



**THIRD QUARTER REPORT**  
of  
**WIALAN TECHNOLOGIES, INC.**  
for the period ending  
**SEPTEMBER 30, 2014**  
  
**OTC: WLAN**  
  
**CUSIP: 96685A107**

# **Wialan Technologies, Inc.**

## **OTC Pink Basic Disclosures**

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

Current Name: **Wialan Technologies, Inc. as of January 22, 2014**

Former Name: **Name changed to American Community Development Group, Inc. as of February 5, 2010**

Former Name: **Name changed to Rockbands, Inc. as of April 02, 2008**

Former Name: **Name changed to DTL, Inc. as of April 27, 1987**

Former Name: **Originally incorporated as Fortsbridge, Ltd. on February 25, 1985**

**Taxpayer ID #: 26-3092712**

### **2) Address of the issuer's principal executive offices**

#### **Company Headquarters:**

**10273 NW 45th Street  
Sunrise, Florida 33351  
Phone: 954.749.3481  
Email: investors@wialan.com  
Website(s): www.wialan.com**

#### **IR Contact:**

**N/A**

### **3) Security Information:**

Trading Symbol: **WLAN (from January 22, 2014); ACYD to January 21, 2014**

CUSIP: **96685A107 (from January 22, 2014)**

**025221102 (to January 21, 2014)**

Total shares authorized: **3,500,000,000 as of September 30, 2014**

Par Value: **\$0.0001**

Shares Issued and outstanding:

**2,547,571,748 common shares as of September 30, 2014**

**Transfer Agent :**

**ClearTrust, LLC**

16540 Pointe Village Drive

Suite 206

Lutz, Florida 33558

Phone: 813.235.4490

Is the Transfer Agent registered under the Exchange Act?\* Yes: **X** No:

\*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security: **None**

Describe any trading suspension orders issued by the SEC in the past 12 months. **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:

**On July 26, 2013 the Company increased its authorized commons shares to 3,500,000,000 shares. Additionally, the Company merged with Wialan Technologies , LLC on August 28, 2013 .**

**4) Issuance History**

Below are events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years.

**During Calendar 2012**

**1.During the first quarter of 2012**, there was a partial conversion of principal and accrued interest totaling \$ 41,759 into the Company's common stock relating to a convertible note originally issued for \$300,000 on March 28, 2009. This partial conversion resulted in the exchange and issuance of **28,606,371** unrestricted shares of the Company's common stock.

Also during the **first quarter of 2012**, there was a partial conversion of principal of \$ 18,000 into the Company's common stock relating to a convertible zero interest note originally issued for \$25,000 on January 12, 2012. This partial conversion resulted in the exchange and issuance of **10,495,175** restricted shares of the Company's common stock..

Further, during the **first quarter of 2012**, the Issuer sold to Vincent Koehler **2,750,000** shares of Common Stock for \$20,000 at an offering and sales price of \$ 0.00727 per share.

**2.During the second quarter of 2012**, the original \$300,000 note that was convertible to the Company's common stock was partially converted. \$7,567 of the note and unpaid interest were converted in exchange for **13,142,423** unrestricted shares of the Company's common stock. This loan originated on March 28, 2008.

Also during the **second quarter of 2012**, the original \$25,000 note that was convertible to the Company's common stock was converted in total. The \$21,688 remaining note and unpaid interest were converted in exchange for **12,859,694** unrestricted shares of the Company's common stock . This loan originated on March 30, 2011.

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WIALAN TECHNOLOGIES, INC.

INTERIM FINANCIAL STATEMENTS FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2014

During the **second quarter of 2012**, the original \$25,000 zero interest note that was convertible to the Company's common stock was partially converted. \$9,500 of the note was converted in exchange for **13,571,429** restricted shares of the Company's common stock, issued with a restrictive legend as non-trading. This loan originated on January 12, 2012.

Further, during the **second quarter of 2012**, the Issuer sold **24,400,000** shares of Common Stock for \$50,000 at an offering and sales price of \$0.00205 per share. The Issuer relied upon Rule 504 exempt offering under the Securities Act of 1933 and filed Form D.

Further, during the **second quarter of 2012**, **1,010,101** restricted shares of the Issuer's common stock were issued for corporate services rendered. The certificates contain a restrictive legend stating the shares have not been registered under the Securities Act and setting forth the restrictions on transferability. The 1,010,101 shares were issued to Brant Doell, then a Director.

**3. During the third quarter of 2012**, the original \$300,000 note that was convertible to the Company's common stock was partially converted. \$62,962 of the note and unpaid interest were converted in exchange for **39,719,017** unrestricted shares of the Company's common stock. This loan originated on March 28, 2008.

Also, during the **third quarter of 2012**, the original \$70,000 note that was convertible to the Company's common stock was partially converted. \$32,101 of the note and unpaid interest were converted in exchange for **29,862,058** unrestricted shares of the Company's common stock. This loan originated on November 10, 2009.

Further, during the **third quarter of 2012**, a \$25,000 portion of the original \$70,000 note that was convertible to the Company's common stock was assigned on July 18, 2012 and was partially converted. \$16,000 of the note and unpaid interest was converted in exchange for **17,956,656** unrestricted shares of the Company's common stock. The original \$70,000 loan was originated on November 10, 2009.

Further, during the **third quarter of 2012**, **934,579** restricted shares of the Issuer's common stock were issued for corporate services rendered. The certificates contain a restrictive legend stating the shares have not been registered under the Securities Act and setting forth the restrictions on transferability. The 934,579 shares were issued to Brant Doell, Director.

**4. During the fourth quarter of 2012** a \$25,000 portion of the original \$70,000 note that was convertible to the Company's common stock was assigned on July 18, 2012 and was partially converted. \$5,000 of the note and unpaid interest was converted in exchange for **12,500,000** unrestricted shares of the Company's common stock. The original \$70,000 loan was originated on November 10, 2009.

Also, during the **fourth quarter of 2012**, a \$20,899 portion of the original \$70,000 note that was convertible to the Company's common stock was assigned on September 5, 2012 and was partially converted. \$7,800 of the note and unpaid interest was converted in exchange for **19,500,000** unrestricted shares of the Company's common stock. The original \$70,000 loan was originated on November 10, 2009.

Further, during the **fourth quarter of 2012**, the Issuer sold **27,200,000** shares of Common Stock for \$15,000 at an offering and sales price of \$0.00055 per share. The Issuer relied upon Rule 504 exempt offering under the Securities Act of 1933 for the previously filed Form D via EDGAR to the Securities and Exchange Commission.

## **During Calendar 2013**

**1. During the second quarter of 2013 40,000,000** shares of Company's common stock were issued to ACAP. The original \$70,000 note that was convertible to the Company's common stock was partially converted (i) \$13,099 of the note and unpaid interest were converted in exchange for 40,000,000 unrestricted shares of the Company's common stock and (ii) \$7,099 of the note was issued to Primary Finance and converted in exchange for **13,333,333** unrestricted shares of the Company's common stock. This loan originated on November 10, 2009.

Also, during the **second quarter of 2013, 32,000,000** shares of Company's common stock were issued to DB Capital Corp. This note was for \$25,000.

Further, during the **second quarter of 2013, 20,000,000** shares of Company's common stock were issued to Equitas Group Inc. These shares were in exchange for money loaned to ACYD.

Further during the **second quarter of 2013, 11,000,000** shares of Company's common stock were issued to Benjamin Petitti, on behalf of his spouse, Morgan E. Petitti, for legal services rendered.

**2. During the third quarter of 2013, 37,500,000** shares of Company's common stock were issued to JSJ Investments for the balance of the \$25,000 loan.

Also during the **third quarter of 2013 9,090,909** shares of Company's common stock were issued to DB Capital Corp in exchange for a note of \$ 5,000. In addition, **4,166,666** shares of Company's common stock were issued to DB Capital Corp. in exchange for a note of \$2,500.

Also, during the **third quarter of 2013, 20,000,000** shares of Company's common stock were issued to Southbridge Advisory Group, Inc. for money loaned to the Company..

### **Merger:**

On **August 28, 2013** Wialan Technology, LLC merged into the Company. In conjunction with this merger, on August 28, 2013 the Company issued **1,900,000,000** restricted common shares to the owners of Wialan Technology, LLC as consideration for the acquisition.

Also on August 28, 2013 the Company issued **109,709,888** restricted common shares to The New Renaissance Group, Inc., which was majority owned by former ACYD President and CEO John Folger, in part in settlement of Mr. Folger's prior services for the Company and in part to settle the ACYD liabilities which existed at the date of merger.

Accordingly, at **August 28, 2013** the Company's issued common shares had increased to **2,533,333,333**.

None of the Company's **75,000,000** preferred shares have been issued.

## **Fourth Quarter 2013**

There were no new common or preferred shares of the Company issued during forth quarter, 2013.

## **During Calendar 2014**

### **First Quarter 2014**

There were no new common or preferred shares of the Company issued during first quarter, 2014.

## Second Quarter 2014

There were no new common or preferred shares of the Company issued during first quarter, 2014.

## Third Quarter 2014

On September 30, 2014 the Company issued **14,238,415** common shares to a Noteholder to discharge a Note payable of \$ 20,000 together with accrued interest of \$ 2,306.85. No preferred shares were issued.

## 4. Financial Statements

The following Financial Statements have been prepared from the books and records of the Company and have not been subject to independent review and audit. The financial statements reflect all adjustments known to management necessary to fairly reflect the results of operations and financial position of the Company for the periods presented.

**WIALAN TECHNOLOGIES, INC.**  
**(FORMERLY AMERICAN COMMUNITY DEVELOPMENT GROUP, INC.)**  
**CONSOLIDATED BALANCE SHEETS**  
**(Unaudited)**

	As at September 30, 2014	As at December 31, 2013
<b>Assets</b>		
Current assets		
Cash	\$ 7,982	\$ 58,433
Accounts receivable	29,493	5,000
Due from stockholders	96,112	148,500
Inventory of parts, at cost	<u>103,230</u>	<u>103,230</u>
Total current assets	<u>236,817</u>	<u>315,163</u>
Fixed assets, less accumulated depreciation	<u>18,286</u>	<u>28,395</u>
Goodwill	<u>1,478,114</u>	<u>1,478,114</u>
<b>Total assets</b>	<b>\$ <u>1,733,217</u></b>	<b>\$ <u>1,821,672</u></b>
<b>Liabilities and stockholders' equity</b>		
Current liabilities		
Accounts payable and accrued expenses	\$ 286,284	\$ 240,458
Short-term notes payable and accrued interest	<u>131,515</u>	<u>137,815</u>
Total current liabilities	<u>417,799</u>	<u>378,273</u>
Stockholders' equity		
Preferred stock, 75,000,000 shares authorized of \$ 0.0001 par value, none issued or outstanding	-	-
Common stock, 3,500,000,000 shares authorized of \$0.0001 par value, 2,547,571,748 and 2,533,333,333 issued and outstanding at September 30, 2014 and December 31, 2013, respectively	254,757	253,333
Additional paid in capital	3,939,382	3,918,499
Treasury stock	(13,100)	(13,100)
Accumulated deficit	<u>(2,865,621)</u>	<u>(2,715,333)</u>
Net stockholders' equity	<u>1,315,418</u>	<u>1,443,399</u>
<b>Total liabilities and stockholders' equity</b>	<b>\$ <u>1,733,217</u></b>	<b>\$ <u>1,821,672</u></b>

The accompanying notes are an integral part of these financial statements

**WIALAN TECHNOLOGIES, INC.**  
*(Formerly American Community Development Group Inc.)*  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(Unaudited)**

	Three Months Ended Sept 30, 2014	Three Months Ended Sept 30, 2013	Nine Months Ended Sept 30, 2014	Nine Months Ended Sept 30, 2013
<b>Revenue</b>				
Product sales	\$ 73,758	\$ 15,741	\$ 154,924	\$ 15,741
Less: cost of sales	<u>24,125</u>	<u>0</u>	<u>68,390</u>	<u>0</u>
Gross margin	49,633	15,741	86,534	15,741
Property rental	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,000</u>
Total revenue	<u>49,633</u>	<u>15,741</u>	<u>86,534</u>	<u>21,741</u>
<b>Operating expenses:</b>				
General and administrative	82,581	163,492	203,380	213,580
Depreciation	<u>2,286</u>	<u>464</u>	<u>7,322</u>	<u>1,393</u>
	<u>84,867</u>	<u>163,956</u>	<u>210,702</u>	<u>214,973</u>
<b>Operating loss</b>	<u>(35,234)</u>	<u>(148,215)</u>	<u>( 124,168)</u>	<u>(193,232)</u>
<b>Other income (expense)</b>				
Interest	(8,393)	(6,171)	(18,334)	(16,601)
Assets written off	(7,787)	0	(7,787)	0
Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>334</u>
	<u>(16,180)</u>	<u>(6,171)</u>	<u>(26,121)</u>	<u>(16,267)</u>
<b>Net loss for period</b>	<u>\$ (51,414)</u>	<u>\$ (154,386)</u>	<u>\$ (150,289)</u>	<u>\$ (209,499)</u>
<b>Net loss per share</b>	<u>\$ 0.0000</u>	<u>\$ 0.0002</u>	<u>\$ 0.0000</u>	<u>\$ 0.0004</u>
<b>Weighted average shares outstanding</b>	<u>2,533,333,333</u>	<u>839,318,000</u>	<u>2,533,333,333</u>	<u>573,835,000</u>

The accompanying notes are an integral part of these financial statements

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**WIALAN TECHNOLOGIES, INC.**  
*(Formerly American Community Development Group Inc.)*  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(Unaudited)**

	9 Months Ended <u>September 30, 2014</u>	9 Months Ended <u>September 30, 2013</u>
<b>Cash flow provided by (used in) operating activities:</b>		
Net loss	\$ (150,289)	\$ (209,499)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock used to settle employee compensation	-	109,710
Depreciation	7,322	1,393
Assets written off	7,787	-
Increase in current liabilities (net)	51,834	28,285
Increase in accounts receivable	<u>(19,493)</u>	<u>-</u>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ <u>(102,839)</u></b>	<b>\$ <u>(70,111)</u></b>
 <b>Cash flow from (used by) financing activities</b>		
Proceeds from debt financing and the issuance of stock	-	156,345
Decrease in amount due from stockholders (net)	<u>52,388</u>	<u>-</u>
	<u>52,388</u>	<u>156,345</u>
 <b>Net increase (decrease) in cash</b>	<b>(50,451)</b>	<b>86,234</b>
 <b>Cash, beginning of period</b>	<b><u>58,433</u></b>	<b><u>0</u></b>
 <b>Cash, end of period</b>	<b>\$ <u>7,982</u></b>	<b>\$ <u>86,234</u></b>
 <b>Supplemental schedule of non-cash investing and financing activity</b>		
Issuance of common share in discharge of Note Payable and accrued interest thereon	\$ <u>22,307</u>	\$ <u>0</u>

The accompanying notes are an integral part of these financial statements

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**WIALAN TECHNOLOGIES, INC.**  
*(Formerly American Community Development Group Inc.)*  
**CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**  
**For the Nine Months Ending September 30, 2014**  
**(Unaudited)**

	<b>Numbet of Issued Common <u>Shares</u></b>	<b>Amount at Par <u>Value</u></b>	<b>Additional Paid in <u>Capital</u></b>	<b>Treasury <u>Stock</u></b>	<b>Accumulated <u>(Deficit)</u></b>	<b>Stockholders' <u>Equity</u></b>
<b>Balance : January 1, 2014</b>	<b>2,533,333,333</b>	<b>\$ 253,333</b>	<b>\$ 3,918,499</b>	<b>\$ (13,100)</b>	<b>\$(2,715,333)</b>	<b>\$ 1,443,399</b>
Net Loss for 9 months ending Sept. 30, 2014					( 150,288)	(150,288)
Issuance of stock on September 30, 2014 to discharge a Note Payable and accrued interest thereon	<u>14,238,415</u>	<u>1,424</u>	<u>20,883</u>	<u>0</u>	<u>0</u>	<u>22,307</u>
<b>Balance : September 30, 2014</b>	<b>2,547,571,748</b>	<b>\$ 254,757</b>	<b>\$ 3,939,382</b>	<b>\$ (13,100)</b>	<b>\$(2,865,621)</b>	<b>\$ 1,315,418</b>

The accompanying notes are an integral part of these financial statements

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**WIALAN TECHNOLOGIES, INC.**  
**(Formerly American Community Development Group Inc.)**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**  
**(Unaudited)**

**NOTE A - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities:**

Wialan Technologies, Inc., (formerly American Community Development Group, Inc. or “ACYD”) was incorporated in the State of Delaware on February 25, 1985 under the name of Fortsbridge, Ltd. (“Fortsbridge”), a business involved in investing in various companies. The Company was a Reporting Issuer subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act until November 17, 1989, when it filed a Form 15-12G with the Commission.

On April 27, 1987, the Company effected a corporate name change to DTI, Inc. as the result of the Company purchasing the assets of DTI, Inc., a discount travel business.

On May 29, 2008, the Company then merged with Rockbands, LLC (acquiring 100% of the shareholders’ equity), a jewelry based entity incorporated in the State of Florida in January, 2007, involving the exchange of 180,000,000 restricted shares of the Company’s common stock. At this time, the Issuer modified its business plan to that of Rockbands, LLC, acquired the assets of Rockbands, LLC, and spun off the assets of DTI, Inc. to Airport Road Associates One, LLC. Simultaneously, control of the Company was transferred from DTI, Inc. to the shareholders of Rockbands, LLC and the Company subsequently effected a corporate name change to Rockbands, Inc. (“Rockbands”). However, in the fourth quarter of 2009, the Issuer concluded that capital requirements needed for the Company to remain in business could no longer be satisfied solely through the sale of its “RockBands” products, and that it needed to consider other avenues for generating revenue. The Company accordingly decided to make a radical change to its business plan and divested itself of the business and assets of Rockbands, and acquired a business line that would make available potential business opportunities and capital to the Company. The business plan was revamped to involve the development, acquisition, ownership and operation of low cost housing for specialty classifications of individuals and the indigent and financially challenged and this remained the main business plan of the Company until August 28, 2013.

Control of the Company was changed and transferred on December 31, 2009 to American Community Development Corporation, a State of Florida entity, and the Company subsequently effected a corporate name change to American Community Development Group, Inc. (“ACYD”) on February 5, 2010. The transfer involved 9,000,000 restricted shares of the Company’s common stock being issued to the shareholders of ACYD. From that date through August 28, 2013 ACYD operated as a for-profit, real estate acquisition company that created and sponsored affordable and transitional housing and job creation programs for the nonprofit community. ACYD’s target market was focused on the Florida West Coast with the desire to expand to other regions throughout the United States of America. In order to provide services to those individuals that are less fortunate, ACYD offered consulting, debt and equity financing, investment banking, social services, business and financial planning, grant writing, marketing and donor development programs to the nonprofit community and other agencies and entities.

Overall, ACYD tried to act as a financial bridge between traditional public/private financing and the desperate needs of nonprofits and their constituents.

On August 28, 2013 ACYD acquired all of the assets and business operations of Wialan Technologies, LLC (“Wialan”), through the execution of an Acquisition Agreement and Plan of Merger, as a business combination and tax-free reorganization.

The terms of this Agreement required, as consideration for the acquisition, the issuance to the owners of Wialan of a total of 1.9 billion common shares of the Company, having a market value at August 28, 2013 of \$ 1,900,000. Effective that date, John Folger resigned as President, CEO and Director and Victor Tapia was appointed Vice President, Secretary and Director. Since August 28, 2013 the Company's new business focus has been the manufacturing, marketing and installation of industrial wireless access equipment (WiFi Access Points) for the corporate owners of apartment complexes, marinas, shopping centers, municipal parks, RV parks, airports, schools, hotels and resorts, as well as for major communication companies.

The name of the Company was changed to Wialan Technologies, Inc. on January 22, 2014 and its trading symbol was changed from ACYD to WLAN. The former "ACYD" business ceased effective September 30, 2013.

#### **Explanation of Wialan's business operations:**

Wialan's product offerings are positioned as cost-effective, reliable, operational solutions to the current and future needs of the wireless and security system market. Its initial product offerings include the WIALAN Wi-Gate Wireless Broadband Gateway - a Wi-Fi compatible access point that includes support for 128bit MPPE encryption, access lists, security enabling users to protect their wireless network by either encrypting the data or by specifying the address of a wireless adapter before allowing it access to the Ethernet network.

Wialan's overall product lines include, but are not limited to, the following:

##### **a) Wi Gate Access Point Routers Series**

The **WIALAN Wi Gate Series of Wireless Broadband Gateways** features high performance 802.11a/b/g/n (with 802.11a for the unlicensed 5Ghz band and the licensed 4.9Ghz public safety band) wireless access points, for local wireless connections, and a Ethernet (auto detect) WAN port for integration to private or public networks with or without Internet access, which physically separates the local computers from the broadband network. The Access Point can be configured either as a router, which add a layer of firewall security for the private network, or as a bridge, for simple private network extension deployments.

Major benefits include:

- Supporting any wireless 802.11a/b/g/n compatible device;
- Indoor and outdoor versions to suit the needs of very large outdoor deployments such as Town Centers, parks, marinas, etc; and indoor deployment such as office buildings, hotels and many other applications,
- A robust web-based management system that allows local or remote users to configure the Gateway from any device that can run a web browser;
- In Router mode, very easy WAN configuration via DHCP or static address configuration;
- In Router mode, it provides Industry standard network self configuration tools such as NAT (Network Address Translation) which ensures the sharing of a single IP Address with many computers in your network and the logical firewall network isolation this entails, and DHCP (Dynamic Host Control Protocol);

- Bandwidth managing, through QOS or Bandwidth Shaping, which guarantees performance for Special Internet Applications such as Voice over IP (VOIP), video streaming, Virtual Private Networks (VPNs) and on-line games, that require two-way secure communications and stable bandwidth allocation;
- Built-in VPN Server with 128bit hardware accelerated MPPE encryption and MS-Chap-v2 user Authentication;
- Firewall protection;
- Allows filtering of Internet content to either a single computer or a work group;
- Port mapping, which allows the redirecting of IP ports for the provisioning of Virtual Servers, which enable users to install a web, email or other TCP/IP based server on the local network and have it accessible from the Internet;
- In Bridge mode, it works as a transparent switch between the client connected to it and either a router or another bridge or the main base.

#### **b) Wialan's Luma Series of Smart Lights with Wi Fi and video surveillance**

**Wi Gates Luma Series** is a single cost efficient solution for multiple problems.

- Super LED illumination, optimal light spreading
- 65% Electricity saving
- Wireless remote control
- Wireless internet (Wi Fi)
- Cameras for video security
- Blending in with the structure for an aesthetic look
- In Bridge mode, it works as a transparent switch between the client connected with either a router, another bridge or the main base. .

Wi Fi capability allows the Wi Gates Luma Series to be not only remote controlled but also able to distribute internet and/or intranet signals throughout the community.

#### **c) Wi Gate Video Security Network**

Wialan Technologies High Speed Access Points and Broadband Gateway is a perfect match for Hi Definition IP video cameras.

The Wi-Fi Security Network provides customers with Wi-Fi connectivity coupled with 24/7 HD live stream video connectivity via a phone app or on-site server. This network platform provides marinas, parks and other commercial clients with wireless connection to the Internet as well as 24/7 monitoring of customer facilities.

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#### **d) Public Announcement Wireless Early Warning System (PAWEWS)**

The PAWEWS relates to a beach public address wireless early warning system with high definition cameras and wireless internet right at the sand, which uses Internet Protocol and/or wireless frequencies to alert beach goers of a potential hazard, the warning could come from a base station (it can be a headquarters of a life guard monitoring body) that monitors remote life guard stations or from any of the manned lifeguard station.

Since lifeguard stations do not normally have AC power, the system was designed using solar energy to provide power for the Wireless PA System (loud speakers), video surveillance cameras and Wi Fi for the surrounded area around the lifeguard stands at the beach.

There is potential for this product to be installed in every beach or campus in the entire USA.

#### **e) Municipal Model**

In addition, Wialan has created a “municipal model” which provides Wi-Fi access “platforms” for entire sections of participating municipal and regional county areas. These Wi-Fi platforms are established through placement of Wialan wireless equipment in light fixtures along city streets and other municipal lighting structures (Wialan's LUMA series). The installation of energy efficient LED lights with energy controlling features provided by Wialan’s wireless devices will result in substantial energy savings for municipal governments. Industry experts estimate that municipal governments can save up to 65 -75% in electrical energy costs by implementing the Wialan wireless devices in combination with energy efficient LED lights.

The light Wi-Fi access points can also be combined with security cameras that can provide municipalities with 24/7 video surveillance for selected areas of the municipality. Wialan's 4.9 GHz Security has already been installed in various areas of Miami Dade County, most notably at the Miami Dade OMNI Bus station, Haulover Beach Park, Goulds Park and many other that are on the planning stage of the installation. The Wialan Security equipment installed at the OMNI Bus Terminal is utilized by the county to monitor guest arrivals and departures on county transportation vehicles at that terminal.

In summary, the Wialan Municipal Model can provide the following benefits:

- Each municipal government can manually or automatically remote control all participating lights and light structures throughout the city or region. The Wialan municipal model can provide cities and counties with the ultimate “dimmer switch” which can allow constant monitoring of light emission from municipal light systems.
- Each municipal government can utilize the 4.9 GHz public safety frequency as well as Wi Fi internet access for emergency and police personnel utilizing these frequencies along its streets and roads.
- Each municipal government can stimulate commercial economic development and grow revenues to the city advertising the increased security and the Wi Fi internet platforms over entire city blocks for private and commercial usage

- Each municipal government can use its “wireless city” technology to enhance education and promote tourism and business development in the region.
- Each municipal government can create entire security zones by combining Wialan Wi-Fi equipment with Wialan Security Systems.

#### **f) Marina Model**

Wialan has taken its Wi Fi platform one step further with the incorporation of a high definition (1080p Resolution 1920 X 1080) live stream video camera connection to allows marina owners to have 24/7 viewing of all marina facilities via on-site server or through applications for cell phones. Wialan's plan is to deliver and install its Wi Fi and Wi Gate Security Network all over US marinas.

#### **g) Existing Installations**

There is a large market all over the world for the wireless solution that Wialan Technologies offers, for example some of the sites already using Wialan Technologies system are:

- i. Miami Dade County . Since January 2008, the Miami Dade County has been purchasing Wialan Technologies Wireless devices for providing wireless video surveillance and Internet to the needy areas through the County, some of the area includes:
  - Goulds Park : Wialan Technologies combination of 4.9 GHz public safety frequency for their wireless video surveillance and a 2.4 GHz Wi Fi for wireless internet provision.
  - Haulover Park: 4.9 GHz public safety frequency for wireless video surveillance.
  - Bill Bird Marina: 2.4 GHz Wi-Fi system providing wireless Internet to boaters.
  - Omni Station : 4.9 GHz public safety frequency for wireless video surveillance
  - Cutler Ridge Park: 2.4 GHz Wi-Fi system that includes wireless Internet and video surveillance.
  - East Ridge retirement community, Wi Fi for the elderly
- ii. Private Marinas
  - Deering Bay - Coral Gables FL
  - Cocoplum Marina - Coral Gables FL
  - Marina Bay - Fort Lauderdale FL
- iii. Apartment Complexes and private properties
  - Pinnacle Housing - Pinnacle Grove - Vero Beach FL
  - Pembroke Falls Apartments - Pembroke Pines FL
  - The Falls Apartments - Fort Lauderdale FL

## **h) International Developments**

**Dominican Republic:** On June 26, 2013 Wialan established and registered a 50/50 joint venture in the Dominican Republic with locally based partners called Wialan Technologies Dominicana. In association with Hughes Network Satellite Delivery Systems, Wialan plans to deliver wireless internet, together with its public announcement and video surveillance systems, to initially 300 schools – growing to approximately 2,600 of the 6,000 total schools in the Dominican Republic which do not presently have these types of facilities. During mid-June 2014, the Company achieved the first successful installation and full operation of its proprietary combined Wi-Fi/PA System/Security Surveillance device at a selected school in the Dominican Republic. There was a high profile ribbon-cutting ceremony at the location on August 8, 2014, attended by local government officials and senior management of both the Company and Hughes Network.

This installation and successful operation of the Company's technology occurred at the Cigar Family Community School located in the Bonao region of the Dominican Republic and has approximately 500 students from pre-school the 12<sup>th</sup> grade. It is part of the Cigar Family Community Complex which includes the Elementary and High Schools, Health Clinic, Baseball and Basketball Stadiums, Solar Energy Station and Organic Farm. The complex was first created by the Cigar Family Charitable Foundation by the Fuente and Newman families in 2001. Today, Cigar Family Community Complex serves well over 5,000 families and has achieved tremendous results. When the testing was completed and the switch was turned on, it was met with great success and celebration at the August 8, 2014 event. With this milestone completed, the road is now open for the Company to conclude negotiations with the government of the Dominican Republic to roll out the Wialan system to more than 1,000 other schools in the Dominican Republic, as well as beyond into Central and South America over the next few years.

**Haiti:** On July 15, 2013 Wialan established and registered a 50/50 joint venture in Haiti called Wialan Technologies for the sale and deployment of Wialan systems in Haiti. HughesNet has agreed to provide internet connectivity. Similar to the achievement in the Dominican Republic, the plan is to assemble the Wialan product locally under Wialan's supervision using Wialan's authorized selective components shipped from Wialan's base in the US.

**Brazil:** On August 6, 2013 Wialan established and registered a 50/50 joint venture in Brazil called Wialan Technologies Brazil with local Brazilian partners for the assembly, sale and deployment of Wialan's combined wireless internet, video surveillance and public announcement systems throughout Brazil. (Presently, these systems are being tested in Brazil for compliance with local regulatory compliance.)

Revenues and operating results from the foregoing 50/50 joint ventures are expected to be reflected by Wialan commencing in calendar 2015.

**Venezuela:** Wialan Technologies, Inc. delivered, via an agreement with The United Nations, and supplied 250 Outdoors Access points and 450 CPE devices in Venezuela. The wireless equipment is in use in the country of Venezuela, where the government is providing some areas of the city of Caracas, the capital and the airport with free wireless Internet. These devices have been installed and were put in service in 2005, 2006 and 2007. Since then the devices have continue operating without a failure, which has proven the technology to be easy to use and most of all, very reliable.



**Mexico:** Mexico City and Cancun have both developed wireless technology in many sites, including the Cancun Airport where fourteen million passengers are in transit annually.

**Colombia** has also invested in Wialan's equipment to provide wireless services. Digital Cable System, a cable operator with over one hundred cable ends, has deployed Wialan Technologies Access points to provide wireless services

**(a) Other developments**

- (i) During April, 2014 Miami Dade County invited bids from contractors to install specified Wialan wireless equipment to provide public safety in the 4.9 GHz band and Wi Fi coverage at the African Heritage Cultural Arts Center in Miami, Florida. In June, 2014 Wialan successfully supplied the equipment that provides Internet services to up to 200 simultaneous patrons in each of the various arts centers on the campus, covering at least 95% of the areas including picnic areas and parking lots. Based upon its continuing successful experience with Miami-Dade County, going forward is to work with counties, cities and local governments in North America to rollout public safety and Wi Fi access platforms that can be leveraged to provide not only broadband internet access in public areas, but also provide public safety (e.g., 24/7 video surveillance using the 4.9 GHz band which is a licensed band available for use only by public safety agencies) and other applications that can piggyback on the highly flexible industrial grade Wialan platform.
- (ii) Effective April 1, 2014, the Company retained Mediaworld Ventures, LLC ("Mediaworld") to provide executive advisory services to the Board of Directors of Wialan, including assisting the Company's management on operations, business and execution planning, and strategic initiatives to support the growth of the Company. The Company believed that Mediaworld will add significant depth of experience and business skill by enhancing management strength to accelerate business development, market expansion, financing and communications. However, an engagement agreement was never signed and the Company subsequently became concerned that Mediaworld was not providing and /or delivering all of the services that the Company had first anticipated and the engagement ended effective May 31, 2014. A dispute has arisen between the Company and Mediaworld regarding the appropriate level of compensation due for the 2 months concerned, Negotiations are currently in progress between the parties to attempt to mutually settle this contested compensation issue.
- (iii) On April 11, 2014 the Company executed an agreement with Wi-Fidelity, LLC for the purchase of up to \$ 250,000 worth of Wialan integrated Wi-Fi/surveillance product, together with an ongoing pay portal and maintenance support service arrangement, to create a line of wireless access points for internal and external commercial and residential use in California Wi-Fidelity, LLC is substantially controlled by Timothy Peabody (our former CEO) and currently a Director of the Company. Sales totalled \$ 56,870 for the 9 months ending September 30 ,2014.
- (iv) During second quarter, 2014 the Company made its first successful sale of it product to a customer in South Africa. The Company expects to expands its sales efforts both in South Africa and to other African countries, potentially sourced with solar power, which desperately need wi-fi connectivity and video security surveillance.
- (v0) On August 1,2014, as one of the four finalists in bidding for the installations of its wi-fi communication solution to be integrated into a comprehensive disaster recovery system, the Company submitted its updated and enhanced proposal and bid to the New York City RISE program administrators. The winning provider is expected to be announced by the end of November, 2014.. Should the Company be the winner, the contract would be worth more than \$ 4.5 million in gross revenue to Wialan.



## **BASIS FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements include the balance sheet, statements of operations, statements of cash flows and statement of changes in stockholders' equity relating to the operating activities of Wialan Technologies, Inc. (formerly American Community Development Group Inc.) plus the consolidation of the balance sheet and the new operating activities of Wialan Technologies, LLC ("Wialan") from the August 28, 2013 date of acquisition. The financial statements are reported on an accrual basis of accounting in accordance with generally accepted accounting principles ("GAAP").

### **Cash**

Cash consists of demand deposit accounts. The balance of accounts held in financial institutions at September 30, 2014 and December 31, 2013 did not exceed FDIC limits

### **Accounts Receivable, Net**

Accounts receivable are valued at management's estimate of the amount that will ultimately be collected. The amount of \$ 29,493 at September 30, 2014 represents amounts due from trade customers for Wialan's product sales.. The accounts receivable of \$ 5,000 at December 31, 2013 was written off by the Company in second quarter 2014 (and is part of the \$ 7,787 reflected as "assets written off" in the Company's Statement of Operations on page 7)

The amounts due from stockholders of \$ 96,112 at September 30, 2014 and \$ 148,500 at December 31, 2013 represent:

- (a) The remaining balance of \$ 72,000 of an original commitment of \$ 300,000 entered into by Mike Connor with Wialan Technologies, LLC for the injection of equity capital into the business against a 20% ownership in Wialan Technologies, LLC. At the August 28, 2013 date of merger, this 20% equity interest was exchanged for 380 million common shares of the Company. The remaining \$ 72,000 investment commitment is still due to be paid to the Company and is expected to be paid as and when the Company needs such cash resources, and
- (b) The remaining balance of \$ 24,112 of an original commitment of \$ 50,000 entered into by Timothy Peabody (our former CEO and current Director) with Wialan Technologies, LLC for the injection of equity capital into the business ..

### **Inventory of parts.**

Inventory of parts is based on a physical inventory count conducted by Management and has been valued at the lower of approximate cost or realizable value.

### **Fixed Assets, Net**

Fixed Assets are stated at cost less depreciation. Depreciation is computed over the estimated useful lives of the assets using the straight-line method. Fixed assets, less accumulated depreciation, of \$ 2,787 were written off by the Company in second quarter 2014 (and is part of the \$ 7,787 reflected as "assets written off" in the Company's Statement of Operations on page 7)

### **Goodwill**

Goodwill of \$ 1,478,114 represents the excess of the consideration for the acquisition of Wialan Technologies, LLC by the Company (i.e. 1.9 billion common shares of the Company at a market value of \$ 0.001 per share, or \$ 1,900,000) less the

tangible assets acquired, namely the Wialan cash, inventory of parts, accounts receivable and fixed assets at August 29, 2013 totaling \$ 421,886. Management believes that the business footprint established by Wialan Technologies LLC in the Wi-Fi industry since its formation on April 6, 2011 to be significant and that the acquisition consideration was justified.

### **Estimates**

In preparing financial statements in accordance with generally accepted accounting principles, management makes estimates and assumptions that affect the reported amounts and disclosures of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **NOTE B – FIXED ASSETS, NET**

The components of fixed assets and related costs are as follows:

Add: Equipment and furniture	27,430
Less: Accumulated depreciation	<u>( 9,144)</u>
Total, net	<u>\$ 18,286</u>

The amount of depreciation expense expensed for the 3 months and 9 months ending September 30, 2014 was \$2,286 and \$ 7,322 respectively. Vehicles previously utilized by Mr. Folger ( our former CEO prior to the merger with Wialan Technologies, LLC ) with the net book value of \$2,787 were written off during second quarter 2014 following his death on June 9, 2014.

### **NOTE C – RESEARCH & DEVELOPMENT COSTS**

Research and development costs incurred by the Company in developing its proprietary wi-fi technology have been expensed as and when incurred. The Company will continue to adopt this policy.

### **Note D – CURRENT LIABILITIES**

Current liabilities totaling \$ 417,799 at September 30, 2014 include pre-merger related payables totaling \$ 374,299 and trade payables post-merger totaling \$ 43,500.

### **Note E – SHORT-TERM NOTES PAYABLE**

These represent pre-merger short-term convertible note obligations payable to third parties.

### **NOTE F - COMMITMENTS AND CONTINGENCIES**

As explained in Note I, the Company and Mr. John Folger ( the Company's former President and CEO ) agreed in principle that an appropriate portion of the 109,709,888 restricted common shares granted to The New Renaissance Group, Inc. at the August 28, 2013 merger of Wialan Technologies, LLC would be used towards the settlement of the the Company's pre-merger liabilities, which at September 30, 2014 totaled \$ 374,299 including accrued interest on short-term notes

However, on January 14, 2014 Mr. Mitch Freifeld (our interim CEO until April 7, 2014) filed a breach of contract lawsuit against Mr. John Folger alleging that in February 2012 Mr. Folger made an oral agreement to pay Mr. Freifeld 110 million of the Company's common shares as compensation for the introduction of Wialan Technologies, LLC for the merger. The lawsuit further alleges that on September 28, 2013 Mr. Folger provided a written agreement for the assignment of 57.5 million common shares (of the 110 million common shares) as a deposit to Mr. Freifeld.

Until Mr. Folger became deceased on June 9, 2014 this lawsuit was being contested by him. Mr. Folger's death has thrown an additional complication in the lawsuit. However, until the lawsuit is somehow resolved, it is not known what effect, if any, the outcome may have on the ability of The New Renaissance Group, Inc. to deliver the applicable portion, if any, of its holding of 109,709,888 restricted common shares towards the settlement of the pre-merger liabilities noted above.

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WIALAN TECHNOLOGIES, INC.

INTERIM FINANCIAL STATEMENTS FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2014

**NOTE G- RISKS AND UNCERTAINTIES**

The accompanying consolidated financial statements have been prepared on a going concern basis. The ability of the Company to continue as a going concern depends on the ability of the Company to generate revenues from operations, to raise more capital or obtain new sources of financing sufficient to sustain operations. However, with the acquisition of Wialan and its adoption of Wialan's business model, management anticipates (but cannot guarantee) that the Company will indeed be able to generate new revenues and sufficient cash flows.

**NOTE H- INCOME TAXES**

The Company is a corporation for federal income tax purposes. As of September 30, 2014 there are no items that are expected to create a tax difference. Through September 30, 2014 the Company has incurred accumulated tax losses of approximately \$ 2.7 million.

**NOTE I- RELATED PARTY TRANSACTIONS**

- (a) Mr. Folger, who until August 28, 2013, was the Chief Executive Officer, President and a Director of the Company, was the maker of the Matson Society Beneficial Trust, which owned 6,039,035 restricted common shares of the Company as part of the original acquisition of American Community Development Corporation on February 5, 2019 (see Note A). In addition, in part to settle Mr. Folger's past unpaid compensation at the date of his resignation and as a condition of the Wialan merger, on August 28, 2013 a total of 109,709,888 restricted common shares were issued to The New Renaissance Group, Inc., which was majority owned by Mr. Folger. As part of this arrangement however, the Company and Mr. Folger agreed in principle, at the time, that an appropriate portion of the 109,709,888 common shares would be used towards the settlement of pre-merger liabilities, which at September 30, 2014 totaled \$ 374,299 (these are included on the Company's balance sheet at September 30, 2014 as "current liabilities" within accounts payable and short-term notes payable, and will continue to be so reflected until such time as they are settled through the sale proceeds derived by the applicable disposal of the aforementioned common shares or settled through other means). Mr. Folger became deceased on June 9, 2014.

Until August 28, 2013 the Company's financial statements reflected rental income of \$1,000 per month from Mr. Folger for the sublease of a house which he occupied beginning November 2012. During the quarter ending June 30, 2014 the previously reflected accounts receivable of \$5,000 for unpaid related party rentals associated with this transaction were written off, following Mr. Folger's death.

- (b) Mr. Doell was a Director of the Company who was issued \$2,000 in Company shares for accepting the position, with an additional \$2,000 in Company shares issued every three months served. Upon resignation/discharge from the Company, Mr. Doell received \$1,000 in Company shares. As of March 31, 2014, the Company had issued a total of 1,944,680 restricted common shares to Mr. Doell.
- (c) Mr. Timothy Peabody, who was a former CEO and is currently a Director and acting General Counsel of the Company, is the significant owner of Wi-Fidelity, LLC - which in turn is a major customer of the Company. Sales to Wi-Fidelity, LLC totaled \$ 56,870 during the 9 months ending September 30, 2014 and trade accounts receivable at September 30, 2014 include \$ 15,000 due from Wi-Fidelity, LLC/

**NOTE J- STOCKHOLDERS' EQUITY**

On April 2, 2008 there was an issuance of 20,079,045 common shares with an amended par value of \$0.0001 and 201,000,000 authorized shares as a result of the Company performing a round-lot reverse split of 1 to 1000, with a pay date of May 23, 2008.

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On May 29, 2008 there was an issuance of 180,050,000 restricted shares issued to several persons pursuant to the Merger between the Company and Rockbands, LLC. The Company's issued and outstanding common shares, as of December 31, 2008 was 200,129,045.

On November 20, 2009 the State of Delaware received the Company's change to its Articles of Incorporation to perform a round-lot reverse split of 1 to 200; change to the Authorized common stock to 115,000,000 shares with a par value of \$0.0001; and change to the Authorized preferred stock to 20,000 shares with a par value of \$1.00.

On November 20, 2009 there was an issuance of 1,000,646 common shares as a result of the Company performing a round-lot reverse split of 1 to 200 with a pay date of February 5, 2010 and effecting the change in the Company's Articles of Incorporation. The Company's issued and outstanding common shares, as of December 31, 2009 was 1,000,646.

During March and April 2010 there was a cashless stock issuance of 8,993,954 restricted common shares issued to several persons pursuant to the Merger between the Company and American Community Development Corporation. All common shares issued to this point were duly and validly issued.

During 2010: 11, 975,451 common shares issued for \$172,696 in debt conversions, 2,426,000 common shares issued for \$121,700 in private sales pursuant to applicable States' securities law relating to a few and infrequent securities transactions and 1,251,184 common shares issued for undisclosed value of corporate services. The Company's issued and outstanding common shares, as of December 31, 2010 was 25,647,235.

During 2011: 27,840,170 common shares issued for \$207,941 in debt conversions, 13,167,500 common shares issued for \$129,000 in private sales pursuant to applicable States' securities law relating to a few and infrequent securities transactions and 5,370,129 common shares issued for undisclosed value of corporate services. The Company's issued and outstanding common shares, as of December 31, 2011 totalled 72,025,034.

On April 20, 2012 the State of Delaware received the Company's change to its Articles of Incorporation to increase the Authorized common stock to 500,000,000 shares with a par value of \$0.0001 and increase the Authorized preferred stock to 75,000,000 shares with a par value of \$0.0001, with the Company's Board of Directors expressly vested with the authority to fully define Preferred series and their respective defined rights and preferences.

During 2012, 208,212,823 common shares were issued for \$232,377 in debt conversions, 51,600,000 common shares issued for \$65,000 pursuant to a Rule 504 exempt offering under the Securities Act of 1933, filed Form D filed via EDGAR to the Securities and Exchange Commission, 2,750,000 common shares issued for \$20,000 private sale pursuant to applicable State's securities law relating to a few and infrequent securities transactions and 1,944,680 common shares issued for \$4,000 of corporate services. The Company's issued and outstanding common shares, as of December 31, 2012 totaled 336,532,537.

During the second quarter of 2013 40,000,000 shares of Company's common stock were issued to ACAP. The original \$70,000 note that was convertible to the Company's common stock was partially converted. \$13,099 of the note and unpaid interest were converted in exchange for 40,000,000 unrestricted shares of the Company's common stock. \$7,099 of the note was issued to Primary Finance LLC, and converted in exchange for 13,333,333 unrestricted shares of the

Company's common stock. This loan originated on November 10, 2009. Also, during the second quarter of 2013, 32,000,000 shares of Company's common stock were issued to DB Capital Corp. This note was for \$25,000.

Separately, 20,000,000 shares of Company's common stock were issued to Equitas Group Inc. These shares were for money loaned to the Company.. The Company's total issued and outstanding common shares, as of June 30, 2013 was 441,865,870.

On July 23, 2013 the Company filed with the State of Delaware to amended its Articles of Incorporation to increase its authorized common shares to 3,500,000,000 common shares with a par value of \$ 0.0001 per share.

<b><u>Total issued common shares at June 30, 2013</u></b>	<b><u>441,865,870</u></b>
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During third quarter 2013, the following common shares were issued:

(a) Shares issued for legal services	11,000,000
(b) Shares issued to Southridge Advisory Group, Inc, for debt repayment	20,000,000
(c) Shares issued to DB Capital LLC for debt repayment and interest	13,257,575
(d) Shares issued to JSJ Investments Inc. for debt repayment	37,500,000
(e) Shares issued to the owners of Wialan Technologies,LLC in consideration for the merger into the Company on August 28,2013	1,900,000,000
(f) Shares issued to The New Renaissance Group, Inc. in settlement of past services of Mr. Folger as former President and CEO	<u>109,709,888</u>

<b>Total shares issuances during third quarter, 2013</b>	<b><u>2,091,467,463</u></b>
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(There were no new issuances of stock between October 1,2013 and June 30,2014)

(g) Shares issued on September 30, 2014 to a Noteholder to discharge a Note Payable and accrued interest thereon	<u>14,238,415</u>
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<b><u>Total common shares issued and outstanding at September 30, 2014</u></b>	<b><u>2,547,571,748</u></b>
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On August 29, 2014 the Company announced that all of the executive management team and Board of Directors had agreed to a "lock down" agreement that maintains the restriction of Ninety-Five Percent (95%) of all issued common shares issued by the Company relating to the merger of Wialan Technologies, LLC that occurred in August 2013. .The Company's commitment to share value enhancement is best symbolized by the commitment of the Wialan Board of Directors and other senior executives to the continued restriction of the majority of all shares received in the merger .

**PREFERRED STOCK:** The Company's current Articles of Incorporation authorize the issuance of up to **75,000,000** shares of preferred stock, with a par value of \$0.0001

On February 1, 2013 the State of Delaware received the Company's change to its Articles of Incorporation to define 10,000,000 of the 75,000,000 preferred stock as "Series A" preferred stock and the Company's Board of Directors were expressively vested with the authority to fully define this selected preferred series and its defined rights and preferences. To date, no preferred shares have been issued.

## **NOTE K – SUBSEQUENT EVENTS**

- (i) The Company was chosen to exclusively supply WiFi (wireless internet connectivity) to participants and vendors at the Ft. Lauderdale Boat Show from October 30-November 3, 2014. The choice was made by Yachting Promotions, Inc., DBA Show Management, to provide secure WiFi hotspot coverage for the Ft. Lauderdale Boat Show based upon Wialan's previously successful demonstration of its WiFi internet capabilities at the St. Pete Boat Show in December 2013. Wialan provided a wireless internet protocol (IP) camera surveillance network at the boat show providing real-time HD camera viewing of selected boat show locations. In addition, Wialan demonstrated a WiFi phone (VOIP) solution at the Ft. Lauderdale Boat Show using its proprietary WiFi protocol software. It is estimated that the 2014 Ft. Lauderdale Boat Show was attended by over 120,000 people and exhibited some of the grandest yachts available for sale in the world.
- (ii) On November 7, 2014 the Company received an election by a Noteholder to discharge a Note Payable by the Company of \$25,000 with accrued interest thereon of \$ 3,240 in exchange for the issuance of 28,239,726 of the Company's common shares. This transaction will therefor be reflected in fourth quarter 2014.

5) **Description of Issuer's Business, Products and Services**

A. **A description of the issuer's business operations;**

Until the August 28, 2013 merger with Wialan Technologies, LLC. the Company was focused on creating and sponsoring affordable and transitional housing and job creation programs for the nonprofit community, specifically on the Florida West Coast. Following the merger, the Company ceased its previous business plan and is now operating as a producer and provider of a physical product which combines wi-fi, video surveillance and public announcement capability, which it sells and maintains to public areas, parks and recreational areas, marinas, schools and private businesses and institutions where traditional wi-fi “hot spots” are not practical and/or where security surveillance and communication is vital.

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B. **Date and State of Incorporation**

February 25, 1985 in the State of

Delaware

C. **The issuer's primary SIC Code:**

7385 Services/Telephone

/Interconnect Systems

D. **The issuer's**

**fiscal year end:**

December 31

E. **principal products or services,**

**and their markets; Wireless**

**internet and security products –**

**worldwide**

6) **Description of the Issuer's Facilities:**

The issuer leases approximately 2,000 square feet of offices and warehouse space at 10273 NW 46 Street in Sunrise FL. The Company has maintained this location since approximately 2007 at a current rental rate of \$1,431 per month.

**Officers, Directors, and Control Persons**

**Prior Services:**

- John Folger served as President and CEO until August 28, 2013
- Timothy P. Peabody served as President, CEO and Director until November 14, 2013
- Mitchell Freifeld served as Interim President and CEO from November 15, 2013 until April 7, 2014.

**Current Services:**

- Victor Tapia serves as Vice-President and Director from August 28, 2013 to date.
- Alan J. Bailey serves as CFO and Director (from January 21, 2014) and as interim CEO from April 7, 2014 to date.
- Timothy P. Peabody, the Company's acting General Counsel, was appointed a Director effective August 1, 2014.

A. **Legal/Disciplinary History.** Please identify whether any of the foregoing persons have, in the last five 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;  
**None**



5. 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. Beneficial Shareholders .**

<b>Vicana T, LLC</b>	<b>736,000,000 common shares (28.89%)</b>
<b>Shamrock Investment Trust</b>	<b>470,000,000 common shares (18.44%)</b>
<b>Investment Properties Revocable Trust</b>	<b>380,000,000 common shares (14.91%)</b>
	<b>(Total together as a group: 62,24%)</b>

The address of Vicana T, LLC is 6780 SW 185<sup>th</sup> Way, Southwest Ranches, FL 33332 and the underlying beneficial owner is Victor Tapia (the Company's VP and Director)

The address of Shamrock Investment Trust is c/o Timothy P. Peabody Trustee, 620 Newport Center Drive, Ste 1100, Newport Beach, CA 92660 and the underlying beneficial owner is Timothy Peabody, Esq. (the Company's former CEO)

The address of Investment Properties Revocable Trust is 2901 Rigsby Lane, Safety Harbor, FL 34695 and the underlying beneficial owner is Mike Connor (the Company's special advisor).

**7) Third Party Providers**

**Legal Counsel**

**Timothy P.**  
**Peabody Esq**  
**The Peabody**  
**Law Firm**  
**620 Newport**  
**Center Drive**  
**Suite 1100**  
**Newport Beach, CA 92660**

Phone: **949-200-4610**

Email: **Peabodylaw@aol.com**

**Accountant or  
Auditor**

None.

**Investor Relations  
Consultant**

**None**

**Other Advisor:** Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.

**None**

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**8) Issuer Certification**

: I, Alan J. Bailey\_certify that:

1. I have reviewed this quarterly disclosure statement of Wialan Technologies, Inc.;
2. Based on my knowledge , this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made , in light of the circumstances under which such statements were made , not misleading with respect to the period covered by this disclosure statement ; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

[Date] November 14, 2014

/s/ **Alan J. Bailey** (CEO and CFO's Signature)