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To the Board of Directors
Mutual Merchant Services, Inc.
Los Angeles, CA

I have compiled the accompanying balance sheet of Mutual Merchant Services, Inc. (a development stage enterprise) as of October 31, 2009, and the related statement of operations, stockholders' equity and cash flows for the ten months then ended in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limiting to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Loukas Photos
November 7, 2009

Mutual Merchant Services, Inc.
(A Development Stage Enterprise)
Balance Sheet
As of October 31, 2009

<u>ASSETS</u>	
Current Assets	
Total current assets	\$ -
Other assets	
Investment in Trust	<u>22,242</u>
Total assets	<u>\$ 22,242</u>
 <u>LIABILITIES</u>	
Liabilities	\$ -
 <u>STOCKHOLDERS' EQUITY</u>	
Common stock - par value \$.00001	
2.4 billion shares authorized, 2,219,648,348 shares issued and outstanding	41,648
Preferred stock - par value \$.00001	242
220,000,000 shares authorized, 24,204,500 shares issued and outstanding	
Deficit accumulated during the development stage	<u>(19,648)</u>
Total Stockholders' Equity	<u>22,242</u>
Total liabilities and stockholders' equity	<u>\$ 22,242</u>

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Mutual Merchant Services, Inc.
(A Development Stage Enterprise)
Statement of Income and Retained Earnings

	Ten Months Ended 10/31/09	Inception to 10/31/2009
Revenues - net of returns and allowances	\$ -	\$ -
Operating expenses		
General and administrative	-	19,648
Total operating expenses	<u>-</u>	<u>19,648</u>
Income (loss) from operations	-	(19,648)
Deficit, Beginning of period	<u>(19,648)</u>	<u>-</u>
Deficit, October 31, 2009	<u><u>\$ (19,648)</u></u>	<u><u>\$ (19,648)</u></u>

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Mutual Merchant Services, Inc.
(A Development Stage Enterprise)
Statement of Changes in Stockholders' Equity
For the Ten Months Ended October 31, 2009

	Common Stock par value \$.001		Paid in Capital	Deficit	Total
	Shares	Amount			
Balance, January 1, 2009	19,648,348	\$ 19,648	-	\$ (19,648)	\$ -
Issuance of common stock	2,200,000,000	22,000	-	-	22,000
Issuance of preferred stock	24,200,000	242	-	-	242
Net income for the period	-	-	-	-	-
Balance, September 30, 2009	<u>2,243,848,348</u>	<u>\$ 41,890</u>	<u>0</u>	<u>\$ (19,648)</u>	<u>\$ 22,242</u>

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Mutual Merchant Services, Inc.
(A Development Stage Enterprise)
Statement of Cash Flows

	Ten Months Ended 10/31/09	Inception to 10/31/09
Cash Flows from Operating Activities		
Net Income	\$ -	(19,648)
Adjustments to reconcile net income to net cash provided by operating activities		
(Increase) decrease in other assets	(22,242)	(22,242)
Noncash transaction - issuance of common stock for shares in trust	22,000	22,000
Noncash transaction - issuance of common stock for shares in trust	<u>242</u>	<u>242</u>
Net cash provided (used) by operating activities	\$ 0	(19,648)
Cash Flows from Investing Activities		
	-	-
Cash Flows from Financing Activities		
Issuance of common stock	<u>-</u>	<u>19,648</u>
Net increase (decrease) in Cash	-	-
Cash at beginning of period	<u>-</u>	<u>-</u>
Cash at end of period	<u><u>\$ -</u></u>	<u><u>-</u></u>

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Mutual Merchant Services, Inc.
A Development Stage Enterprise
Notes to the Financial Statements
October 31, 2009

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Mutual Merchant Services, Inc. (“the Company”, “MUTM”) is presented to assist in understanding the Company’s financial statements. The financial statements and notes are representations of the Company’s management, who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Nature of Operations

Mutual Merchant Services, Inc. originally incorporated under the name “Property Prose, Inc.” in August of 1998 under the laws of the State of Nevada. The corporate name was changed to Sage Global Solutions, Inc and again later to Mutual Merchant Services, Inc.

Cash Equivalents and Concentrations of Cash

The Company considers all short-term debt securities with maturity of three months or less to be cash equivalents

Fair Value of Financial Instruments

Pursuant to SFAS No. 107, “Disclosures about Fair Value of Financial Instruments,” the Company is required to estimate the fair value of all financial instruments included on its balance sheet. At October 31, 2009 financial instruments consisted of cash and cash equivalents, accounts receivable, accounts payable. The Company considers the items in the financial statements to approximate their fair value due to the relatively short period of time between origination of instruments and their expected realization.

Mutual Merchant Services, Inc.
Notes to the Financial Statements
(Continued)

Property and Equipment

Property and equipment are carried at cost. Depreciation of property and equipment is provided using the declining balance method for financial reporting purposes at rates based on the following estimated useful lives:

	Years
Machinery and equipment	5-7
Furniture and fixtures	5-7

Expenditures for major renewals and betterments that extend the useful life of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expenses as incurred.

Provision for Income Taxes

The Company accounts for income taxes in accordance with statements of Financial Accounting Standards No. 109.

Under SFAS 109, deferred tax assets may be recognized for temporary differences that will result in deductible amounts in future periods and for loss carryforwards. A valuation allowance is recognized if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred assets will not be realized.

A detail of the Company's deferred tax asset are:

	<u>Oct 31, 2009</u>
Federal and state net operating loss carryforwards	\$ 19,648
Valuation allowance	<u>(19,648)</u>
	\$ <u> -</u>

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Mutual Merchant Services, Inc.
Notes to the Financial Statements
(Continued)

STOCK ISSUANCE AND NONCASH TRANSACTIONS

On October 14, 2009 the Company issued 2.2 billion shares of common stock and 24.2 million shares of preferred stock in exchange for all outstanding shares of beneficial interest in Chic Management, a California business trust, making Chic Management a wholly owned subsidiary of Mutual Merchant Services, Inc.

The market value of the shares of both companies is not readily determinable. The shares have been reported at the par value \$.00001 of MUTM, for a total amount of \$22,242.

RELATED PARTY TRANSACTIONS

As discussed in the note above, Chic Management became a wholly owned subsidiary of MUTM. As a result of the transaction, the primary holder of shares of beneficial interest in Chic Management became the primary shareholder of MUTM.

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