corporation in the State of California on October 16, 2014.

GreenPay, LLC ("GreenPay"), a wholly owned subsidiary of the Company, incorporated in the State of Wyoming on March 11, 2014 was acquired by MyEcheck on August 20, 2014. After the acquisition, GreenPay registered as a foreign limited liability company in the State of California on November 10, 2014.

Sekoya Holdings, Ltd. ("Sekoya") was incorporated in Nevada on May 19, 2005, and is an inactive company.

Reverse Acquisition and Recapitalization

On March 14, 2008, Sekoya Holdings, Ltd. ("Sekoya"), then a development stage company, merged with MEC and MEC became the surviving corporation. This transaction was accounted for as a reverse acquisition. Sekoya did not have any operations and majority-voting control was transferred to MEC. The transaction also required a recapitalization of MEC. Since MEC acquired a controlling voting interest, it was deemed the accounting acquirer, while Sekoya was deemed the legal acquirer. The historical financial statements of the Company are of those of MEC and of the consolidated entities from the date of merger and subsequent.

On August 22, 2014, MyECheck completed the acquisition of its licensee, GreenPay, LLC. GreenPay, LLC is now a wholly owned subsidiary of MyECheck, Inc. GreenPay assets are owned by MyECheck, however Greenpay will be operated as a separate entity with an independent board of directors and management.

Basis of Presentation

The accompanying consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) under the accrual basis of accounting.

Nature of Operations

The Company provides software that enables merchants and banks to receive and process real –time payments from consumers, businesses and government agencies. Payment can be initiated online, via point of sale terminals, or over the telephone. The Company also licenses patented technology in the mobile payments and banking industries.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

All significant intercompany accounts and balances have been eliminated in consolidation.

Risks and Uncertainties

The Company's operations are subject to significant risk and uncertainties including financial, operational, regulatory and other risks including the potential risk of business failure.

The Company has experienced, and in the future expects to continue to experience, variability in its sales and earnings. The factors expected to contribute to this variability include, among others, (i) the uncertainty associated with the commercialization and ultimate success of the product, (ii) intense competition and rapid technological changes for the mobile payment processing industry and (iii) general economic conditions which may cast doubt on future success.

See Note 3 regarding going concern matters.

Fiscal Year

The Company has adopted a December 31 fiscal year end.

Use of Estimates and Assumptions

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Such estimates and assumptions impact, among others, the following: the fair value of warrants granted, estimates of the probability and potential magnitude of contingent liabilities and the valuation allowance for deferred tax assets due to continuing operating losses.

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the consolidated financial statements, which management considered in formulating its estimate could change in the near term due to one or more future confirming events. Accordingly, the actual results could differ significantly from our estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less at the time of purchase to be cash equivalents. At December 31, 2014 and 2013, the Company had no cash equivalents.

The Company minimizes its credit risk associated with cash by periodically evaluating the credit quality of its primary financial institution. The balance at times may exceed federally insured limits. At December 31, 2014 and 2013, there were no balances that exceeded the federally insured limit.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recorded at the invoiced 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 performing credit checks and actively pursuing past due accounts.

The Company recognizes an allowance for losses on accounts receivable in an amount equal to the estimated probable losses net of recoveries. The allowance is based on an analysis of historical bad debt experience, current receivables aging, and expected future write-offs, as well as an assessment of specific identifiable customer accounts considered at risk or uncollectible.

In 2014 and 2013, the Company recorded no bad debt expense.

Capitalized Loan Fees

On October 29, 2014, the Company obtained a loan facility which resulted in the capitalization of loan fees of $193,975 being amortized over the life of the loan. See Note 6.

Revenue Recognition

The Company records revenue when all of the following have occurred; (1) persuasive evidence of an arrangement exists, (2) product delivery has occurred, (3) the sales price to the customer is fixed or determinable, and (4) collectability is reasonably assured.

The Company earns revenue from services, which has included the following: electronic check processing, financial verification, identity verification, check guarantee services and licensing of intellectual property. The services are performed under the terms of a contract with a customer, which states the services to be utilized and the terms and fixed price for all services under contract. The price of these services may be a fixed fee per transaction and/or a percentage of the transaction processed depending on the service.

Revenue from electronic check processing is derived from fees collected from merchants to convert merchant customer check data into an electronic image of a paper draft, which allows the Company to deposit the funds to the merchant's bank through image clearing with the Federal Reserve on behalf of the bank. The Company recognizes the revenue related to electronic check processing fees when the services are performed.

Revenue from financial verification is derived from fees collected from merchants to process requests to validate financial verifications to an outside service provider under contract with the Company. This revenue is recognized when the transaction is processed, since the Company has no further obligations.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Revenue from check guarantee services is derived from fees collected from merchants to process transaction to an outside service provider under contract with the Company. This revenue is recognized when the transaction is processed, since the Company has no further obligations.

Customers & Concentrations

Three customers comprised 98% of the total revenue for the year ended December 31, 2014 and two customers comprised 100% of the total revenue for the year ended December 31, 2013. Two customers represented 100% of net accounts receivable at December 31, 2014 and one customer represented 100% of net accounts receivable at December 31, 2013.

Fair Value of Financial Instruments

The Company measures assets and liabilities at fair value based on an expected exit price as defined by the authoritative guidance on fair value measurements, which represents the amount that would be received on the sale of an asset or paid to transfer a liability, as the case may be, in an orderly transaction between market participants. As such, fair value may be based on assumptions that market participants would use in pricing an asset or liability. The authoritative guidance on fair value measurements establishes a consistent framework for measuring fair value on either a recurring or nonrecurring basis whereby inputs, used in valuation techniques, are assigned a hierarchical level.

The following are the hierarchical levels of inputs to measure fair value:

- Level 1 – Observable inputs that reflect quoted market prices in active markets for identical assets or liabilities.

- Level 2 – Inputs reflect quoted prices for identical assets or liabilities in markets that are not active; quoted prices for similar assets or liabilities in active markets; inputs other than quoted prices that are observable for the assets or liabilities; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

- Level 3 – Unobservable inputs reflecting the Company's assumptions incorporated in valuation techniques used to determine fair value. These assumptions are required to be consistent with market participant assumptions that are reasonably available.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Fair Value of Financial Instruments

The following tables set forth our assets and liabilities measured at recurring or non-recurring, at December 31, 2014 and December 31, 2013, and the fair value calculation input hierarchy level that we have determined applies to each asset and liability category.

	Fair Value Measurements Using Inputs			Carrying Amount at
Financial Instruments	Level 1	Level 2	Level 3	December 31, 2014
Liabilities:				
Derivative Instruments – Convertible	$ -	$ -	$ 439,368	$ 439,368
Total	$ -	$ -	$ 439,368	$ 439,368

	Fair Value Measurements Using Inputs			Carrying Amount at
Financial Instruments	Level 1	Level 2	Level 3	December 31, 2013
Liabilities:				
Derivative Instruments – Convertible	$ -	$ -	$ -	$ -
Total	$ -	$ -	$ -	$ -

Market price and estimated fair value of common stock used to measure the Derivative Instruments-Warrants at December 31, 2014 and December 31, 2013:

	December 31, 2014	December 31, 2013
Market price and estimated fair value of common stock:	.0218	0.00001
Exercise price	.0174	0.00006
Expected term (years)	.58	1
Dividend yield	-	-
Expected volatility	217%	830%
Risk-free interest rate	12%	13%

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

The risk-free rate of return reflects the interest rate for the United States Treasury Note with similar time-to-maturity to that of the convertible debt.

The recorded value of other financial assets and liabilities, which consist primarily of cash and cash equivalents, accounts receivable, other current assets, and accounts payable and accrued expenses approximate the fair value of the respective assets and liabilities at December 31, 2014 and December 31, 2013 based upon the short-term nature of the assets and liabilities.

Embedded Conversion Features

The Company evaluates embedded conversion features within convertible debt under ASC 815 “Derivatives and Hedging” to determine whether the embedded conversion feature(s) should be bifurcated from the host instrument and accounted for as a derivative at fair value with changes in fair value recorded in earnings. If the conversion feature does not require derivative treatment under ASC 815, the instrument is evaluated under ASC 470-20 “Debt with Conversion and Other Options” for consideration of any beneficial conversion feature.

Derivative Financial Instruments

The Company does not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risks. The Company evaluates all of it financial instruments, including stock purchase warrants, to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported as charges or credits to income.

For option-based simple derivative financial instruments, the Company uses the Black-Scholes option-pricing model to value the derivative instruments at inception and subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period.

Beneficial Conversion Feature

For conventional convertible debt where the rate of conversion is below market value, the Company records a "beneficial conversion feature" ("BCF") and related debt discount.

When the Company records a BCF, the relative fair value of the BCF is recorded as a debt discount against the face amount of the respective debt instrument (offset to additional paid in capital) and amortized to interest expense over the life of the debt.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Debt Issue Costs and Debt Discount

The Company may record debt issue costs and/or debt discounts in connection with raising funds through the issuance of debt. These costs may be paid in the form of cash, or equity (such as warrants). These costs are amortized to interest expense over the life of the debt. If a conversion of the underlying debt occurs, a proportionate share of the unamortized amounts is immediately expensed.

Original Issue Discount

For certain convertible debt issued, the Company may provide the debt holder with an original issue discount. The original issue discount would be recorded to debt discount, reducing the face amount of the note and is amortized to interest expense over the life of the debt.

Extinguishments of Liabilities

The Company accounts for extinguishments of liabilities in accordance with ASC 860 - "Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities". When the conditions are met for extinguishment accounting, the liabilities are derecognized and the gain or loss on the sale is recognized.

Income Taxes

We account for income taxes under the liability method, whereby deferred income tax liabilities or assets at the end of each period are determined using the tax rate expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of these deferred tax assets will not be realized. Our policy is to prescribe a recognition threshold and measurement attribute for the recognition and measurement of a tax position taken or expected to be taken in a tax return.

We have analyzed our filing positions in all jurisdictions where we are required to file returns, and found no positions that would require a liability for unrecognized income tax positions to be recognized. We are subject to tax examinations. In the event that we are assessed penalties and or interest, penalties will be charged to other financing expense and interest will be charged to interest expense.

Earnings (Loss) Per Share

Basic net earnings (loss) per share is computed by dividing net income (loss) for the period by the weighted average number of common stock outstanding during each period. Diluted earnings (loss) per share is computed by dividing net income (loss) for the period by the weighted average number of common stock, common stock equivalents and potentially dilutive securities outstanding during each period.

The Company uses the "treasury stock" method to determine whether there is a dilutive effect of outstanding convertible debt, option and warrant contracts. For the years ended December 31, 2014 and 2013 the Company reflected net income and a dilutive net income.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

The Company had the following potential common stock equivalents at December 31, 2014:

Convertible debt – face amount of $550,000, conversion price of $0.0174	31,609,195
Convertible Preferred Stock	-
Common Stock Payable	10,833,335
Total common stock equivalents	42,442,530

The Company had the following potential common stock equivalents at December 31, 2013:

Convertible debt – face amount of $50,000, conversion price of $0.002	25,000,000
Convertible Preferred Stock	-
Total common stock equivalents	25,000,000

Advertising

Advertising is expensed as incurred. For 2014 and 2013, advertising expense was $86,716 and $4,231, respectively.

Stock-Based Compensation

Periodically, we issue common shares or options to purchase our common shares to our officers, directors, employees, or other parties. Compensation expense for these equity awards are recognized over the vesting period, based on the fair value on the grant date. We recognize compensation expense for only the portion of options that are expected to vest, rather than record forfeitures when they occur. If the actual number of forfeitures differs from those estimated by management, additional adjustments to compensation expense may be required in the future periods. We determine the fair value of equity awards using the Black-Scholes valuation model.

Recent Accounting Pronouncements

On April 10, 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-08, Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity, which changes the criteria for determining which disposals can be presented as discontinued operations and modifies related disclosure requirements. This standard was effective for the Company on January 1, 2015. The Company does not expect significant impact to the financial statements upon implementation of ASU No. 2014-08.

On May 28, 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. ASU No. 2014-09 will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The new standard will be effective for the Company on January 1, 2017. Early application is not permitted. The Company is currently evaluating the impact of ASU No. 2014-09.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Recent Accounting Pronouncements (Cont.)

On August 27, 2014, the FASB issued ASU No. 2014-15, Presentation of Financial Statements - Going Concern (subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern, which is intended to define management's responsibility to evaluate whether there is substantial doubt about the Company's ability to continue as a going concern and to provide related footnote disclosures. This standard will be effective for the Company for the year ending on December 31, 2016. Early application is permitted. The Company is currently evaluating the impact of ASU No. 2014-15.

NOTE 3 – GOING CONCERN

The Company's accountants have expressed substantial doubt about the Company's ability to continue as a going concern as a result of its history of net loss. The Company's ability to achieve and maintain profitability and positive cash flow is dependent upon our ability to successfully deliver license and service agreements and obtain financing until revenue can generate cash flow to meet operating requirements. The outcome of these matters cannot be predicted at this time. These consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue its business.

As reflected in the accompanying consolidated financial statements, the Company has a net loss of $977,223 and a net income of $136,658, and net cash used by operations of $398,966 and net cash provided by operations of $36,367 for years ended December 31, 2014 and 2013, respectively; a working capital deficit of $1,329,817 and $781,660 and a stockholders' deficit of $1,177,335 and $778,286 at December 31, 2014 and 2013, respectively.

The ability of the Company to continue as a going concern is dependent on Management's plans, which include the raising of capital through debt and/or equity markets. The Company will require additional funding during the next twelve months to finance the growth of its current and expected operations and achieve strategic objectives. Additionally, the Company will need to continually generate revenues through its current business operations in order to generate enough cash flow to fund operations through 2015.

The Company is also dependent on maintaining their positive approval status with the Federal Reserve. If the Company were to lose this approval, their ability to provide services would be affected negatively. The Company is also dependent on bank sponsorship when processing transactions directly with the Federal Reserve. If the Company were to lose bank sponsorship, their ability to provide services would be affected negatively.

The Company believes its current available cash, along with anticipated revenues, may be insufficient to meet its cash needs for the near future. There can be no assurance that financing will be available in amounts or terms acceptable to the Company, if at all.

NOTE 4 – PROPERTY AND EQUIPMENT

For the years ended December 31, 2014 and 2013 property and equipment is as follows:

	12/31/2014	12/31/2013
Computer equipment	$ 33,139	$ 3,552
Furniture and fixtures	22,018	-
Leasehold improvements	10,956	-
Accumulated depreciation	(4,383)	(178)
Net Fixed Assets	$ 61,730	$ 3,374

For the years ended December 31, 2014 and 2013, the Company recorded a depreciation expense of $4,205 and $178, respectively.

NOTE 5 – INTANGIBLE ASSETS

Using the Company's employees and outside consultants, the company invested $24,000 in the year ended December 31, 2014 to develop a new website as a critical component of its new marketing plan. In addition, $8,505 in content was expensed. The Company's website went live on July 25, 2014. The Company has elected to amortize the capitalized costs over a thirty six month period for both financial reporting and for income tax purposes once the website is placed in service. For the years ended December 31, 2014 and 2013, $3,750 in amortization was included in operating expenses compared to zero in 2013.

	12/31/2014	12/31/2013
Intangible assets website	$ 24,000	$ -
Accumulated amortization	(3,750)	-
Intangible assets website - net	$ 20,250	$ -

NOTE 6 - CONVERTIBLE NOTE

June 26, 2009 Convertible Debt in Default – Tangiers Investors, LP

Terms

On June 26, 2009, the Company issued redeemable convertible debt totaling $35,000. The Company paid $2,800 in debt issue costs and received net proceeds of $32,200. The note was due on June 26, 2010, and went into default. The note bears interest at 8% and is unsecured.

NOTE 6 - CONVERTIBLE NOTE (CONT.)

Conversion

The debt is convertible based upon 60% of the average of the three lowest closing bid prices within the prior fifteen trading day period. The conversion option may be exercised in the event of default or in whole or part at the option of the holder of the note prior to the debt's maturity. If any portion of the principal and/or interest are not paid within 10 days of when it is due (beginning June 26, 2010), the discount multiplier used to determine the conversion price decreases 1% for each period of 10 business days that any portion of the amount due remains unpaid by the Company for all conversions thereafter.

If the average price per share (as computed above based upon a 60% discount) of the Company's stock is below $0.10, the Company has the right to prepay the portion of the Debenture that the Holder elected to convert, plus any unpaid interest, at 150% of such amount. The Company has the option with written notice to the Holder to prepay the note at 150% of the principal amount and accrued interest to the date of payment.

If conversion is held up by a third party or the Company cannot convert the note into common stock, all amounts are accelerated for payment and redeemable in cash at a price of 175% of principal plus all unpaid accrued interest to date.

If the note goes into default, the holder may elect to cancel any outstanding conversion notice and declare all amounts due and payable in cash at a price of 150% of principal plus all unpaid accrued interest to date.

On or before the 4th business day following the receipt of debt proceeds, June 30, 2009, the Company was required to file a Form 8-K announcing this debt transaction. Since the Company did not file an 8-K within this time period, the discount multiplier used to determine the conversion price decreases by 1% for each period of 5 business days that the 8-K is not filed by the Company following the June 30th due date. The Company did not file an 8-K by June 30, 2009 and sought a waiver from the Holder for this penalty. On November 9, 2009, the debt holder waived the condition to file the 8-K. As a result, the Company re-measured the derivative financial instrument using a fixed discount multiplier of 60%.

The Note was not issued with the intent of effectively hedging any future cash flow, fair value of any asset, liability or any net investment in a foreign operation. In addition the notes contain a conversion price adjustment which is based upon 60% of the average of the three lowest closing bid prices within the prior fifteen trading day period.

Therefore, the estimated fair value of the conversion feature of $30,333 (based on observable inputs) was bifurcated from the Note and accounted for as a separate derivative liability. The Note Derivative is carried at fair value (using the Black Scholes Model) until the Note is converted or otherwise extinguished. Any changes in fair value are recognized in earnings.

At December 31, 2014 and 2013, the fair value of the Note Derivative was estimated to be $0 and $0, resulting in a gain of $0 and $12,133 for 2014 and 2013, respectively.

NOTE 6 - CONVERTIBLE NOTE (CONT.)

During the year ended December 31, 2013, the Company paid $22,750 of this debt leaving a balance owing at December 31, 2013 of $22,750. On September 23, 2014, the Company paid the remaining balance of $22,750 plus $440 for a combined total paid of $23,190.

April 26, 2010 Convertible Debt in Default– Asher Enterprises, Inc.

Terms
On April 26, 2010, the Company issued and executed a convertible note for $50,000. The Company paid $3,000 in debt issue costs and received net proceeds of $47,000. The note has a term of one year and bears interest at 8%, default interest rate of 22%, and is unsecured.

Conversion
The debt is convertible based upon 55% of the average of the three lowest closing prices within the prior ten trading day period. The conversion option may be exercised in the event of default or in whole or part at the option of the holder of the note prior to the debt's maturity.

Additionally, the note contains a ratchet provision. The Company determined under ASC 815, that the embedded conversion feature (if offering of common stock is at no consideration or at a price that is lower than the effective conversion price on the date shares are offered for sale, then a ratchet down of effective exercise price to price per share offered for common stock would be used to determine additional shares to be issued).

The Company has determined that this ratchet provision indicates that these shares, if issued, are not indexed to the Company's own stock and, therefore, is an embedded derivative financial liability, which requires bifurcation and to be separately accounted for. At each reporting period, the Company will mark this derivative financial instrument to fair value.

For the years ended December 31, 2013 and 2012, the note was in default. At December 31, 2013 the balance on the note was $32,000. On January 17, 2014, the debt was converted into 25,000,000 shares of common stock, at a price per share of $0.002. The fair market value on the conversion date was $0.0038 per share for a fair value of $95,000 resulting in a loss to the Company of $63,000 which was recorded in the first quarter of 2014.

The Note was not issued with the intent of effectively hedging any future cash flow, fair value of any asset, liability or any net investment in a foreign operation. In addition the notes contain a conversion price adjustment which is based upon 60% of the average of the three lowest closing bid prices within the prior fifteen trading day period. Therefore, the estimated fair value of the conversion feature of $26,182 (based on observable inputs) was bifurcated from the Note and accounted for as a separate derivative liability. The Note Derivative is carried at fair value (using the Black Scholes Model) until the Note is converted or otherwise extinguished. Any changes in fair value are recognized in earnings.

At December 31, 2014 and 2013, the fair value of the Note Derivative was estimated to be $0 and $0, resulting in a gain of $0 and $12,218 for 2014 and 2013, respectively.

NOTE 6 - CONVERTIBLE NOTE (CONT.)

October 29, 2014 Convertible Debt – TCA Global Credit Master Fund, LP

Terms
On October 29, 2014, the Company issued and executed a convertible note for $550,000 receiving net proceeds of $489,025. The Company paid $60,975 in fees, 2,941,176 shares of common stock for advisory fees not to exceed $100,000 and $33,000 in broker fees for a total capitalized loan fee amount of $193,975. For value received, the Company promises to pay to the order of the Holder, by no later than July 29, 2015 interest on the outstanding principal amount under the Debenture, at the rate of eleven percent (11%) per annum simple interest from the Effective Date. The stock compensation is further disclosed in Note 11.

Conversion
The debt is convertible based upon 80% of the average daily volume weighted average price of the Company's Common Stock during the five (5) trading days immediately prior to the Conversion Date.

Additionally, the note contains a ratchet provision. The Company determined under ASC 815, that the embedded conversion feature (if offering of common stock is at no consideration or at a price that is lower than the effective conversion price on the date shares are offered for sale, then a ratchet down of effective exercise price to price per share offered for common stock would be used to determine additional shares to be issued). The Company has determined that this ratchet provision indicates that these shares, if issued, are not indexed to the Company's own stock and, therefore, is an embedded derivative financial liability, which requires bifurcation and to be separately accounted for. At each reporting period, the Company will mark this derivative financial instrument to fair value.

At December 31, 2014 the balance on the note was $550,000. As reported in the current balance sheet prepaid interest of $33,737 was included in the prepaid expense amount of $135,444 with $9,638 included in interest expense of $23,066.

Therefore, the estimated fair value of the conversion feature of $439,368 (based on observable inputs) was bifurcated from the Note and accounted for as a separate derivative liability. The Note Derivative is carried at fair value (using the Black Scholes Model) until the Note is converted or otherwise extinguished. Any changes in fair value are recognized in earnings.

The initial derivative expense was $488,246 reported in the statement of operations. At December 31, 2014 the derivative expense was decreased by $48,878 leaving a balance of $439,368.

NOTE 7 - LOANS PAYABLE – RELATED PARTIES

During the year ended December 31, 2014, the Company repaid $10,000 in notes payable to a related party and the related party forgave $62,964, which was recorded as an in-kind contribution of capital. At December 31, 2014 there was no related party activity.

The Company's major shareholder has agreed to advance short term funding until revenue or other funding has been obtained. The advances and repayments will fluctuate depending on cash flow. As of December 31, 2014, the amount owed the shareholder was $14,036.

On December 4, 2014, the Company's Chief Financial Officer has agreed to advance the company a short term bridge loan. The repayment of the bridge loan will be the principal amount only with zero interest calculated due March 31, 2015. As of December 31, 2014, the amount owed the shareholder was $20,000.

NOTE 8 – LEASES

On October 1, 2013, the Company entered into a secured lease with QTS Data Center. The terms of this agreement are three (3) years at $500 per month. The following table represents the future lease payments:

	12/31/2015	6,000
	12/31/2016	4,500
Total		$ 10,500

The lease expense for the years ended December 31, 2014 and 2013 were $7,000 and $13,082, respectively. In October of 2013 QTS bought the contracts from Herakles Data Center, $4,500 was paid to QTS and $8,582 was paid to Herakles for the year ended December 31, 2013 for a combined total of $13,082.

NOTE 9 – FACILITIES

On July 1, 2014, MyECheck, leased approximately 3700 square feet of Class A Office Space in the City of Folsom California as its corporate headquarters and primary product development center. This is a 42 month full service lease expiring on December 31, 2017 with an average rent per month of $4,735. The rent increases annually by $0.05 per square foot. Both physical and electronic security features are employed at this location.

On October 28, 2014, MyECheck amended its original lease agreement with Maidu Investment, LLC (Maidu Investment) at the office development known as College Point Business Center, located at 2600 E. Bidwell Street in the City of Folsom, State of California, to include an expansion space defined as Suite 190. The Company took possession of the property on December 5, 2014. The lease term on the expansion space is 42 months expiring on June 30, 2018 with an average combined rent per month of $10,998.

NOTE 9 – FACILITIES (CONT.)

MyECheck paid an additional security deposit in the amount of $20,000, for a combined deposit amount of $52,812. The security deposit is not an advance rental deposit or a measure of damages incurred by Landlord in case of MyECheck's default. Provided MyECheck is not in default under the new lease through the fifteenth (15th) full calendar month after the commencement of the Expansion Space Term, the Landlord will return fifty percent (50%) of the additional security deposit to the Company.

The table below shows the future rents as amended:

	Original	Amendment Space	Combined
For the years ended December 31,			
2015	66,408	56,624	123,032
2016	68,280	79,380	147,660
2017	64,219	81,497	145,716
2018	-	41,278	41,278
Totals	$ 198,907	$ 258,779	$ 457,686

The rent expense for 2014 was $29,797 which was included in operating expenses as compared to zero in 2013.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Litigations, claims and assessments

From time to time, the Company may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm its business. The Company is currently not aware of any such legal proceedings or claims, other than disclosed below; that they believe will have, individually or in the aggregate, a material adverse effect on its business, financial condition or operating results.

On October 10, 2014, the Company filed a complaint with the United States District Court, Sacramento Division, against Zipmark, Inc. and Jay Bhattacharya, Inc. for damages for breach of contract in the amount of $35,000 plus interest from June 1, 2012, patent infringement damages in an amount no less than $500,000 and that such amounts be tripled, and for a temporary and permanent injunction prohibiting defendants from using the patented MyECheck technology for online check processing. MyECheck has been informed that the defendants Zipmark and Jay Bhattacharya continue to operate Zipmark's business using technology that infringes on MyECheck's patented technology.

In addition, defendant Zipmark breached the Services Agreement by failing to pay the second part of the required license fee. As of the date of the filing, Zipmark and/or Jay Bhattacharya have filed a motion to dismiss and challenge the venue. The Company has filed a response to these motions and continues to vigorously pursue all claims against Zipmark and Jay Bhattacharya.

NOTE 10 - COMMITMENTS AND CONTINGENCIES (CONT.)

On December 11, 2014, the Company filed a complaint with the United States District Court, Sacramento Division, against Sweetsun Intertrade, Inc., Seven Mile Securities, Titan International Securities, Inc. and Scottsdale Capital Advisors Corporation for declaratory relief for cancellation of share certificates, damages for fraud, including punitive damages from Sweetsun, and preliminary and permanent injunctions restraining them from transferring any shares of the Company's common stock. In 2010, the Company entered into a settlement agreement with Tangiers Investors, LP on a note due Tangiers in the amount of $32,200 plus attorney fees. Sweetsun was to have purchased the note from Tangiers satisfying the liability. Sweetsun failed to purchase the note and induced the Company to issue shares to Titan International Securities, Inc. as if the note had been paid. The Company first learned of the false claim of defendant Sweetsun's representations, and the additional issuance of fraudulent shares to Seven Mile Securities in October, 2013. Defendant Scottsdale Capital Advisors Corporation currently holds an unknown amount of the shares of stock in the Company that were originally issued to defendants Sweetsun, Seven Mile Securities and Titan International. MyECheck paid the note thereby eliminating the liability and on October 9, 2014, Tangiers acknowledged that it had been paid in full.

On March 12, 2015, Seven Mile Securities submitted all the required documentation to the Company's transfer agent which permitted the return of 275,000,000 shares of common stock that was part of the subject matter of this litigation. The litigation will continue against the other defendants in this action.

In late 2014, an individual, Cecil E. Boozer, contacted the Company, contending that he had been promised a twenty percent (20%) equity interest in the Company as well as retaining a fifty percent (50%) membership interest as the "co-founder" of the Company's wholly owned subsidiary, GreenPay, LLC, a Wyoming limited liability company. The Company also received a letter from Mr. Boozer dated March 25, 2015 which contained similar claims. As of the date of this filing, no legal proceeding has been initiated by this individual. However, as a cautionary measure, on February 5, 2015, the Company referred this matter to outside counsel and, following an active investigation, the Company believes that the claims asserted by this individual lack legal merit.

Consulting, Service and License Agreements

On September 1, 2013, the Company entered into a software and license agreement with a related party, in addition the Company will provide consulting and maintenance services for a period of 12 months following the date of execution of this agreement. In addition, the Company will charge a transaction fee for transactions 1 through 200,000 per calendar month at $0.25 per transaction and transactions 200,001 and over will charge a transaction fee of $0.20 per transaction. The Company received $75,000 in licensing fees for the year ended December 31, 2013. The license holder generated no transaction fees as of December 31, 2013. At December 31, 2014 maintenance fees totaled $4,000 compared to $500 in 2013.

On November 23rd, 2013, Sierra Global, LLC agreed to purchase a license from the Company. On February 24th, 2014, Sierra Global agreed to purchase an additional license for its wholly owned subsidiary, GreenPay, LLC. On June 13, 2014, the Company announced that it would acquire GreenPay, LLC. The merger was completed on August 20th, 2014. The net purchase price for the licenses sold to Sierra Global was determined to be $412,000 after the acquisition of GreenPay, LLC.

NOTE 10 - COMMITMENTS AND CONTINGENCIES (CONT.)

The patent license issued to GreenPay, LLC on February 24th, 2014 will remain with Sierra Global per the terms and conditions of the merger.

In October, 2014, the Software License and Services Agreement between the Company and Sierra Global, LLC, dated November 23, 2013, was amended to include a 2014 Software Module License Fee in the amount of $500,000.

The Company entered into a License Agreement with GreenPay, LLC on February 24, 2014. The entities became related party transactions as the Company's CEO provided Executive services but no ownership in Sierra Global, LLC. This situation will be rectified in 2015.

NOTE 11 - STOCKHOLDERS' DEFICIT

Amendment to Articles of Incorporation

On June 11, 2012, the Company filed an Amendment of Articles of Incorporation with the State of Wyoming to increase authorized shares as follows:

- Common Stock – 4,900,000,000 – Par value $0.00001 per share
- Preferred Stock Class, Series A – Par value $0.0001 per share – 10,000,000 shares authorized
- Preferred Stock Class, Serious B – Par value - $0.0001 per share – 90,000,000 shares authorized

Each Share of Series A Preferred Stock (PS) is entitled to vote together with the holders of the Company's common stock on all matters and is entitled to 4 times the sum of: i) the total number of shares of common stock which are issued and outstanding at the time of voting, plus, ii) the total number of shares of Series B and Series C Preferred Stock which are issued and outstanding at the time of voting. Each share of Preferred Stock is convertible into the number of shares of Common Stock which equal four times the sum of: i) total number of shares issued and outstanding at the time of conversion, plus ii) the total number of shares of Series B and Series C Preferred Stocks which are issued and outstanding at the time of conversion.

Issuance of Convertible Preferred Stock – related party

On May 29, 2012, the Company issued one share of restricted Series A Preferred Stock (PS) to the major shareholder as part of the employment agreement.

On October 6, 2014, the Company purchased all rights, titles and interest in the one (1) share of MyECheck, Inc. Preferred Class Stock, Series A, stock outstanding. The purchase price paid by the Company for one (1) share of MyECheck, Inc. Preferred Class Stock, Series A, stock was one dollar ($1.00).

NOTE 11 - STOCKHOLDERS' DEFICIT (CONT.)

Issuance of Common Stock

During the year ended December 31, 2013, Tangiers sold $9,250 of its convertible debt to other investors and the Company was required to settle the debt with 925,000,000 shares of its common stock. At the date of settlement the quoted fair value of the Company's stock was par. No gain or loss was recognized on the transaction.

On January 17, 2014, the Company issued 25,000,000 shares of its common stock to Asher Enterprise, Inc., who is deemed an accredited investor for the settlement of debt, having a fair value of $3,225 ($0.000129/share), based upon recent quoted trading price.

On February 14, 2014, the Company was able to utilize cash flow generated from operations to purchase 1,000,000,000 shares of MyECheck's common stock from its major shareholder for $10,000.

The Company contracted with an outside consultant to develop its website. The process began at the end of March, 2014 and continued through June with the support of additional consultants.

Compensation was 500,000 shares of common stock, having a fair value of $15,000 ($0.03/share), based upon recent quoted trading price, and were issued on August 15, 2014.

On February 14, 2014, the Company issued 400,000,000 shares of its common stock to an accredited investor for a subscription receivable, having a fair value of $28,000 ($0.00007/share), based upon recent quoted trading price. In addition, during the year ended December 31, 2013, the company issued 250,000,000 shares of its common stock to the same accredited investor for a subscription receivable of $17,500.

On September 23, 2014, the Company entered into a severance agreement with one of its executives resulting in the authorization of 5,555,556 shares of the Company's common stock having a fair value of $0.0194/share, based upon quoted trading price at the date of the executed agreement. The company recorded $107,778 in stock compensation as this award was authorized by the Board of Directors on September 23, 2014. The stock was issued on November 6, 2014.

On October 29, 2014, the Company issued 2,941,176 shares of common stock to TCA Global Credit Master Fund, LP, an investment management company, who is deemed an accredited investor, for advisory fees not to exceed $100,000 as part of the terms for securing a $5,000,000 line of credit.

On October 29, 2014, as part of the TCA Global Credit Master Fund, LP the Company agreed to pay a broker fee of 6% of the initial debenture to an accredited investor of 970,000 of common stock having a fair market value of $32,980 which resulted in a $20 gain.

On October 30, 2014, the Company established a share reserve of common stock to an accredited investor in the amount of 101,102,941 as part of the terms of the Debenture to TCA Global Credit Master Fund, LP, to be five (5) times such number of shares of Common Stock as shall be necessary to effect the full conversion per Article VII, Section 4 of the Debenture. As of December 31, 2014, the share reserve of common stock is 158,045,975. This is based on the stock price at December 31, 2014 with an eighty percent (80%) discount.

NOTE 11 - STOCKHOLDERS' DEFICIT (CONT.)

Forgiveness of Debt

During the year ended December 31, 2013, the Company's officers forgave accrued salaries of $84,281 and this was recorded by the Company as contributed capital.

During the year ended December 31, 2013, the Company's officers forgave notes payable of $62,964 and this was recorded by the Company as contributed capital.

During the year ended December 31, 2013, a related party forgave note payable of $17,729 and this was recorded by the Company as contributed capital.

On September 11, 2014 a settlement agreement and mutual release of claims was executed in the amount of $5,000 for debt owed on legal services incurred from 2007 through 2009 totaling $71,446. At December 31, 2013 and 2012, the $71,446 was included in both accounts payable and accrued liabilities.

At December 31, 2014 and 2013, the Company reviewed its old accounts payable as part of the restructuring process and determined with legal counsel that $27,233 met the criteria of being over the four year statute of limitations and management has determined that they were no longer collectible by the creditors as compared to $96,921 in 2013. These amounts were included in Cost Recovery as other income.

NOTE 12 - INCOME TAXES

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due. Deferred taxes relate to differences between the basis of assets and liabilities for financial and income tax reporting which will be either taxable or deductible when the assets or liabilities are recovered or settled.

At December 31, 2014, the Company has a net operating loss carry-forward of approximately $2,865,359 available to offset future taxable income expiring beginning 2024 through 2033. Utilization of future net operating losses may be limited due to potential ownership changes under Section 382 of the Internal Revenue Code.

There was $800 income tax expense for the years ended December 31, 2014 and 2013 due to the Company's net income.

We have incurred losses since inception, which have generated net operating loss carryforwards. Taxable loss was $221,764 and taxable income of $206,201 for the years ended December 31, 2014 and 2013, respectively. At December 31, 2014, we had a federal net operating loss carryforward of approximately $2,854,373, after applying the taxable loss from 2014 of $221,764 and taxable income of $206,201 that will expire beginning in 2024.

NOTE 12 - INCOME TAXES (CONT.)

Current or future ownership changes may limit the future realization of these net operating losses. Our policy is to record interest and penalties associated with unrecognized tax benefits as additional income taxes in the consolidated statements of operations. As of January 1, 2014, we had no unrecognized tax benefits, or any tax related interest or penalties. There were no changes in our unrecognized tax benefits during the year ended December 31, 2014. We did not recognize any interest or penalties during 2014 or 2013 related to unrecognized tax benefits.

Section 382 of the Internal Revenue Code generally imposes an annual limitation on the amount of net operating loss carryforwards that may be used to offset taxable income when a corporation has undergone significant changes in its stock ownership. There can be no assurance that we will be able to utilize any net operating loss carryforwards in the future.

We recognize deferred tax assets and liabilities for both the expected impact of differences between the financial statements and the tax basis of assets and liabilities, and for the expected future tax benefit to be derived from tax loss carryforwards. We have established a valuation allowance to reflect the likelihood of realization of deferred tax assets.

There is no income tax benefit for the losses for the years ended December 31, 2014 and 2013, since management has determined that the realization of the net deferred tax asset is not more likely than not to be realized and has created a valuation allowance for the entire amount of such benefit.

At December 31, 2014 and 2013, the significant components of our deferred tax assets and liabilities were as follows:

	2014	2013
Deferred tax assets:		
Net operating loss	$ 2,854,373	$ 2,632,609
Stock compensation non taxable	(299,695)	-
Derivative Liability	(439,368)	-
Accrued expenses	(123,010)	(182,100)
Gross Deferred tax assets	1,992,300	2,450,509
Less: Valuation Allowance	(1,992,300)	(2,450,509)
Net deferred tax assets	$ -	$ -

A reconciliation of the Federal statutory rate to the Company's effective tax rate for the years ended December 31, 2014 and 2013 is as follows:

	2014	2013
Federal Statutory rate	34.0%	34.0%
State income taxes, net of federal benefit	8.84%	8.84%
Increase or Decrease in deferred benefit of income taxes resulting from:		
Change in valuation allowance	-39.0%	-39.8%
Effective tax rate	0.0%	0.0%

NOTE 13 – MAJOR EVENTS

The Company has evaluated for subsequent events between the balance sheet dated as of December 31, 2014, the date the financial statements were available to be issued and concluded that the events or transactions occurring during that period requiring recognition or disclosure have been made.

On October 14, 2014, the Company received $45,940 on the subscription receivable.

NOTE 14 – SUBSEQUENT EVENTS

On January 27, 2015, MyECheck entered into a copier equipment lease with Caltronics Business Systems. The terms of this agreement are for thirty nine (39) months at $155 per month with a fair market value buyout at the end of the thirty nine month lease. The following table represents the future lease payments:

	12/31/2015	$	1,705
	12/31/2016		1,860
	12/31/2017		1,860
	12/31/2018		620
Total		$	6,045

On January 27, 2015, the Company issued 7,500,000 shares of its common stock to Hermen Cruz, who is deemed an accredited investor, as consideration for his participation in the early development of the Company in 2007, having a fair value of $135,750 ($0.0181/share), based upon recent quoted trading price. The securities were not registered under the Securities Act, or the securities laws of any state, and were offered or issued in reliance on the exemption from registration afforded by Section 4(2) of the Securities Act of 1933, as amended, as a transaction by the Company not involving any public offering.

On January 30, 2015, MyECheck signed an agreement to acquire 100% of the stock of Seergate, Ltd, developer of a comprehensive electronic payment platform for banks. The Seergate system will be integrated with the MyECheck payment systems adding multiple new capabilities to MyECheck's payment platform. The acquisition is expected to close in April, 2015, subject to due diligence and after the completion of technical bank integration.

On February 6, 2015, the Company issued 2,500,000 shares of its common stock to Erwin Sillerico, who is deemed an accredited investor, as consideration for his participation in the early development of the Company in 2007, having a fair value of $49,750 ($0.0199/share), based upon recent quoted trading price. The securities were not registered under the Securities Act, or the securities laws of any state, and were offered or issued in reliance on the exemption from registration afforded by Section 4(2) of the Securities Act of 1933, as amended, as a transaction by the Company not involving any public offering.