

**OTC Pink Basic Disclosure Guidelines -  
Quarterly Report for period Ending June 30, 2017.**

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

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

BITCOIN SERVICES, INC.

formerly known as TULIP BIOMED, INC.  
(name change made effective 3/21/2016).

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

Company Headquarters  
Address 1: 910 16th Street Mall, Suite 412  
Address 2: Denver, CO 80202  
Phone: (866) 804-4725  
Email: info@bitcoinservicescorp.com  
Website(s): <http://www.bitcoinservicescorp.com> and  
[www.cryptocapitalcorp.com](http://www.cryptocapitalcorp.com)

IR Contact  
Address 1: None.

**3) Security Information**

Authorized Capital. The designation, powers, including voting rights, preferences and any qualifications, limitations, or restrictions of the classes of Authorized Capital Stock of Corporation are specified as follows:

The Corporation is authorized to issue four (4) classes of stock which are designated, respectively, "Common Stock" and "Series "A" Preferred Stock" and "Series "B" Preferred Stock" and "Series "C" Preferred Stock". The total number of shares of stock which the Corporation shall have authority to issue shall be 1,890,000,010., and consist of: 1,770,000,000 shares of Common Stock, having a \$0.0001 par value per share; 100,000,000. shares of Series "A" Preferred Stock, having a \$0.0001 par value per share; 20,000,000. shares of Series "B" Preferred Stock, having a \$0.0001 par value per share; and 10. shares of Series "C" Preferred Stock, having a \$0.0001 par value per share.

Trading Symbol: BTSC.

Exact title and class of securities outstanding: COMMON

CUSIP: 09173Y107

Par or Stated Value: \$0.0001

Total shares authorized: 1,770,000,000 as of: 06/30/2017

Total shares outstanding: 639,721,827 as of: 06/30/2017

Total shares authorized: 1,770,000,000 as of: 08/14/2017

Total shares outstanding: 639,721,827 as of: 08/14/2017

Shares of Common Stock are entitled to one vote per share;

Additional class of securities (if necessary):

Trading Symbol: None

Exact title and class of securities outstanding: **Series "A" Preferred**

CUSIP: None

Par or Stated Value: \$0.0001

Total shares authorized: 100,000,000. as of: 06/30/2017

Total shares outstanding: 9,237,473. as of: 06/30/2017

Total shares authorized: 100,000,000. as of: 08/14/2017

Total shares outstanding: 9,237,473. as of: 08/14/2017

Shares of Series "A" Preferred Stock enjoy dividend and liquidation preferences and are convertible into one share of Common Stock at the express election of shareholder to convert. Series "A" shareholders shall not have any Common Stock voting rights unless and until converted into Common Stock. At any time, the entire class of Series "A" Preferred Stock may be forced converted to Common Stock by a vote or written consent of the holders of at least a simple majority of these Series "A" Preferred Stock that are then outstanding;

Additional class of securities (if necessary):

Trading Symbol: None

Exact title and class of securities outstanding: **Series "B" Preferred**

CUSIP: None

Par or Stated Value: \$0.0001

Total shares authorized: 20,000,000. as of: 06/30/2017

Total shares outstanding: 5,366,666. as of: 06/30/2017

Total shares authorized: 20,000,000. as of: 08/14/2017

Total shares outstanding: 5,366,666. as of: 08/14/2017

Shares of Series "B" Preferred Stock are convertible into one share of Common Stock at the express election of shareholder to convert. Series "B" shareholders shall not have any Common Stock voting rights unless and until converted into Common Stock. At any time, the entire class of Series "B" Preferred Stock may be forced converted to Common Stock by a vote or written consent of the holders of at least a simple majority of these Series "B" Preferred Stock that are then outstanding;

Additional class of securities (if necessary):

Trading Symbol: None

Exact title and class of securities outstanding: **Series "C" Preferred**

CUSIP: None

Par or Stated Value: \$0.0001

Total shares authorized: 10. as of: 06/30/2017

Total shares outstanding: 10. as of: 06/30/2017

Total shares authorized: 10. as of: 08/14/2017

Total shares outstanding: 10. as of: 08/14/2017

Shares of Series "C" Preferred Stock. The record Holders of the Series "C" Preferred Stock shall have the right to vote on any matter with holders of Common Stock and may vote as required on any action, that law provides may or must be approved by vote or consent of the holders of the specific series of voting preferred shares and the holders of common shares. The Record Holders of the Series "C" Preferred Shares shall have the right to vote on any matter with holders of common stock voting together as one (1) class. The Record Holders of the Series "C" Preferred Shares shall have that number of votes (identical in every other respect to the voting rights of the holders of common stock entitled to vote at any Regular or Special Meeting of the Shareholders) equal to that number of common shares which is not less than sixty percent (60%) of the vote required to approve any action, that the law provides may or must be approved by vote or consent of the holders of the holders of common shares or the holders of other securities entitled to vote, if any. The Record Holders of the Series "C" Preferred Shares shall be entitled to the same notice of any Regular or Special Meeting of the Shareholders as may or shall be given to holders of any other series of preferred shares and the holders of common shares entitled to vote at such meetings.

No corporate actions requiring majority shareholder approval or consent may be submitted to a vote of preferred and common shareholders which in any way precludes the Series "C" Preferred Stock from exercising its voting or consent rights as though it is or was a common shareholder. For purposes of determining a quorum for any Regular or Special Meeting of the Shareholders, the Series "C" Preferred Shares shall be included and shall be deemed as the equivalent of 60% of all common shares represented at and entitled to vote at such meetings.

**Transfer Agent**

Name: Signature Stock Transfer, Inc.  
Address 1: 14673 Midway Rd Ste 220,  
Address 2: Addison, TX 75001  
Phone: 972.612.4120

Is the Transfer Agent registered under the Exchange Act?\* Yes:  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 March 21, 2016, all Common stock holders did receive five (5) shares for every one (1) share of Common stock they owned, those holding physical certificates must turn their certificates back into the transfer agent for new certificates if they have not already done so. All Common holders of book entry shares were increased as set forth above without any action by the transfer agent, and those shares in street name or with brokers were increased electronically. As of March 21, 2016, the symbol changed to "BTSC," which is the current trading symbol.

No stock other splits or stock dividends are anticipated or have occurred in the past 12 months.

**4) Issuance History**

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity 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, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

- A. The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.);
  - A. In January 2016, for consideration of certain advancements of funds and services rendered to the Company, the Company issued fifty million (50,000,000.) common shares, five million (5,000,000.) series "A" preferred and five million (5,000,000.) series "B" preferred shares. All of these shares are restricted and control person shares.
  - B. Any jurisdictions where the offering was registered or qualified: Not applicable to any issuance.
  - C. The number of shares offered: Not applicable to any issuance.

- D. The number of shares sold; Not applicable to any issuance.
- E. The price at which the shares were offered, and the amount actually paid to the issuer; Not applicable to any issuance.
- F. The trading status of the shares as noted to each above in A.; and
- G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act. Yes, only as noted above in A.
- 
- 
- 

A In January 2016, pursuant to agreement, the Company issued one hundred and fifty thousand (150,000) restricted shares of the common stock were issued for past professional services rendered in full without adverse claim. The stockholder has declined to be named in the company's transfer records.

- B. Any jurisdictions where the offering was registered or qualified: Not applicable to any issuance.
- C. The number of shares offered: Not applicable to any issuance.
- D. The number of shares sold; Not applicable to any issuance.
- E. The price at which the shares were offered, and the amount actually paid to the issuer; Not applicable to any issuance.
- F. The trading status of the shares as noted to each above in A.; and

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act. Yes, only as noted above in A.

---

---

---

A. In January 2016, pursuant to agreement, the Company issued Two Million and Five Hundred (2,500,000.) restricted shares of the common stock and paid \$2,500. to a professional for services, including, for past content management, E-Commerce Solutions, affiliate Consulting, Third party payment options, Analytics, Search Engine Optimization, Custom WordPress Development, Custom Web Development, custom logo design, custom landing pages, custom web site design, web development, social networks, web site consulting, corporate identity package, web site management, and web site hosting services, each of which were rendered. The stockholder has declined to be named in the company's transfer records.

- B. Any jurisdictions where the offering was registered or qualified: Not applicable to any issuance.
- C. The number of shares offered: Not applicable to any issuance.
- D. The number of shares sold; Not applicable to any issuance.
- E. The price at which the shares were offered, and the amount actually paid to the issuer; Not applicable to any issuance.
- F. The trading status of the shares as noted to each above in A.; and

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act. Yes, as noted above in A.

---

A. In February 2016, pursuant to an executive employment agreement, as part of compensation, the Company issued Fifteen Million (15,000,000.) restricted shares of the common stock to Joel C. Schneider for professional services to the Company as C.E.O., C.F.O. and Director. All of these shares are restricted and control person shares.

B. Any jurisdictions where the offering was registered or qualified: Not applicable to any issuance.

C. The number of shares offered: Not applicable to any issuance.

D. The number of shares sold; Not applicable to any issuance.

E. The price at which the shares were offered, and the amount actually paid to the issuer; Not applicable to any issuance.

F. The trading status of the shares as noted to each above in A.; and

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act. Yes, only as noted above in A.

---

A. In January 2016, a creditor of the Company filed a state lawsuit against the Company. On January 27, 2016, the Company entered into a settlement agreement with its creditor of the Company, whereby the creditor exchanged certain direct claims it had against the Company in the amount of \$29,039.42 for certain common shares, up to 29,039,450. shares. This Court Ordered and provided amongst other items for the issuance of non-restricted shares of common stock pursuant to Section 3(a)(10) of the Act that could be resold by the individual claimholder without regard to the statutory guidelines of Reg. § 230.144, also known as Rule 144, under the Securities Act of 1933, as amended, so long as the Shares are issued in a manner which would not result in the individual claimholder owning more than 9.99% of all the Company's common stock on such date, as determined in accordance with Section 16 of the Securities and Exchange Act of 1934, as amended, and the regulations promulgated thereunder. As of the date of this filing, and within the first quarter of 2016, the Company issued 4,000,000. shares of stock pursuant to the Court's Order. The remainder of the shares due a set forth above were issued in the fourth quarter of 2016. The terms of the settlement have been fully satisfied.

B. Any jurisdictions where the offering was registered or qualified: Not applicable to any issuance.

C. The number of shares offered: Not applicable to any issuance.

D. The number of shares sold; Not applicable to any issuance.

E. The price at which the shares were offered, and the amount actually paid to the issuer; Not applicable to any issuance.

F. The trading status of the shares as noted to each above in A.; and

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act. Yes, only as noted above in A.

---

A. In January 2016, a creditor of the Company filed a suit against the Company. The Company entered into a settlement agreement with its creditor of the Company, whereby the creditor exchanged certain direct claims it had against the Company in the amount of \$27,910.00 for certain common shares, up to 27,910,000. shares. This Court Ordered and provided amongst other items for the issuance of non-restricted shares of common stock pursuant to Section 3(a)(10) of the Act that could be resold by the individual claimholder without regard to the statutory guidelines of Reg. § 230.144, also known as Rule 144, under the Securities Act of 1933, as amended, so long as the Shares are issued in a manner which would not result in the individual claimholder owning more than 9.99% of all the Company's common stock on such date, as determined in accordance with Section 16 of the Securities and Exchange Act of 1934, as amended, and the regulations promulgated thereunder. As of the date of this filing, and within the first quarter of 2016, the Company issued 4,000,000. shares of stock pursuant to the Court's Order. The remainder of the shares due a set forth above were issued in the fourth quarter of 2016. The terms of the settlement have been fully satisfied.

B. Any jurisdictions where the offering was registered or qualified: Not applicable to any issuance.

C. The number of shares offered: Not applicable to any issuance.

D. The number of shares sold; Not applicable to any issuance.

E. The price at which the shares were offered, and the amount actually paid to the issuer; Not applicable to any issuance.

F. The trading status of the shares as noted to each above in A.; and

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act. Yes, only as noted above in A.

---

A. During the first quarter of 2017, in connection with the issuance of 5,000,000 Common shares, that were converted from Series "B" Convertible Preferred Stock and done at the express election of shareholder holding said Convertible Preferred Series B shares.

B. Any jurisdictions where the offering was registered or qualified, Not applicable.

C. The number of shares offered; Not applicable.

D. The number of shares sold; Not applicable.

E. The price at which the shares were offered, and the amount actually paid to the issuer; Not applicable.

F. The trading status of the shares as noted to each above in A.; and

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act. The certificates bear standard restrictive legend.

---

A. During the first quarter period of 2017, in connection with the issuance of 109,052,066 shares, for the retirement of convertible debt, the Company relied upon the exemption from securities registration afforded by Section 4(2) of the Securities Act. No advertising or general solicitation was employed in offering the securities. The issuances of these shares were made to a limited number of persons, and transfer was restricted by the Company in accordance with the requirements of the Securities Act of 1933.

B. Any jurisdictions where the offering was registered or qualified, Not applicable.

C. The number of shares offered; Not applicable.

D. The number of shares sold; Not applicable.

E. The price at which the shares were offered, and the amount actually paid to the issuer; Not applicable.

F. The trading status of the shares as noted to each above in A.; and

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act. The certificates do not bear standard restrictive legends.

---

## **5) Financial Statements**

Provide the financial statements described below for the most recent fiscal year end or quarter end to maintain qualification for the OTC Pink Current Information tier. For the initial disclosure statement (qualifying for Current Information for the first time) please provide reports for the two previous fiscal years and any interim periods.

- A. Balance sheet;
- B. Statement of income;
- C. Statement of cash flows;
- D. Financial notes; and
- E. Audit letter, if audited

The financial statements requested pursuant to this item shall be prepared in accordance with US GAAP by persons with sufficient financial skills.

You may either (i) attach/append the financial statements to this disclosure statement or (ii) post such financial statements through the OTC Disclosure & News Service 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 reports separately as described in part (ii) 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 otcicq.com in the field below.

Information contained in a Financial Report is considered current until the due date for the subsequent Financial Report. To remain in the OTC Pink Current Information tier, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of its fiscal quarter-end date.

## **6) Describe the Issuer's Business, Products and Services**

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

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

Our business operations are Internet based to the consumer and consist of two separate streams, as follows: (1) bitcoin and the mining of other crypto currencies, and (2) blockchain software development. The principal products and services are the mining of bitcoins, and the development and sale of blockchain software. The market for these services and products is worldwide, and sold and marketed on the Internet. Bitcoin mining is the process by which transactions are verified and added to the public ledger, known as the block chain, and also the means through which new Bitcoins are released.

For more information see <https://en.wikipedia.org/wiki/Bitcoin#Mining>.

B. Date and State (or Jurisdiction) of Incorporation:

Converted to Colorado in July 2017  
previously incorporated in Florida 2016; and  
from Nevada, April 4, 1997.

C. the issuer's primary and secondary SIC Codes;

2836 - Biological products, except diagnostic

D. the issuer's fiscal year end date: 12/31

E. principal products or services, and their markets;

The principal products and services are the mining of bitcoins and the mining of other crypto currencies, and the development of blockchain software. Bitcoin mining is legal and is accomplished by running SHA256 double round hash verification processes in order to validate Bitcoin transactions and provide the requisite security for the public ledger of the Bitcoin network. The speed at which you mine Bitcoins is measured in hashes per second. The Bitcoin network compensates Bitcoin miners for their effort by releasing bitcoin to those who contribute the needed computational power. This comes in the form of both newly issued bitcoins and from the transaction fees included in the transactions validated when mining bitcoins. The more computing power you contribute then the greater your share of the reward. Bitcoin Blockchain is the technology backbone of the network and provides a tamper-proof data structure, providing a shared public ledger open to all. The mathematics involved are impressive, and the use of specialized hardware to construct this vast chain of cryptographic data renders it practically impossible to replicate. All confirmed transactions are embedded in the bitcoin blockchain. Use of SHA-256 cryptography ensures the integrity of the blockchain applications – all transactions must be signed using a private key or seed, which prevents third parties from tampering with it. Transactions are confirmed by the network within 10 minutes or so and this process is handled by bitcoin miners. Mining is used to confirm transactions through a shared consensus system, and usually requires several independent

confirmations for the transaction to go through. This process guarantees random distribution and makes tampering very difficult.

The market for these services and products is Worldwide on the Internet.

## **7) Describe the 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. Some of the issuers facilities are leased on a monthly basis. These consist of an executive office suites and remote mail drop centers in several states. The cost for each of these are minimal and fluctuate depending on the services required, and range in total from \$200. to \$300 monthly. Additionally, the issuer has a 3,500. square foot facility under a five year lease term of \$1,350.00 monthly payments. Our operations are Internet based and these facilities suit our needs.

## **8) 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 shareholders.

A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

Name and Position	Shares of Series C Preferred Stock	Percentage of Class Series C Preferred
Saturn Group C, Ltd., Francisco Camacho, Control Person 910 16th Street Mall, Suite 412, Denver, CO 80202	10	100.0%

B. 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;

Yes, on July 15, 2015 Mr. Schneider was disbarred from the practice of law in the state of New York for failure to maintain proper recording procedures for his firm's escrow account and failure to respond to the grievance committee on a timely basis. Mr. Schneider elected to not respond to the appellate division due to the fact he had no desire to continue to practice law.

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.

Yes, on July 15, 2015 Mr. Schneider was disbarred from the practice of law in the state of New York for failure to maintain proper recording procedures for his firm's escrow account and failure to respond to the grievance committee on a timely basis. Mr. Schneider elected to not respond to the appellate division due to the fact he had no desire to continue to practice law.

C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

Name and Position	Shares of Series C Preferred Stock	Percentage of Class Series C Preferred
Saturn Group C, Ltd., Francisco Camacho, Control Person 910 16th Street Mall, Suite 412, Denver, CO 80202	10	100.0%

## 9) Third Party Providers

Please provide the name, address, telephone number, and email address of each of the following outside

providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel

Matheau J. W. Stout, Esq.  
400 East Pratt Street  
8th Floor  
Baltimore, Maryland 21202  
Phone (410) 429-7076  
Fax (888) 907-1740  
[www.otclawyers.com](http://www.otclawyers.com)

Accountant or Auditor

Name: None  
Firm:

Investor Relations Consultant

Name: None  
Firm:

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

Name: None  
Firm:

**10) Issuer Certification**

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, Joel C. Schneider certify that:

1. I have reviewed this June 30, 2017 Quarterly Report Disclosure Statement of Bitcoin Services, 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.

August 14, 2017 [Date]

/s/ *Joel C. Schneider*, CEO, CFO, Dir.  
[CEO's Signature]

/s/ *Joel C. Schneider*, CFO [CFO's Signature]

(Digital Signatures should appear as “/s/ [OFFICER NAME]”)

CEO, CFO, Director [Title]

**Bitcoin Services, Inc.**  
**Condensed Consolidated Balance Sheet**  
**(unaudited)**

	<b>June 30, 2017</b>	<b>December 31, 2016</b>
<b>ASSETS</b>		
Current assets:		
Cash	\$ 190,119	\$ 89,652
Total current assets	<u>190,119</u>	<u>89,652</u>
Fixed assets, net	<u>37,379</u>	<u>39,455</u>
Total assets	<u>\$ 227,498</u>	<u>\$ 129,107</u>
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>		
Current liabilities		
Convertible notes payable	\$ 22,600	\$ 22,600
Accounts payable and accrued expenses	<u>96,043</u>	<u>95,077</u>
Total current liabilities	<u>118,643</u>	<u>117,677</u>
Total liabilities	<u>118,643</u>	<u>117,677</u>
Shareholders' equity		
Series A preferred stock, \$0.0001 par value, 100,000,000 shares authorized, 9,390,362 and 9,390,362 shares issued and outstanding as of June 30, 2017 and December 31, 2016, respectively	9,390	9,390
Series B preferred stock, \$0.0001 par value, 20,000,000 shares authorized, 5,366,666 and 6,366,666 shares issued and outstanding as of June 30, 2017 and December 31, 2016, respectively	5,367	6,367
Series C preferred stock, \$0.0001 par value, 10 shares authorized, 10 and 0 shares issued and outstanding as of June 30, 2017 and December 31, 2016, respectively	-	-
Common stock, \$0.0001 par value, 1,770,000,000 shares authorized, 625,836,771 and 511,784,705 shares issued and outstanding as of June 30, 2017 and December 31, 2016, respectively	62,584	46,284
Additional paid-in capital	213,709	-
Accumulated deficit	<u>(182,195)</u>	<u>(50,611)</u>
Total shareholders' equity	<u>108,855</u>	<u>11,430</u>
Total liabilities and shareholders' equity	<u>\$ 227,498</u>	<u>\$ 129,107</u>

See accompanying notes to unaudited condensed consolidated financial statements.

**Bitcoin Services, Inc.**  
**Condensed Consolidated Statement of Operations**  
**For the Six Months Ended June 30,**  
**(unaudited)**

	<b>2017</b>	<b>2016</b>
Revenue	\$ 132,277	\$ 88,152
Operating expenses		
Direct costs of revenue	13,230	-
Selling, general and administrative expenses	20,656	61,716
Operating income	98,391	26,436
Other income (expense)		
Settlement of debt	(229,009)	-
Interest expense	(966)	(333)
Net income (loss)	<u>\$ (131,584)</u>	<u>\$ 26,103</u>

See accompanying notes to unaudited condensed consolidated financial statements.

**Bitcoin Services, Inc.**  
**Condensed Consolidated Statement of Stockholders' Equity (Deficit)**  
**June 30, 2017**  
**(unaudited)**

	<b>Series A</b>		<b>Series B</b>		<b>Series C</b>				<b>Additional</b>	<b>Accum-</b>	<b>Accum-</b>
	<b>Preferred Stock</b>	<b>Shares</b>	<b>Preferred Stock</b>	<b>Shares</b>	<b>Preferred Stock</b>	<b>Shares</b>	<b>Common Stock</b>	<b>Shares</b>	<b>Paid-in</b>	<b>ulated</b>	<b>ulated</b>
	<b> </b>	<b>Amount</b>	<b> </b>	<b>Amount</b>	<b> </b>	<b>Amount</b>	<b> </b>	<b>Amount</b>	<b>Capital</b>	<b>Deficit</b>	<b>Total</b>
Balance, December 31, 2015	4,390,362	\$4,390	1,366,666	\$1,367	-	\$ -	16,917,051	\$ 16,917	\$ -	\$(116,452)	\$(93,778)
Balance, December 31, 2016	9,390,362	\$9,390	6,366,666	\$6,367	-	\$ -	511,784,705	\$ 46,284	\$ -	\$(50,611)	\$ 11,430
Balance, June 30, 2017	9,390,362	\$9,390	5,366,666	\$5,367	10	\$ 0	625,836,771	\$ 62,584	\$ 213,709	\$(182,195)	\$108,855

See accompanying notes to unaudited condensed consolidated financial statements.

**Bitcoin Services, Inc.**  
**Condensed Consolidated Statements of Cash Flows**  
**For the Six Months Ended June 30,**  
**(unaudited)**

	<b>2017</b>	<b>2016</b>
Net income (loss)	\$ (131,584)	\$ 26,103
Adjustments to reconcile net income (loss) to net cash provided by operations:		
Depreciation	2,076	-
Settlement of debt	229,009	-
Changes in operating assets and liabilities:		
Accounts receivable	-	(3,022)
Inventory	-	(26,531)
Accounts payable and accrued expenses	966	334
Net cash provided by (used in) operations	<u>100,467</u>	<u>(3,116)</u>
Cash flows used in investing activities		
Acquisition of intangible assets	-	(15,000)
Total cash used in investing activities	<u>-</u>	<u>(15,000)</u>
Cash flows from financing activities		
Proceeds from convertible notes payable	-	22,600
Proceeds from the sale of common stock	-	29,366
Proceeds from the sale of Series A preferred stock	-	5,000
Proceeds from the sale of Series B preferred stock	-	5,000
Total cash provided by financing activities	<u>-</u>	<u>61,966</u>
Net cash increase	100,467	43,850
Cash balance at beginning of period	89,652	-
Cash balance at end of period	<u>\$ 190,119</u>	<u>\$ 43,850</u>

See accompanying notes to unaudited condensed consolidated financial statements.

## NOTES TO FINANCIALS FOR YEAR ENDING JUNE 30, 2017

### **Note 1 - Organization and Summary of Significant Accounting Policies**

#### **Forward Looking Statements**

Some of the statements contained in this information statement that are not historical facts are "forward-looking statements" which can be identified by the use of terminology such as "estimates," "projects," "plans," "believes," "expects," "anticipates," "intends," or the negative or other variations, or by discussions of strategy that involve risks and uncertainties. We urge you to be cautious of the forward-looking statements, that such statements, which are contained in this prospectus, reflect our current beliefs with respect to future events and involve known and unknown risks, uncertainties and other factors affecting our operations, market growth, services, products and licenses. No assurances can be given regarding the achievement of future results, as actual results may differ materially as a result of the risks we face, and actual events may differ from the assumptions underlying the statements that have been made regarding anticipated events. Factors that may cause actual results, our performance or achievements, or industry results, to differ materially from those contemplated by such forward-looking statements include without limitation:

- Our ability to attract and retain management, and to integrate and maintain technical information and management information systems;
- Our ability to raise capital when needed and on acceptable terms and conditions;
- The intensity of competition; and
- General economic conditions.

All written and oral forward-looking statements made in connection with this prospectus that are attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. Given the uncertainties that surround such statements, you are cautioned not to place undue reliance on such forward-looking statements.

During the next twelve months, the Company's plans to expand its business into other countries the Company plans to finance its growth through traditional bank financing sources as well as additional potential debt and equity private placements. To that end, the Company may attempt to raise money in a private placement of its shares of Common Stock, but has not yet commenced this initiative. There can be no assurance that financing sufficient to enable us to expand and grow our business will be available to us in the future. The failure to obtain future financing or to produce levels of revenue to meet our financial needs could result in our inability to operate, grow and expand our business.

#### **Off-Balance Sheet Arrangements**

We have not entered into any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources and would be considered material to investors.

#### **Organization of Business**

Bitcoin Services, Inc. (the "Company") was converted to a Colorado Corporation in July 2017 from Florida where it had been domesticated to in February 2016. It was originally incorporated in Nevada in 1997 under the name "JLL Miami Enterprises, Inc." until January 2002 when its name was changed to "BMX Holdings, Inc.", until February 2003 when its name was changed to "Direct Music Group, Inc." until April 2004 when its name was changed to "Cell Bio-Systems, Inc.", until June 2006 when its name was changed to Tulip Biomed, Inc, and lastly until February 2016 when it changed its name to Bitcoin

Services, Inc. In December 2015, under Nevada NRS 78.347 an Order of Appointment of Custodianship was entered to comply with NRS 78.180 to reinstate the Company with the Nevada Secretary of State in accordance with Nevada statutes. Accordingly, on January 6, 2016, the Company reinstated its business license with the State of Nevada and in February 2016, the Company filed its Certificate of Amendment with Nevada Secretary of State changing the name from ‘Tulip Biomed, Inc.’ to ‘Bitcoin Services, Inc.’ Starting February 12, 2016, the Company became aware of certain information from giving rise to a state based Judgment by Confession, dated February 10, 2010, against the Company involving certain U.S. Patents, then Patent Applications, and trademarks not utilized by the Company, along with its corresponding state based lien. These materials are not be published to protect the privacy of the parties thereto, and as to avoid spurious claims of ownership of these claims. Additionally, certain detailed but unsupported and incomplete financial statements for the period December 1, 2008 through December 31, 2009 were received. The Company is not able to consolidate these materials without further corroboration and support thereto. These records are not available to the Company. The Company requested such information, but has not received these records. Until such time that support is received, these materials cannot be combined to the current existing information should that be appropriate. On February 17, 2016, the Company filed its Certificate of Domestication is with Florida Secretary of State. On February 26, 2016, the Company filed its Certificate of Dissolution with the Nevada Secretary of State dissolving Bitcoin Services, Inc. in the state of Nevada and, thus, making it a Florida Corporation. On February 26, 2016, the Board appointed Joel C. Schneider as the sole officer, director of Bitcoin Services, Inc., and resigns from all positions with the Company. On February 29, 2016, the Company approved a five for one forward stock split. On March 9, 2016, the Company filed their Amended and Restated Articles of Amendment with the Florida Secretary of State. See Note 2 - Stockholders' Equity below for clarification on the three classes of stock, designations, and voting rights and the powers of each class. On March 21, 2016, all of the Company's Common stock holders did receive five (5) shares for every one (1) share of Common stock they owned. Those holding physical certificates must turn their certificates back into the transfer agent for new certificates. All Common holders of book entry shares were increased without any action and done by the Company's transfer agent, and those shares in street name or with brokers increased electronically. The issuer's business operations are each Internet based and are the mining of Bitcoin (a virtual currency) and Blockchain software development. Bitcoin mining is the process by which transactions are verified and added to the public ledger, known as the block chain, and also the means through which new Bitcoins are released. For more information see <https://en.wikipedia.org/wiki/Bitcoin#Mining>. The market for these services and products is Worldwide on the Internet. Bitcoin is a digital asset and a payment system. The system is peer-to-peer and transactions take place between users directly, without an intermediary. These transactions are verified by network nodes and recorded in a publicly distributed ledger called the blockchain, which uses bitcoin as its unit of account. Since the system works without a central repository or single administrator, the U.S. Treasury categorizes bitcoin as a decentralized virtual currency. Bitcoin is often called the first cryptocurrency.

## **Principles of Consolidation**

The accompanying consolidated financial statements include all applicable accounts and subsidiaries of the Company. All significant inter-company transactions and balances have been eliminated in consolidation.

## **Basis of Presentation**

The accompany unaudited interim financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America. Certain information and note disclosure normally included in annual financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to those rules and regulations. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the

results to be expected for the full year.

## **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods. Management makes these estimates using the best information available at the time the estimates are made; however, actual results could differ materially from these estimates.

## **Net Loss per Share**

ASC 260, "Earnings per Share," requires dual presentation of basic and diluted earnings or loss per share ("EPS") for all entities with complex capital structures and requires a reconciliation of the numerator and denominator of the basic EPS computation to the numerator and denominator of the diluted EPS computation. Basic EPS excludes dilution; diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings of the entity. Basic loss per share is computed by dividing net loss applicable to common shareholders by the weighted average number of common shares outstanding during the period. Diluted loss per share reflects the potential dilution that could occur if dilutive securities and other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings of the Company, unless the effect is to reduce a loss or increase earnings per share. The Company has outstanding common stock purchase warrants; however, inclusion of the warrants in the calculation of diluted loss per share would be anti-dilutive. Therefore, diluted loss per share is equivalent to basic loss per share.

## **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and cash in deposits and all highly liquid debt instruments with an original maturity of three months or less.

## **Revenue Recognition**

The Company recognizes revenue in accordance with the provisions of Staff Accounting Bulletin ("SAB") 104. Sales and service revenue is recognized at the date of shipment, or completion of services rendered, to a customer when a formal arrangement exists, the price is fixed or determinable, the delivery or service is completed, no other significant obligations of the Company exist and collectability is reasonably assured. Payments received before all the relevant criteria for revenue recognition are recorded as customer deposits.

## **Accounts Receivable and Allowance for Doubtful Accounts**

Trade receivables are non-interest bearing, uncollateralized customer obligations and are stated at the amounts billed to customers. The preparation of financial statements requires management to make estimates and assumptions relating to the collectability of accounts receivable. Management specifically analyzes historical bad debts, customer credit worthiness, current economic trends and changes in customer payment terms when evaluating the adequacy of the allowance for doubtful accounts.

## **Property and Equipment**

Property and equipment are stated at cost less accumulated depreciation and amortization. The Company computes depreciation and amortization using the straight-line method over the estimated useful lives of the assets acquired as follows:

Building	39 years
Computer equipment	3-5 years
Furniture and fixtures	5-7 years
Machinery and equipment	5-10 years
Trucks and automobiles	5 years

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation or amortization are removed from the accounts, and any resulting gain or loss is reflected in the consolidated statements of operations. Repairs and maintenance that do not extend the useful lives of the related assets are expensed as incurred.

### **Going Concern**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. Management plans to raise additional proceeds from debt and equity transactions and to continue to increase its sales and marketing activities. There is no guarantee, however, that management will be able to secure sufficient financing to sustain the operations of the Company or that operations will become self-sustaining. In the absence of one of those accomplishments, the Company would likely be forced to liquidate. These financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

### **Business Combinations**

Acquisitions of businesses are accounted for using the purchase method of accounting, and the financial statements include the results of the acquired operations from the respective dates they were acquired. The purchase price of the acquired entities is allocated to the net assets acquired and liabilities assumed based on the estimated fair value at the dates of acquisition, with any excess of cost over the fair value of net assets acquired, including intangibles, recognized as goodwill. The balances included in the consolidated balance sheets related to recent acquisitions are based upon preliminary information and are subject to change when final asset and liability valuations are obtained. Material changes to the preliminary allocations are not anticipated by management.

### **Fair Value Measurements**

The FASB's Accounting Standards Codification defines fair value as the amount that would be received for selling an asset or paid to transfer a liability in an orderly transaction between market participants and requires that assets and liabilities carried at fair value are classified and disclosed in the following three categories:

- Level 1 – Quoted prices for identical instruments in active markets.
- Level 2 – Quoted prices for similar instruments in active or inactive markets and valuations derived from models where all significant inputs are observable in active markets.
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs are unobservable in any market.

### **Fair Value of Financial Instruments**

The carrying values of cash, prepaid expenses, accounts payable and accrued expenses approximate their fair values due to their short-term maturities. The carrying values of the Company's notes payable approximate their fair values based upon a comparison of the interest rate and terms of such debt given the level of risk to the rates and terms of similar debt currently available to the Company in the marketplace.

### **Recent Accounting Pronouncements**

Management does not believe that any recently issued, but not yet effective, accounting standards, if currently adopted, would have a material effect on the accompanying condensed consolidated financial statements.

## **Note 2 - Stockholders' Equity**

For the Quarter ending June 30, 2017, the Corporation is authorized to issue four (4) classes of stock which are designated, respectively, "Common Stock" and "Series "A" Preferred Stock" and "Series "B" Preferred Stock" and "Series "C" Preferred Stock". The total number of shares of stock which the Corporation shall have authority to issue shall be 1,890,000,010., and consist of: 1,770,000,000 shares of Common Stock, having a \$0.0001 par value per share; 100,000,000. shares of Series "A" Preferred Stock, having a \$0.0001 par value per share; 20,000,000. shares of Series "B" Preferred Stock, having a \$0.0001 par value per share; and 10. shares of Series "C" Preferred Stock, having a \$0.0001 par value per share.

Shares of Common Stock are entitled to one vote per share;  
Shares of Series "A" Preferred Stock enjoy dividend and liquidation preferences and are convertible into one share of Common Stock at the express election of shareholder to convert. Series "A" shareholders shall not have any Common Stock voting rights unless and until converted into Common Stock. At any time, the entire class of Series "A" Preferred Stock may be forced converted to Common Stock by a vote or written consent of the holders of at least a simple majority of these Series "A" Preferred Stock that are then outstanding;

Shares of Series "B" Preferred Stock are convertible into one share of Common Stock at the express election of shareholder to convert. Series "B" shareholders shall not have any Common Stock voting rights unless and until converted into Common Stock. At any time, the entire class of Series "B" Preferred Stock may be forced converted to Common Stock by a vote or written consent of the holders of at least a simple majority of these Series "B" Preferred Stock that are then outstanding; and

Shares of Series "C" Preferred Stock. The record Holders of the Series "C" Preferred Stock shall have the right to vote on any matter with holders of Common Stock and may vote as required on any action, that law provides may or must be approved by vote or consent of the holders of the specific series of voting preferred shares and the holders of common shares. The Record Holders of the Series "C" Preferred Shares shall have the right to vote on any matter with holders of common stock voting together as one (1) class. The Record Holders of the Series "C" Preferred Shares shall have that number of votes (identical in every other respect to the voting rights of the holders of common stock entitled to vote at any Regular or Special Meeting of the Shareholders) equal to that number of common shares which is not less than sixty percent (60%) of the vote required to approve any action, that the law provides may or must be approved by vote or consent of the holders of the holders of common shares or the holders of other securities entitled to vote, if any. The Record Holders of the Series "C" Preferred Shares shall be entitled to the same notice of any Regular or Special Meeting of the Shareholders as may or shall be given to holders of any other series of preferred shares and the holders of common shares entitled to vote at such meetings. No corporate actions requiring majority shareholder approval or consent may be submitted to a vote of preferred and common shareholders which in any way precludes the Series "C" Preferred Stock from exercising its voting or consent rights as though it is or was a common shareholder. For purposes of determining a quorum for any Regular or Special Meeting of the Shareholders, the Series "C" Preferred Shares shall be included and shall be deemed as the equivalent of 60% of all common shares represented at and entitled to vote at such meetings.

## **Note 3 – Business Combination**

For the quarterly period ending June 30, 2017, the Company did not engage in any business combinations.

## **Note 4 - Income Taxes**

The Company's net deferred tax assets consist primarily of net operating loss carry-forwards. These net operating loss carry-forwards expire over various years through 2029. The net operating loss carry forwards may be limited under the Change of Control provisions of the Internal Revenue Code section 382. There is no income tax provision for the year due to the change in valuation allowance. The difference between the effective rate and the statutory rate is the result of the change in the valuation allowance.

#### **Note 5 - Going Concern**

The Company's financial statements are prepared using generally accepted accounting principles in the United States of America applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs and allow it to continue as a going concern. The ability of the Company to continue as a going concern is dependent on raising capital to fund its business plan and ultimately to attain profitable operations. Accordingly, these factors raise substantial doubt as to the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

#### **Note 6—Related Party Transactions**

For the quarterly period ending June 30, 2017, the Company did not engage in any related party transactions.

#### **Note 7 – Commitments and Contingencies**

##### **Legal Matters**

From time to time, the Company may become subject to legal proceedings, claims and litigation arising in the ordinary course of its business. The Company instituted a legal proceeding to clarify the ownership of and determine certain shareholders rights and ownership interests in the Company. The Company is a party to one legal proceeding which is not believed to be material. No other legal proceedings exist, nor is the Company aware of any other pending or threatened litigation that would have a material adverse effect on the Company's business, operating results, cash flows or financial condition should such litigation be resolved unfavorably.

##### **Lease Commitment**

For the quarterly period ending March 31, 2017, the Company did not engage in any new lease commitments. The Company is within the first year of its five year lease commitment of its 3,500 square foot facility. The lease for the facility is \$1,350. per month for five years.

Future minimum lease payments under this lease is as follows:

2017	\$ 16,200
2018	16,200
2019	16,200
2020	16,200
2021	<u>10,800</u>
Total	<u>\$ 75,600</u>

#### **Note 8 - Notes Payable**

None.

#### **Note 9- Convertible Notes Payable**

On April 13, 2016, the Company issued a convertible promissory note for \$7,800.00 at 8% per annum to a non affiliate for working capital.

On May 3, 2016, the Company issued a convertible promissory note for \$8,800.00 at 8% per annum to a non affiliate for working capital.

On May 14, 2016, the Company issued a convertible promissory note for \$6,000.00 at 10% per annum to a third party non affiliate for working capital.

#### **Note 10 – Subsequent Events**

The Company has evaluated subsequent events through the date the financial statements were issued and filed. The Company has determined that there are no other such events that warrant disclosure or recognition in the financial statements unless mentioned in the above disclosure and dated accordingly.

---