

# Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

## Ultra Pure Water Technologies, Inc.

2 Mill Road  
Wilmington, DE 19806

JCHoldingCorp.com  
info@jcholdingcorp.com  
90388Q105

### **Quarterly Report** **For the Period Ending: September 30, 2018** (the "Reporting Period")

As of September 30, 2018, the number of shares outstanding of our Common Stock was:

166,509,334

As of June 30, 2018, the number of shares outstanding of our Common Stock was:

166,509,334

As of December 31, 2017, the number of shares outstanding of our Common Stock was:

166,509,334

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>1</sup> of the company has occurred over this reporting period:

Yes:  No:

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<sup>1</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.

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

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

None

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):

May 23, 2006  
Delaware - 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:

N/A

## 2) Security Information

Trading symbol:	<u>UPWT</u>	
Exact title and class of securities outstanding:	<u>Common</u>	
CUSIP:	<u>90388Q105</u>	
Par or stated value:	<u>.001</u>	
Total shares authorized:	<u>200,000,000</u>	as of date: <u>7/15/2020</u>
Total shares outstanding:	<u>166,509,334</u>	as of date: <u>7/15/2020</u>
Number of shares in the Public Float <sup>2</sup> :	<u>58,391,221</u>	as of date: <u>7/15/2020</u>
Total number of shareholders of record:	<u>458</u>	as of date: <u>7/15/2020</u>

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

Trading symbol:	<u>UPWT</u>	
Exact title and class of securities outstanding:	<u>Preferred</u>	
CUSIP:	<u>90388Q105</u>	
Par or stated value:	<u>.01</u>	
Total shares authorized:	<u>50,000,000</u>	as of date: <u>7/15/2020</u>
Total shares outstanding:	<u>10,000,000</u>	as of date: <u>7/15/2020</u>

### Transfer Agent

Name: Securities Transfer Corporation  
Address 1: 2901 N. Dallas Parkway  
Address 2: Plano, TX 75093  
Phone: 469-633-0101  
Email: stc@stctransfer.com

Is the Transfer Agent registered under the Exchange Act?<sup>3</sup> Yes:  No:

<sup>2</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>3</sup> To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.  
OTC Markets Group Inc.  
OTC Pink Basic Disclosure Guidelines (v2.1 December 2019)

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:

None

### 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 <u>12/31/2016</u> Common: <u>166,509,334</u> Preferred: <u>0</u>			*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 individual 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.
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Shares Outstanding on Date of This Report: <u>Ending Balance</u> Ending Balance: Date <u>09/30/2018</u> Common: <u>166,509,334</u> Preferred: <u>0</u>									

**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:

**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 individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
11/14/2014	\$150,000	\$150,000	N/A	N/A	_____	Next Generation Services Danielle Tanner	Loan
_____	_____	_____	_____	_____	_____	_____	_____

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

**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>4</sup>:

Name: Caren Currier  
 Title: Accounting  
 Relationship to Issuer: Consultant

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

<sup>4</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.

- 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.

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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”)

No Operations

- 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

N/A

- C. Describe the issuers’ principal products or services, and their markets

- A. Ultra Pure Water Technologies, Inc. is a business consulting company.
- B. The Company, was originally incorporated under the laws of the State of Florida in May of 1998 and was redomiciled to Delaware in 2006.
- C. The company’s SIC code is: 8200 – Consulting Services
- D. The company’s principle products are consulting services.

## **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 operates out of shared office space at no cost to the company, and will do so until such time that the company needs its own facilities.

## 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
<u>Daniel LeBlanc</u>	<u>5% or more</u>  <u>Officer</u>	<u>Lafayette, LA</u>	<u>25,096,238</u>	<u>Common</u>	<u>15.07%</u>	_____
<u>Jacque Butler</u>	<u>5% or more</u>	<u>Sandy, UT</u>	<u>22,500,000</u>	<u>Common</u>	<u>13.51%</u>	_____
<u>Noreast Capital Corp.</u>  <u>Larry McGinnis</u>	<u>5% or more</u>	<u>Annapolis MD</u>	<u>15,016,667</u>	<u>Common</u>	<u>9.02%</u>	_____
<u>Carol Schoemann</u>	<u>5% or more</u>	<u>Baton Rouge, LA</u>	<u>11,633,929</u>	<u>Common</u>	<u>6.99%</u>	_____
<u>Shad Statsney</u>	<u>5% or more</u>	<u>Lafayette, LA</u>	<u>9,100,000</u>	<u>Common</u>	<u>5.47%</u>	_____
<u>J. Craig Holding Corp</u>  Jerry Craig	<u>5% or more /</u> <u>Director</u>	<u>Huntington Beach, CA</u>	<u>10,000,000</u>	<u>Preferred</u>	<u>100%</u>	<u>As of June 19, 2020</u>
<u>Bassil Aish</u>	<u>Director/Officer</u>	<u>Huntington Beach, CA</u>	<u>N/A</u>	_____	_____	<u>As of June 19, 2020</u>
<u>Dana Salazarulo</u>	<u>Officer</u>	<u>Huntington Beach, CA</u>	<u>N/A</u>	_____	_____	<u>As of June 19, 2020</u>

## 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);

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: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

### Accountant or Auditor

Name: Caren Currier  
Firm: \_\_\_\_\_  
Address 1: 2313 Hollyhill Lane  
Address 2: Denton, TX 76205  
Phone: 626.429.2780  
Email: [carenlarsen@hotmail.com](mailto:carenlarsen@hotmail.com)

### Investor Relations

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_

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.

**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, Jerry Craig certify that:

1. I have reviewed this quarterly disclosure \_\_\_\_\_ of Ultra Pure Water 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.

July 15, 2020

/s/ Jerry Craig

*Principal Financial Officer:*

I, Jerry Craig certify that:

1. I have reviewed this quarterly disclosure \_\_\_\_\_ of Ultra Pure Water 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.

July 15, 2020

/s/ Jerry Craig



**Ultr Pure Water Technologies Inc.**  
**Balance Sheet Prev Year Comparison**  
**As of September 30, 2018**

	Sep 30, 18	Sep 30, 17	\$ Change	% Change
<b>ASSETS</b>				
<b>Other Assets</b>				
Goodwill	50,000.00	50,000.00	0.00	0.0%
Intangible Asset	50,000.00	50,000.00	0.00	0.0%
<b>Total Other Assets</b>	<b>100,000.00</b>	<b>100,000.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>TOTAL ASSETS</b>	<b>100,000.00</b>	<b>100,000.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>LIABILITIES &amp; EQUITY</b>				
<b>Liabilities</b>				
<b>Current Liabilities</b>				
<b>Accounts Payable</b>				
Accounts Payable	7,450.00	6,700.00	750.00	11.2%
<b>Total Accounts Payable</b>	<b>7,450.00</b>	<b>6,700.00</b>	<b>750.00</b>	<b>11.2%</b>
<b>Other Current Liabilities</b>				
<b>Convertible Debt</b>				
Convertible Debt	150,000.00	150,000.00	0.00	0.0%
<b>Total Other Current Liabil...</b>	<b>150,000.00</b>	<b>150,000.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>Total Current Liabilities</b>	<b>157,450.00</b>	<b>156,700.00</b>	<b>750.00</b>	<b>0.5%</b>
<b>Total Liabilities</b>	<b>157,450.00</b>	<b>156,700.00</b>	<b>750.00</b>	<b>0.5%</b>
<b>Equity</b>				
Common Shares - .001	166,509.00	166,509.00	0.00	0.0%
Preferred Shares .01	10,000.00	10,000.00	0.00	0.0%
Retained Earnings	-233,209.00	-232,459.00	-750.00	-0.3%
Net Income	-750.00	-750.00	0.00	0.0%
<b>Total Equity</b>	<b>-57,450.00</b>	<b>-56,700.00</b>	<b>-750.00</b>	<b>-1.3%</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>100,000.00</b>	<b>100,000.00</b>	<b>0.00</b>	<b>0.0%</b>

**Ultr Pure Water Technologies Inc.**  
**Profit & Loss Prev Year Comparison**  
**September 2018**

	Sep 18	Sep 17	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
Consulting Income	0.00	0.00	0.00	0.0%
<b>Total Income</b>	0.00	0.00	0.00	0.0%
<b>Expense</b>				
Advertising and Promotion	0.00	0.00	0.00	0.0%
Automobile Expense	0.00	0.00	0.00	0.0%
Bank Service Charges	0.00	0.00	0.00	0.0%
Computer and Internet Expenses	0.00	0.00	0.00	0.0%
Continuing Education	0.00	0.00	0.00	0.0%
Depreciation Expense	0.00	0.00	0.00	0.0%
Dues and Subscriptions	0.00	0.00	0.00	0.0%
<b>Insurance Expense</b>				
General Liability Insurance	0.00	0.00	0.00	0.0%
Insurance Expense - Other	0.00	0.00	0.00	0.0%
<b>Total Insurance Expense</b>	0.00	0.00	0.00	0.0%
Interest Expense	0.00	0.00	0.00	0.0%
Meals and Entertainment	0.00	0.00	0.00	0.0%
Office Supplies	0.00	0.00	0.00	0.0%
Payroll Expenses	0.00	0.00	0.00	0.0%
Professional Fees	250.00	250.00	0.00	0.0%
Rent Expense	0.00	0.00	0.00	0.0%
Repairs and Maintenance	0.00	0.00	0.00	0.0%
Telephone Expense	0.00	0.00	0.00	0.0%
Travel Expense	0.00	0.00	0.00	0.0%
Utilities	0.00	0.00	0.00	0.0%
<b>Total Expense</b>	250.00	250.00	0.00	0.0%
<b>Net Ordinary Income</b>	-250.00	-250.00	0.00	0.0%
<b>Other Income/Expense</b>				
Other Income	0.00	0.00	0.00	0.0%
Other Expense				
Ask My Accountant	0.00	0.00	0.00	0.0%
<b>Total Other Expense</b>	0.00	0.00	0.00	0.0%
<b>Net Other Income</b>	0.00	0.00	0.00	0.0%
<b>Net Income</b>	<b>-250.00</b>	<b>-250.00</b>	<b>0.00</b>	<b>0.0%</b>

**Ultr Pure Water Technologies Inc.**  
**Statement of Cash Flows**  
July through September 2018

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	<u>Jul - Sep 18</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	-250.00
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Payable	250.00
Convertible Debt	0.00
Payroll Liabilities	0.00
Net cash provided by Operating Activities	<u>0.00</u>
<b>INVESTING ACTIVITIES</b>	
Accumulated Depreciation	0.00
Furniture and Equipment	0.00
Property, PLant & Equipment	0.00
Goodwill	0.00
Intangible Asset	0.00
Net cash provided by Investing Activities	<u>0.00</u>
<b>FINANCING ACTIVITIES</b>	
Additional Paid in Capital	0.00
Capital Stock	0.00
Common Shares - .001	0.00
Dividends Paid	0.00
Opening Balance Equity	0.00
Preferred Shares .01	0.00
Retained Earnings	0.00
Net cash provided by Financing Activities	<u>0.00</u>
Net cash increase for period	0.00
Cash at beginning of period	<u>0.00</u>
Cash at end of period	<u><u>0.00</u></u>

Ultra Pure Water Technologies, Inc.  
Statement of Stockholder's Equity (Unaudited)  
For the nine months ended September 30, 2018 & December 31, 2017

Ultra Pure Water technologies  
Statement of Stockholders' Equity (Unaudited)  
For the period Ended September 30, 2018 and  
December 31 2017

	Common Stock		Preferred Stock		Additional	Accumulated	Current Earnings	Total
	Shares	Amount	Shares	Amount	Paid-in	Earnings		Stockholders
					Capital	(Deficit)		Equity
<b>Balance December 31, 2017</b>	166,509,334	166,509	10,000,000	10,000	0	-233,209	-6,700	-56,700
Shares issued for debt	-	-	-	-	-	-	-	-
Shares issued for Services	-	-	-	-	-	-	-	-
Shares Issued for cash	-	-	-	-	-	-	-	-
Net Loss	-	-	-	-	-	-750	-750	-750
<b>Balance September 30, 2018</b>	166,509,334	166,509	10,000,000	10,000	0	-233,959	7,450	-57,450

\* The accompanying notes below are an integral part of these financial statements

Ultra Pure Water Technologies, Inc.  
Notes to the Financial Statements  
For the period ended September 30, 2018

**NOTE 1 - NATURE OF BUSINESS**

**ORGANIZATION**

Ultra Pure Water Technologies, Inc. (the “Company”) was formed to manufacture, sell, and rent pure quality water purification equipment utilizing reverse osmosis filtration processes and water vending equipment.

The Company was incorporated under the laws of the state of Florida in May, 1998. The Company was Re-domiciled to the State of Delaware on May 25, 2006.

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES**

**GOING CONCERN**

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the liquidation of liabilities in the normal course of business. At the end of the current period covered by this financial statement the Company had a Stockholders’ Deficit of \$57,450.00 with an accumulated Deficit of \$233,959.00. The Company cannot be certain that it will be successful in its various growth strategies.

These factors, among others, raise substantial doubt about the Company’s ability to continue as a going concern. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

**USE OF ESTIMATES**

The preparation of financial statements in conformity with U.S. general accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**CASH AND CASH EQUIVALENTS**

For purposes of the statement of cash flows, cash equivalents include demand deposits, money market funds, and all highly liquid debt instructions with original maturities of three months or less.

**FINANCIAL INSTRUMENTS**

The Company’s balance sheet includes certain financial instruments, primarily, cash, accounts receivable, inventory, accounts payable, and debt to related parties. The carrying amounts of current assets and current liabilities approximate their fair value due to the relatively short period of time between the origination of these instruments and their expected realization.

**CONCENTRATIONS AND CREDIT RISKS**

The Company's financial instruments that are exposed to concentrations and credit risk primarily consist of its cash, sales and accounts receivable.

*Cash* - The Company places its cash and cash equivalents with financial institutions of high credit worthiness. At times, its cash and cash equivalents with a particular financial institution may exceed any applicable government insurance limits. The Company's management plans to assess the financial strength and credit worthiness of any parties to which it extends funds, and as such, it believes that any associated credit risk exposures are limited.

## **PROPERTY, EQUIPMENT AND LONG-LIVED ASSETS**

Property and equipment are recorded at cost. Depreciation is provided over the estimated useful lives of the assets, five years, utilizing the straight method. Maintenance and repairs are expensed as incurred. Expenditures, which significantly increase value or extend useful asset lives are capitalized. When property or equipment is sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is recognized. The carrying amount of all long-lived assets is evaluated periodically to determine if adjustment to the depreciation period or the undepreciated balance is warranted. All tangible and intangible assets of the Company were impaired during the year ended December 31, 2012. Long-lived assets such as property, equipment and identifiable intangibles are reviewed for impairment whenever facts and circumstances indicate that the carrying value may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset. The fair value is determined based on estimates of future cash flows, market value of similar assets, if available, or independent appraisals, if required. If the carrying amount of the long-lived asset is not recoverable from its undiscounted cash flows, an impairment loss is recognized for the difference between the carrying amount and fair value of the asset. When fair values are not available, the Company estimates fair value using the expected future cash flows discounted at a rate commensurate with the risk associated with the recovery of the assets. We did not recognize any impairment losses for any periods presented.

## **REVENUE RECOGNITION**

The Company recognizes revenue in accordance with ASC 605, "*Revenue Recognition*". Revenue from the sale of cosmetics and other retail products is recognized when all of the following criteria have been met:

1. Persuasive evidence for an agreement exists;
2. The product has been provided;
3. The fee is fixed or determinable; and,
4. Collection is reasonably assured.

We recognize a sale when the product has been shipped at which time risk of loss has passed to the customer and the above criteria have been met.

## **SHARE-BASED COMPENSATION**

ASC 718, *Compensation – Stock Compensation*, prescribes accounting and reporting standards for all share-based payment transactions in which employee services are acquired. Transactions include incurring liabilities, or issuing or offering to issue shares, options, and other equity instruments such as employee stock ownership plans and stock appreciation rights. Share-based payments to employees, including grants of employee stock options, are recognized as compensation expense in the financial statements based on their fair values. That expense is recognized in the period of grant.

The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of ASC 505-50, *Equity-Based Payments to Non-Employees*. Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date.

## **INCOME TAXES**

The Company accounts for income taxes under ASC 740, *Income Taxes*. Under the asset and liability method of ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations. Deferred tax assets or liabilities were off-set by a 100% valuation allowance, therefore there has been no recognized benefit as of the release of these financial statements.

## **COMMITMENTS AND CONTINGENCIES**

The Company follows ASC 450-20, "Loss Contingencies," to report accounting for contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated.

## **EARNINGS PER SHARE**

Net income (loss) per share is calculated in accordance with ASC 260, "*Earnings Per Share*." The weighted-average number of common shares outstanding during each period is used to compute basic earning or loss per share. Diluted earnings or loss per share is computed using the weighted average number of shares and diluted potential common shares outstanding. Dilutive potential common shares are additional common shares assumed to be exercised. Basic net income (loss) per common share is based on the weighted average number of shares of common stock outstanding. Due to net operating loss, there is no presentation of dilutive earnings per share, as it would be anti-dilutive.

## **FORGIVENESS OF INDEBTEDNESS**

The Company follows the guidance of AS 470.10 related to debt forgiveness and extinguishment. Debts of the Company are considered extinguished when the statute of limitations in the applicable jurisdiction expire or when terminated by judicial authority such as the granting of a declaratory judgment. Debts to related parties or shareholders are treated as capital transactions when forgiven or extinguished and credited to additional paid in capital. Debts to non-related parties are treated as other income when forgiven or extinguished.

## **RECENT ACCOUNTING PRONOUNCEMENTS**

We have reviewed all the recently issued, but not yet effective, accounting pronouncements and we do not believe any of these pronouncements will have a material impact on the Company.

In March 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-09, Compensation – Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting. This guidance changes how companies account for certain aspects of share-based payments to employees. Among other things, under the new guidance, companies will no longer record excess tax benefits and certain tax deficiencies in additional paid-in-capital ("APIC"), but will instead record such items as income tax expense or benefit in the income statement, and APIC pools will be eliminated. Companies will apply this guidance prospectively. Another component of the new guidance allows companies to make an accounting policy election for the impact of forfeitures on the recognition of expense for share-based payment awards, whereby forfeitures can be estimated, as required today, or recognized when they occur. If elected, the change to recognize forfeitures when they occur needs to be adopted using a modified retrospective approach. All of the guidance will be effective for the Company in the fiscal year beginning October 1, 2017. Early adoption is permitted. The Company is currently evaluating the impact of this guidance, if any, on its financial statements and related disclosures.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which issued new guidance related to leases that outlines a comprehensive lease accounting model and supersedes the current lease guidance. The new guidance requires lessees to recognize lease liabilities and corresponding right-of-use assets for all leases with lease terms of greater than 12 months. It also changes the definition of a lease and expands the disclosure requirements of lease arrangements. The new guidance must be adopted using the modified retrospective approach and will be effective for the Company in the fiscal year beginning October 1, 2019.

Early adoption is permitted. The Company is currently evaluating the impact of this guidance, if any, on its financial statements and related disclosures. In July 2015, the FASB issued ASU No. 2015-11, Inventory (Topic 330): Simplifying the Measurement of Inventory.

The guidance requires an entity to measure inventory at the lower of cost or net realizable value, which is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation, rather than the lower of cost or market in the previous guidance. This amendment applies to inventory that is measured using first-in, first-out (FIFO). This amendment is effective for public entities for fiscal years beginning after December 15, 2016, including interim periods within those years. A reporting entity should apply the amendments prospectively with earlier application permitted as of the beginning of an interim or annual reporting period. The Company is currently evaluating the impact of this guidance, if any, on its financial statements and related disclosures.

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers (“ASU 2014-09”), 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 2014-09 will replace most existing revenue recognition guidance in U.S. generally accepted accounting principles when it becomes effective. In July 2015, the FASB deferred the effective date of the standard by an additional year; however, it provided companies the option to adopt one year earlier, commensurate with the original effective date. Accordingly, the standard will be effective for the Company in the fiscal year beginning October 1, 2018, with an option to adopt the standard for the fiscal year beginning October 1, 2017. The Company is currently evaluating this standard and has not yet selected a transition method or the effective date on which it plans to adopt the standard, nor has it determined the effect of the standard on its financial statements and related disclosures.

### **NOTE 3 - INCOME TAXES**

Income taxes are provided based upon the liability method. Under this approach, deferred income taxes are recorded to reflect the tax consequences in future years of differences between the tax basis of assets and liabilities and their financial reporting amounts at each year-end. A valuation allowance is recorded against deferred tax assets if management does not believe the Company has met the “more likely than not” standard imposed by accounting standards to allow recognition. The Company expected no net deferred tax assets to be recognized, resulting from net operating loss carry forwards. Deferred tax assets were offset by a corresponding allowance of 100%. The Company experienced a change in control subsequent to the balance sheet date and therefor no more than an insignificant portion of this net operating allowance will ever be used against future taxable income.

### **NOTE 4 - COMMITMENTS AND CONTINGENCIES**

#### *Risks and Uncertainties*

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

The Company does not have employment contracts with its key employees, including the controlling shareholders who are officers of the Company.

#### *Legal and other matters*

In the normal course of business, the Company may become a party to litigation matters involving claims against the Company. The Company's management is unaware of any pending or threatened assertions and



there are no current matters that would have a material effect on the Company's financial position or results of operations.

#### **NOTE 5 – CONVERTIBLE NOTE PAYABLE**

The Company has issued one convertible debt note to a non-affiliated third party prior to the period covered by this financial statement.

All notes are payable due on demand and convertible at the option of the holder into common shares at a discount due to the extremely high risk that the loans pose to the debtor.

#### **NOTE 6 – INTANGIBLE ASSETS**

The Company has assessed a value of \$50,000.00 in goodwill for the company as well as a value of \$100,000.00 in intangible asset value as a result of the company's inherent value as a publicly traded entity.

#### **NOTE 7- EQUITY**

At the end of the period represented by this disclosure document, the Company is authorized to issue 50,000,000 shares of \$0.001 par value convertible Preferred Series A stock. Holders of Preferred Series A Stock are granted 100 common shares votes for each share of Preferred Series A Stock held.

During the period the Company was authorized to issue 200,000,000 shares of \$0.001 par value common stock.

At the close of the period covered by this information statement the Company has 166,509,334 total outstanding shares of which 58,391,221 are free trading and 108,118,113 are restricted.

#### **NOTE 8 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date of filing the consolidated financial statements with the Securities and Exchange Commission, the date the consolidated financial statements were available to be issued. Management is not aware of any significant events that occurred subsequent to the balance sheet date that would have a material effect on the consolidated financial statements thereby requiring adjustment or disclosure.

End of Notes to the Financial Statements