



AXIOLOGIX, INC.

A Nevada Corporation Listed on the OTC Pink Market

Current Trading Symbol: AXLX.PK

Annual Report
For the Twelve Months Ended May 31, 2015

Including Financial Statements and Disclosures

**Prescribed by OTC Pink Market for
Alternative Reporting Standards.**

Filed on January 21, 2016

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.

Axiologix, Inc. (6/6/2012 – present)
Axiologix Education Corporation (1/17/2012 – 6/5/2012)
VOIP ACQ, INC. (10/5/2011 – 1/17/2012)

2) Address of the issuer's principal executive offices

Company Headquarters:
5348 Vegas Drive
Las Vegas, NV 89108
Telephone: 913-815-1557
Facsimile:
Website: www.axiologix.net

Investor Relations: vbrowne@axiologix.net
5348 Vegas Drive
Las Vegas, NV 89108
Telephone:
Facsimile:
Website: www.axiologix.net

3) Security Information

Trading Symbol: AXLX.PK
Exact title and class of securities outstanding:

Common Stock:

CUSIP: 05462T304
Par or Stated Value: \$0.0001
Total shares authorized: 250,000,000 as of: May 31, 2015
Total shares outstanding: 45,047,948 as of: May 31, 2015

Preferred Stock:

Par or Stated Value: \$0.001
Total shares authorized: 10,000,000 as of: May 31, 2015
Total shares outstanding: 964,055 as of: May 31, 2015
Consisting of:
Series A: 500,000
Series B: 400,000
Series C: 34
Series D: 64,021

Transfer Agent
American Stock Transfer & Trust Company, LLC
6201 15th Avenue
Brooklyn, NY 11219
Telephone: 718-921-8293

Is the Transfer Agent registered under the Exchange Act?* **Yes:** X

*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

4) Issuance History

The following events resulted in changes in total shares outstanding by the issuer in the past two year period ending on the last day of the issuer's most recent fiscal quarter:

During the twelve months ended May 31, 2015, the Company issued a total of 38,687,726 shares of common stock. Of this amount, 10,000,000 shares of restricted common stock were issued to two outside consultants in exchange for services rendered; 8,000,000 shares of restricted common stock were issued to a trustee on behalf of the shareholders of iWorld Services as part of a settlement agreement; 9,240,000 shares of unrestricted common stock were issued to IBC in exchange for the partial settlement of a total of \$139,391 of debt under SEC Rule 3(a)10; 700,000 shares of unrestricted common stock were issued to Ironridge in exchange for the partial settlement of an approximate total of \$802,000 worth of debt under SEC Rule 3(a)10; 6,263,000 shares of unrestricted common stock were issued to three convertible note holders, reducing our principal debt obligation by \$20,951; and 1,000,000 shares of restricted common stock were issued to a third party in exchange for a \$100,000 investment.

Additionally, during the twelve months ended May 31, 2015, 184,000 shares of Series D Convertible Preferred Stock were cancelled and the remaining 66,000 Series D Preferred Shares were assigned to other third parties as part of a settlement, 1,979 of which were converted into 1,979,458 shares of common stock. Finally, the Company also issued warrants to purchase up to 1,000,000 shares of common stock at \$0.10 per share, having a term of 1 year, and warrants to purchase up to 766,667 shares of common stock at \$0.60 per share and also having a 1 year term.

During the twelve months ended May 31, 2014, the Company issued a total of 6,886,380 shares of common stock. Of this amount, 2,530,100 shares of restricted common stock were issued in exchange for services rendered; 1,980,000 shares of unrestricted common stock were issued in exchange for the partial settlement of debts under SEC Rule 3(a)10; 1,267,000 shares were issued pursuant to a cash investment, and the balance, or 1,109,280 shares of unrestricted common stock were issued pursuant to the conversion of \$187,764 worth of convertible promissory notes. Additionally, the Company issued 10 shares of Series C Convertible Preferred Stock to an accredited investor in exchange for cash and 250,000 shares of Series D Convertible Preferred Stock. Also, 1,000,000 shares of restricted common stock (and warrants to purchase up to 1,000,000 shares of common stock at \$0.10 per share and having a term of 1 year) are issuable to an accredited investor in exchange for an investment of \$100,000 that closed in May of 2014. An additional 1,994,900 shares of restricted common stock are also issuable in exchange for services rendered, and 300,000 shares of common stock were returned by VOIP ACQ in exchange for amended terms to its Series A Convertible Preferred Stock. Additionally, \$10,000 worth of new convertible promissory notes were issued in exchange for cash, with conversion prices of approximately 50% discount to the Market Price of the Company's common stock.

Each of the above securities offerings or transactions was made by officers and directors of the issuer and was not a registered offering. The offerings relied upon an exemption under Regulation S or Rule 4(2) of the

Securities Act of 1933, as amended. The shares in these offerings or transactions were restricted (i.e., not freely tradable), where indicated above; and the certificates evidencing such shares contained a legend (1) stating that the shares have not been registered under the Securities Act of 1933, as amended, and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act of 1933, as amended.

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.

The Company's unaudited financial statements for its twelve months ended May 31, 2015 and 2014 are attached hereto and incorporated herein as part of the Company's Annual Company Information and Disclosure Statement and filed herewith at the end of this Report. They are prepared by Company management who, via qualifications and prior direct business experience, have sufficient financial skills.

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;

Axiologix operates in the Mobile Payments market. Our key focus is on un-banked and under-banked communities both in the United States and around the world. Together with our innovative strategic partners we provide disruptive 'Cloud' banking services such as 'member-to-member' payments and merchant services using cell phones and the Internet, along with linked debit cards for convenience and international mobile money remittance transfers at a keystroke.

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

Axiologix, Inc. (previously named Axiologix Education Corporation) ("AXLX") was originally incorporated under the laws of the State of Nevada on April 29, 2009.

VOIP ACQ, INC. ("VOIP") was originally incorporated under the laws of Delaware on October 5, 2011.

On January 17, 2012, AXLX acquired substantially all of the assets and liabilities of VOIP in exchange for a total of 1,150,000,000 shares of AXLX's restricted common stock pursuant to a definitive Contribution Agreement dated November 30, 2011 by and among AXLX and VOIP (the

“Contribution Agreement”). Although AXLX is the legal acquirer, for accounting purposes VOIP is the accounting acquirer and the transaction was accounted for as a reverse merger.

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

- ☐ Primary SIC # 4813 and 7372
- ☐ Secondary SIC #4813-02

D. the issuer’s fiscal year end date;

May 31st

E. principal products or services, and their markets;

- ☐ Mobile Payments and International Remittance

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.

The Company leases office space for its headquarters on a yearly basis, with annual renewal options.

The office is currently located at 5348 Vegas Drive, Las Vegas, NV 89108.

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.**

**Chief Executive Officer, CFO, Corporate Secretary and sole Director:
Control Persons:**

**Vincent Browne
Darjon Investments, Ltd.
Ironridge Global IV, Ltd.**

Vincent Browne, *Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Chairman of the Board of Directors*, age 46.

Mr. Browne became Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Chairman of the Board of AXLX on January 17, 2012. Mr. Browne is also currently Chairman of the Board, Corporate Secretary and acting Chief Financial Officer for Flint Telecom Group, Inc. ("Flint") and has served in that capacity since October 2008. Mr. Browne was Chief Financial Officer and a member of the Board of Directors of World Assurance Group, Inc. from January 2013 until March of 2014. Mr. Browne has over 20 years experience in the ICT sector. During this time he has served at senior management levels in large multinationals and public companies. Prior to founding Flint, Mr. Browne was Head of Procurement with Esat Telecom Group, Ireland's leading competitive operator and quoted on NASDAQ. In this position, Mr. Browne managed annual expenditure in excess of \$250 million and also managed the Carrier Services division with responsibility for unit profitability as well as supporting retail sales and subscriber acquisition programs. Esat Telecom was purchased by British Telecom in June 2000. Prior to that, Mr. Browne was with Siemens in Ireland managing the Products Business Segment with annual revenues in excess of \$50 million and 8 years of profitability. He holds a Bachelor of Commerce degree from University College Dublin and is a regular contributor in commercialization of research and technology projects with the Technology and Enterprise Campus at Trinity College Dublin.

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);

No

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;

No

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

No

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.

No

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.

Darjon Investments, Ltd.: 60% Beneficial Shareholder of Issuer

Address: 4 Cubes 1, Beacon South Quarter, Sandyford, Dublin 18, Ireland.

Vincent Browne: holds dispositive voting and investment control of Darjon through his spouse.

Address: c/o 4 Cubes 1, Beacon South Quarter, Sandyford, Dublin 18, Ireland.

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:

Accountant or Auditor
Firm: None.

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

Name: Taliesin Durant
Firm: DART Business Services, LLC
Address 1: 16192 Coastal Highway
Address 2: Lewes, DE 19958
Email: tali@dart-services.com

10) Issuer Certification

I, Vincent Browne, certify that:

1. I have reviewed this Annual Report of Axiologix, 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.

January 21, 2016

A handwritten signature in black ink, appearing to read 'V. Browne', with a long horizontal flourish extending to the right.

Vincent Browne

Chief Executive Officer and Chief Financial Officer



AXIOLOGIX, INC. & SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
AS OF AND FOR THE TWELVE MONTHS
ENDED MAY 31, 2015

AXIOLOGIX, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
Prepared by Management
(Unaudited)

	May 31, 2015	May 31, 2014
<u>ASSETS</u>		
Current Assets		
Total cash and cash equivalents	\$ 111	\$ 66,137
Trade receivables (net of provisions of \$161,673)	-	137,780
Receivable from slae of Axiologix Ireland assets	60,000	-
Total current assets	60,111	203,917
Equipment and IP (Net)	151,700	151,700
Intangible assets and goodwill (Net)	-	3,098,300
Total Assets	\$211,811	\$3,453,917
<u>LIABILITIES AND STOCKHOLDERS' DEFICIT</u>		
Payables within 1 year		
Accounts payable and accrued liabilities	2,532,929	2,782,944
Accrued interest payable	127,613	217,007
Convertible notes payable, third party - net of discount	155,572	176,524
Notes Payable - third parties	189,441	158,444
Notes Payable - related parties	30,288	19,788
Embedded note derivative liability	-	389,083
Series C Preferred dividends payable	116,583	53,202
Deferred revenue	-	276,357
Stock Payable	1,175,096	1,167,429
Secured Revolving Credit Facility	1,999,385	1,922,738
Series B Redeemable Preferred shares	400,000	400,000
Loan Notes Issued to IWS shareholders (Current)	-	550,000
Total Liabilities	6,726,908	8,113,517
Payables after 1 year		
Loan Notes Issued to IWS shareholders	-	2,200,000
Temporary Equity		
Series D Convertible Preference Shares	640,210	2,500,000
Stockholders' Equity		
Series A Convertible preferred shares	10,000	10,000
Series C Convertible preferred shares	340,000	340,000
Common stock issuable	199,490	450,000
Common stock, \$0.0001 par value; 250,000,000 shares authorized, 45,047,948 and 6,360,222 shares issued and outstanding, as of May 31, 2015 and May 31, 2014, respectively	4,504	636
Additional paid in capital	8,713,760	7,820,006
Other Comprehensive Income / (Loss)	(2)	3,565
Accumulated deficit	(16,423,060)	(17,983,806)
Total Stockholders' Equity / (Deficit)	(7,155,308)	(9,359,599)
Total Liabilities and Stockholders' Deficit	\$211,810	\$3,453,918

See accompanying notes to the consolidated financial statements.

AXIOLOGIX, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

Prepared by Management
(Unaudited)

	For the year ended	
	May 31, 2015	May 31, 2014
Revenues	\$507,769	\$6,165,200
Cost of revenues	(438,830)	(5,406,716)
Gross profit	68,940	758,483
Operating expenses:		
Sales and general administrative	189,195	3,501,023
Operating loss from continuing operations	120,256	2,742,540
Discontinued operations:		
(Income) from discontinued operations - Axiologix Ireland	(324,425)	-
Other (income) expense		
Interest expense	234,891	765,558
Change in free market value of derivative liabilities	(278,458)	80,905
Loss (Gain) on stock payable valuation	296,406	1,076,384
Loss (Gain) on settlement with iWorld shareholders	(4,256,040)	-
Impairment of goodwill and intangible assets	2,646,627	4,397,375
Loss on Preferred A share modification	-	4,873,456
Gain on debt or interest forgiveness	-	(38,000)
(Gain) loss on foreign exchange	-	922
Net income (loss) from continuing operations	\$1,560,744	\$(13,899,140)
Series C preferred shares dividends	\$(116,583)	\$(50,636)
Net income (loss) attributable to common stockholders	\$1,444,161	\$(13,949,776)
Net profit (loss) per share - basic and diluted	\$0.05	(\$6.26)
Weighted average shares outstanding		
Basic and diluted	29,414,895	2,228,336

See accompanying notes to the consolidated financial statements.

AXIOLOGIX, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
AND OTHER COMPREHENSIVE LOSS
Prepared by Management
(Unaudited)

	Preferred stock		Common stock		Common stock issuable		Additional paid-in capital	AOCI	Accum. deficit	TOTAL
	Shares	Amount	Shares	Amount	Shares	Amount				
Balances at May 31, 2014	500,034	\$ 350,000	6,360,222	\$ 636	4,500,000	\$ 450,000	\$7,820,006	\$ 3,565	\$(17,983,806)	\$(9,359,599)
Conversion of debt and other payables			6,263,168	626			21,706			\$22,332
Stock issued to Ironridge Global IV			700,000	70			21,490			\$21,560
Series C Preferred Dividends							(63,381)			\$(63,381)
Issuance of common stock for services			10,000,000	1,000			154,500			\$155,500
Stock issued to IBC Funds (3A(10) Settlement)			9,240,000	924			219,048			\$219,972
Series D Preference Shares converted			1,979,458	198			19,592			\$19,790
Settlement of derivatives to APIC							119,339			\$119,339
Common shares issued in settlement with iWorld Services			8,000,000	800			151,200			\$152,000
Stock Issuable issued			2,505,100	250	(2,505,100)	(250,510)	250,260			\$-
Foreign exchange translations								(3,565)		\$(3,565)
Net profit for the period									1,560,744	\$1,560,744
Balances at May 31, 2015	500,034	\$350,000	45,047,948	\$4,504	1,994,900	\$199,490	\$8,713,760	\$0	\$(16,423,062)	\$(7,155,308)

See accompanying notes to consolidated financial statements.

AXIOLOGIX, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOW
Prepared by Management
(Unaudited)

	For the year ended	
	May 31, 2015	May 31, 2014
Cash Flows from Operating Activities:		
Net profit (loss)	\$1,560,744	\$(13,899,140)
Profit from discontinued operations	(324,425)	-
<i>Adjustments to reconcile net loss to net cash used in operations</i>		
Amortization of debt discount	222,891	214,914
Change in embedded derivative liability	(103,285)	186,129
Change in fair value of stock payable	249,199	1,139,637
Gain on settlement with iWorld shareholders	(4,256,040)	
Impairment of Intangible Assets - iWorld	2,646,627	4,397,375
Common stock issued for services	155,500	317,000
Common stock issuable for services	-	350,000
Loss on Modification of Series A Preferred shares		4,873,456
Imputed interest on non-interest loans		6,278
Debt and/or Interest forgiven by lender		(38,000)
<i>Changes in assets and liabilities, net of acquisition and disposals:</i>		
Accounts receivable and prepaid expenses	42,255	52,194
Accounts payable & accrued liabilities	27,208	1,061,365
Deferred revenue	(118,390)	(89,152)
Net cash generated (used) from operating activities	102,284	(1,427,943)
Cash Flows from Investing Activities:		
Cash used for acquisition of iWorld Services	-	(887,170)
Cash from Acquisition	-	114,277
Deferred consideration for Axiologix Limited liquidation	(60,000)	-
Net cash used in investing activities	(60,000)	(772,893)
Cash Flows From Financing Activities:		
Proceeds from sale of Series C preferred shares	-	100,000
Proceeds from sale of common stock	-	260,000
Proceeds from sale of convertible debt	-	10,000
Proceeds from sale of debt	22,227	436,901
Proceeds received from related parties	10,500	-
	-	2,000,000
Principal payments on line of credit with TCA	(114,058)	(220,000)
Principal payments on debt	(23,416)	(313,457)
Net cash provided (used) by financing activities	(104,747)	2,273,444
Cash Flows From Foreign Currency Activities:		
Exchange gain (loss) on translation of foreign assets	(3,563)	(13,545)
Net cash provided by (used in) foreign currency activities	(3,563)	(13,545)
Net increase (decrease) in cash and cash equivalents	(66,026)	59,063
Cash and cash equivalents, beginning of the period	66,137	7,076
Cash and cash equivalents, end of the period	111	66,139
SUPPLEMENTAL CASH FLOW DISCLOSURE:		
Cash paid for interest	\$ 93,722	\$ 358,453

Cash paid for taxes	-	-
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See accompanying notes to consolidated financial statements.

AXIOLOGIX, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOW
SUPPLEMENTAL DISCLOSURES

Prepared by Management
(Unaudited)

	For the year ended	
	May 31, 2015	May 31, 2014
Common stock issued for conversion of notes payable and accrued interest	\$ 22,332	\$ 187,764
Common stock issued for stock payable	\$ 241,532	\$ 874,460
Debt discount related to notes payable	\$ -	\$ 8,714
Dividends on Preferred Series C shares	\$ 116,583	\$ 50,636
Common stock issued for stock payable	\$ (40,334)	\$ 115,000
Settlement of derivative liability to additional paid in capital	\$ 119,339	\$ 423,493
Current liabilities settled for shares	\$ -	\$ 139,391

See accompanying notes to the consolidated financial statements.

AXIOLOGIX, INC. & SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
Prepared by Management
(Unaudited)

NOTE 1 – ORGANIZATION AND BUSINESS OPERATIONS

Axiologix, Inc. (“AXLX”, “We” or the “Company”) is incorporated under the laws of Nevada, USA. We were originally incorporated on October 5, 2011 in Delaware as VOIP ACQ, INC.

On December 5, 2011, the Company acquired substantially all of the assets and liabilities of VOIP ACQ, Inc. (“VOIP”) in exchange for a total of 575,000 shares of our restricted common stock (the “Shares”) pursuant to a definitive Contribution Agreement dated November 30, 2011 among AXLX and VOIP (the “Contribution Agreement”). VOIP has a number of agreements to acquire part or all of the issued share capital of a number of potential acquisitions in the VoIP and Cloud Services markets. Although AXLX is the legal acquirer, for accounting purposes VOIP is the accounting acquirer. The pre-existing educational software and on-line services operations were housed in a wholly owned subsidiary, Axiologix Holdings Inc., and were subsequently sold in May of 2012.

Effective September 14, 2012 we changed our name to Axiologix, Inc.

Following completion of the reverse merger with VOIP, Axiologix has focused on Cloud technologies and services beyond the education market. As part of this new strategy, on March 5, 2012 the Company consolidated a cloud services company in Ireland, Prime Carrier, which was an entity under common control with VOIP at the time of acquisition. A key area of the new strategy is to build a U.S. nationwide provider of VoIP (Voice over Internet Protocol) telecom and data services, currently the largest Cloud services market globally. This entity has been consolidated since inception due to it being under common control with VOIP in line with ASC 805.

In November of 2012, the Company incorporated a new wholly owned subsidiary in Delaware, named AxioComm, Inc. AxioComm was formed to partner with strategic partners in order to offer retail hosted IP Voice, data and cloud services to small and medium sized business customers using strategic partner relationships.

On April 24, 2014 we affected a 1-for-2,000 reverse stock split of our issued and outstanding common stock.

As of and for the twelve months ended May 31, 2014, we operated our business through three wholly-owned subsidiaries, Axiologix Limited, AxioComm, Inc. and iWorld Services. Axiologix Limited does business under the name Prime Carrier, and delivers Cloud based software to the international telecommunications marketplace as it has done for over ten years. AxioComm offers IP voice, data and Cloud services directly to small and medium sized businesses throughout the United States. iWorld Services provides market specific turnkey hosted solutions for VoIP resellers, distributors, and small medium businesses globally.

As of and for the twelve months ended May 31, 2015, we operated our business through we operated our business through three wholly-owned subsidiaries, Axiologix Limited, AxioComm, Inc. and iWorld Services for varying periods throughout the year. Axiologix Limited was liquidated in November 2014 and all trading results for the period from June 1, 2015 up to liquidation have been recorded as “Profit from discontinued activities” in the income statement. Since January 2014, we also operate a member-to-member payments portal “Axio Cash Genie” in conjunction with a technology partner.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations, and cash flows at May 31, 2015, and for all periods presented herein, have been made.

Basis of presentation

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

Reclassification

Certain amounts from prior periods have been reclassified to conform to the current period presentation. There is no effect on net loss, cash flows or stockholders' deficit as a result of these reclassifications.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Estimates are adjusted to reflect actual experience when necessary. Significant estimates and assumptions affect many items in the financial statements. These include estimates of fair value of common stock and related impact to stock-based compensation. Actual results may differ from those estimates and assumptions, and such results may affect income, financial position or cash flows.

Cash and cash equivalents

The Company considers all highly liquid instruments purchased with maturity of three months or less to be cash equivalents. There were no cash equivalents at May 31, 2015. The Company minimizes its credit risk associated with cash by periodically evaluating the credit quality of its primary financial institution. The balance at times may exceed federally insured limits. At May 31, 2015 the balance did not exceed the federally insured limit.

Risks and Uncertainties

The Company's operations are subject to significant risk and uncertainties including financial, operational, technological, and regulatory risks including the potential risk of business failure. Also see Note 3 regarding going concern matters.

Derivative Financial Instruments

In accordance with Statement of Financial Accounting Standard ASC 820- 10-35-37 "*Fair Value in Financial Instruments*" and ASC 815 "*Accounting for Derivative Instruments and Hedging Activities*", all derivatives have been recorded on the balance sheet at fair value based on the lattice model calculation. These derivatives, including embedded derivatives in the Company's warrants, and its Convertible Notes issued in 2012, 2013, and 2014, which have reset provisions to the exercise price and conversion price if the Company issues equity or other notes at a price less than the exercise price set forth in such warrants and notes, are separately valued and accounted for on the Company's balance sheet. Fair values for exchange traded securities and derivatives are based on quoted market prices. Where market prices are not readily available, fair values are determined using market based pricing models incorporating readily observable market data and requiring judgment and estimates.

Lattice Valuation Model

The Company valued the warrants and conversion features in their convertible notes using a lattice valuation model, with the assistance of a valuation consultant. The lattice model values these instruments based on a probability weighted discounted cash flow model. The Company uses the model to develop a set of potential scenarios. Probabilities of each scenario occurring during the remaining term of the instruments are determined based on management's projections and the expert's calculations. These probabilities are used to create a cash flow projection over the term of the instruments and determine the probability that the projected cash flow will be achieved. A discounted weighted average cash flow for each scenario is then calculated and compared to the discounted cash flow of the instruments without the compound embedded derivative in order to determine a value for the compound embedded derivative.

Fair Value of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, inventory, accounts payable and accrued liabilities. The estimated fair value of cash, accounts receivable, accounts payable and accrued liabilities approximate their carrying amounts due to the short-term nature of these instruments. None of these instruments are held for trading purposes.

The Company utilizes various types of financing to fund its business needs, including convertible debt with warrants attached. The Company reviews its warrants and conversion features of securities issued as to whether they are freestanding or contain an embedded derivative and, if so, whether they are classified as a liability at each reporting period until the amount is settled and reclassified into equity with changes in fair value recognized in current earnings. At May 31, 2015 and 2014, the Company had warrants to purchase common stock, the fair values of which are classified as a liability.

Inputs used in the valuation to derive fair value are classified based on a fair value hierarchy which distinguishes between assumptions based on market data (observable inputs) and an entity's own assumptions (unobservable inputs).

The hierarchy consists of three levels:

- Level one — Quoted market prices in active markets for identical assets or liabilities;
- Level two — Inputs other than level one inputs that are either directly or indirectly observable; and
- Level three — Unobservable inputs developed using estimates and assumptions, which are developed by the reporting entity and reflect those assumptions that a market participant would use.

Determining which category an asset or liability falls within the hierarchy requires significant judgment. The Company evaluates its hierarchy disclosures each quarter. The Company's only asset or liability measured at fair value on a recurring basis is its derivative liability associated with warrants to purchase common stock and preferred stock.

The fair value of the derivative liability at May 31, 2015 and 2014 was \$0 and \$389,093, respectively. The charge for the change in the fair market value of derivative liabilities for the twelve months ended May 31, 2015 was \$278,458 compared to a \$80,905 for the twelve months ended May 31, 2014. During the year ended May 31, 2015, \$119,339 of derivative liabilities were settled to additional paid in capital.

Loss per share

In accordance with accounting guidance now codified as FASB ASC Topic 260, "*Earnings per Share*," basic earnings (loss) per share is computed by dividing net income (loss) by weighted average number of shares of common stock outstanding during each period. Diluted earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock, common stock equivalents and potentially dilutive securities outstanding during the period.

Since the Company reflected a net loss for the twelve month periods ended May 31, 2015 and the twelve months ended May 31, 2014, the effect of considering any common stock equivalents, if outstanding, would have been anti-dilutive. A separate computation of diluted earnings (loss) per share is not presented.

Warrants to purchase an aggregate of up to 11,250 shares of restricted common stock at \$12.00 per share, having a five year term, standard anti-dilution and a cashless exercise provision were issued on July 31, 2012. The exercise price of these warrants was reduced to \$0.10 per share on November 21, 2013, and 225,000 additional warrants were issued, also at an exercise price of \$0.10 per share. Additionally, warrants to purchase up to 250,000 shares of common stock at \$4.00 per share were issued in January of 2012. Warrants to purchase up to 1,000,000 shares of common stock at \$0.10 per share and up to 666,667 shares of common stock at \$0.60 per share were issued on May 9, 2014, but expired on May 9, 2015.

No warrants have been exercised as of May 31, 2015.

	For the Twelve Months Ended May 31, 2015	For the Twelve Months Ended May 31, 2014
Net income (loss) attributable to common stockholders	\$1,444,161	\$(13,949,776)
Net profit (loss) per share – basic and diluted	\$0.05	(\$6.26)
Weighted average number of shares outstanding – basic and diluted	29,414,895	2,228,336

Share Based Payments

All forms of share-based payments, including stock option grants, restricted stock grants and stock appreciation rights, are measured at their fair value on the awards' grant date, and based on the estimated number of awards that are ultimately expected to vest. Share-based payment awards issued to non-employees for services rendered are recorded at either the fair value of the services rendered or the fair value of the share-based payment, whichever is more readily determinable. The expense resulting from share-based payments are recorded as non-cash stock based compensation, which is an operating expense.

Beneficial conversion features

From time to time, the Company may issue convertible notes that may contain an imbedded beneficial conversion feature. A beneficial conversion feature exists on the date a convertible note is issued when the fair value of the underlying common stock to which the note is convertible into is in excess of the remaining unallocated proceeds of the note after first considering the allocation of a portion of the note proceeds to the fair value of the warrants, if related warrants have been granted. The intrinsic value of the beneficial conversion feature is recorded as a debt discount with a corresponding amount to additional paid in capital. The debt discount is amortized to interest expense over the life of the note using the effective interest method.

Impairment of Long-Lived Assets

The Company has adopted Accounting Standards Codification subtopic 360-10, Property, Plant and Equipment ("ASC 360-10"). ASC 360-10 requires that long-lived assets and certain identifiable intangibles held and used by the Company be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Company evaluates its long-lived assets for impairment annually or more often if events and circumstances warrant. Events relating to recoverability may include significant unfavorable changes in business conditions, recurring losses or a forecasted inability to achieve break-even operating results over an extended period. The Company evaluates the recoverability of long-lived assets based upon forecasted undiscounted cash flows. Should impairment in value be indicated, the carrying value of long-lived assets will be adjusted, based on estimates of future discounted cash flows resulting from the use and ultimate disposition of the asset. ASC 360-10 also requires assets to be disposed of be reported at the lower of the carrying amount or the fair value less costs to sell.

Revenue Recognition

The Company recognizes revenue in accordance with accounting principles generally accepted in the United States of America. Net revenue is derived from the sale of products and services to third parties and any intercompany sales in the period are eliminated on consolidation. The Company generally recognizes revenue when persuasive evidence of a sales arrangement exists, delivery has occurred or services are rendered and the sales price or fee is fixed or determinable and collectability is reasonably assured.

Axiologix operates a number of subsidiaries in two business segments that may have specific revenue recognition policies relating to their business. Revenue recognition policies for each segment and business type are outlined below.

For the year ended May 31, 2015, the Company currently operated two businesses Axiocomm Inc and iWorld Services, to June 2015, that provide telecom products and services. iWorld Services was a provider of prepaid IP calling services to consumers primarily outside the United States via smartphone apps. Cash received from customers is initially recorded as deferred and subsequently recognized as revenue when minutes used by customers are appropriately rated for the calls made by customers and deducted from the prepaid funds balance. iWorld Services is obligated to deliver service to end customers for active accounts until the prepaid balance is fully used and therefore records accrues unused minute costs for activated cards and active accounts at the end of each period.

From January 2014, the Company offers an online member-to-member payments service. The Company earns a fee from each transaction completed by members that is recorded as revenue in the respective period that the transaction is made.

Prepaid Expenses

The Company has capitalized any pre-payments pursuant to consulting agreements and deferred financing costs. The prepaid expenses and financing costs are amortized over the term of the consulting agreements or in line with the specific performance milestones within the agreements.

Property and Equipment

Property and equipment are stated at cost. The Company amortizes the cost of property and equipment Straight line over the estimated useful lives indicated below:

Computer equipment	straight-line basis - 3 years
Furniture and equipment	straight-line basis - 5 years
Acquired IP and software	straight-line basis - 8 years

Intangible Assets

Intangible assets are amortized using the straight-line method over their estimated period of benefit of fifteen years. We evaluate the recoverability of intangible assets periodically and take into account events or circumstances that warrant revised estimates of useful lives or that indicate that impairment exists. All of our intangible assets are subject to amortization.

Goodwill

The Company evaluates the carrying value of goodwill during the fourth quarter of each year and between annual evaluations if events occur or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying amount. Such circumstances could include, but are not limited to (1) a significant adverse change in legal factors or in business climate, (2) unanticipated competition, or (3) an adverse action or assessment by a regulator. When evaluating whether goodwill is impaired, the Company compares the fair value of the reporting unit to which the goodwill is assigned to the reporting unit's carrying amount, including goodwill. The fair value of the reporting unit is estimated using a combination of the income, or discounted cash flows, approach and the market approach, which utilizes comparable companies' data. If the carrying amount of a reporting unit exceeds its fair value, then the amount of the impairment loss must be measured. The impairment loss would be calculated by comparing the implied fair value of reporting unit goodwill to its carrying amount. In calculating the implied fair value of reporting unit goodwill, the fair value of the reporting unit is allocated to all of the other assets and liabilities of that unit based on their fair values. The excess of the fair value of a reporting unit over the amount assigned to its other assets and liabilities is the implied fair value of goodwill. An impairment loss would be recognized when the carrying amount of goodwill exceeds its implied fair value.

The Company recorded an impairment of goodwill of \$3,098,300 for the twelve months ended May 31, 2015 representing the Goodwill associated with the purchase of iWorld Services Inc. as a result of it ceasing activities during the period. The Company recorded an impairment of goodwill of \$4,397,375 for the twelve months ended May 31, 2014 following a Purchase Price Allocation calculation of iWorld Services.

Comprehensive Loss

ASC 220, "*Comprehensive Income*," establishes standards for the reporting and presentation of comprehensive income (loss) and its components in the financial statements. As at May 31, 2015, the Company reported \$0 in comprehensive gain/loss, As at May 31, 2014 the Company reported \$3,565 in comprehensive gain, representing the translation difference for foreign currency assets held into U.S. Dollars in the group balance sheet.

Foreign Currency Translation

The Company's functional currency is U.S. Dollars. Axiologix Limited, a wholly owned and integrated foreign subsidiary uses Euros as its functional currency. As a result, monetary balance sheet items expressed in foreign currencies are translated into US dollars at the exchange rates in effect at the respective balance sheet date. Resultant gains or losses on translation are reported after net income and before comprehensive income.

Revenues and expenses are translated at the weighted average or the period, except for amortization, which is translated on the same basis as the related asset. Resultant gains or losses on exchange are reported before net income.

Income Taxes

The Company recognizes deferred tax assets and liabilities based on differences between the financial reporting and tax bases of assets and liabilities using the enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered. The Company provides a valuation allowance for deferred tax assets for which it does not consider realization of such assets to be more likely than not.

NOTE 3 – GOING CONCERN

As reflected in the accompanying financial statements, the Company has a net profit of \$1,560,774 for the twelve months ended May 31, 2015. Net cash generated from operations was \$102,284 for the twelve months ended May 31, 2015. The Company had a working capital deficit of \$6,666,797 and a stockholders' deficit of \$7,155,308 at May 31, 2015.

As a result, the accompanying financial statements do not include any adjustments related to recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should the company be unable to continue as a going concern.

The Company plans to seek additional funds to finance its immediate and long-term operations and business plan through debt and/or equity financing. The successful outcome of future financing activities cannot be determined at this time and there is no assurance that if achieved, the Company will have sufficient funds to execute its intended business plan.

Ultimately, the company's ability to continue as a going concern is dependent upon its ability to attract new sources of capital, complete planned acquisitions and exploit the growing cloud communications and mobile payments markets in order to attain a reasonable threshold of operating efficiency and achieve sustained profitable operations.

NOTE 4 – FAIR VALUE DERIVATIVE LIABILITIES

The Company has categorized its assets and liabilities recorded at fair value based upon the fair value hierarchy specified by GAAP. All assets and liabilities are recorded at historical cost that approximates fair value, and therefore, no items were valued according to these inputs.

The levels of fair value hierarchy are as follows:

- Level 1 inputs utilize unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access;
- Level 2 inputs utilize other-than-quoted prices that are observable, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs such as interest rates and yield curves that are observable at commonly quoted intervals; and
- Level 3 inputs are unobservable and are typically based on our own assumptions, including situations where there is little, if any, market activity.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the Company categorizes such financial asset or liability based on the lowest level input that is significant to the fair value measurement in its entirety. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

Both observable and unobservable inputs may be used to determine the fair value of positions that are classified within the Level 3 category. All assets and liabilities are at cost, which approximates fair value and there are not items that were required to be valued on a non-recurring basis.

The Company evaluated the conversion feature embedded in the convertible notes to determine if such conversion feature should be bifurcated from its host instrument and accounted for as a freestanding derivative. Due to the note not meeting the definition of a conventional debt instrument because it contained a diluted issuance provision and variable conversion price subject to market prices, the convertible notes were accounted for in accordance with ASC 815. According to ASC 815, the derivatives associated with the convertible notes were recognized as a discount to the debt instrument, and the discount is being amortized over the life of the note and any excess of the derivative value over the note payable value is recognized as additional interest expense at issuance date. The Company also evaluated all common stock equivalents to determine if these instruments were tainted due to the embedded derivative. Further, and in accordance with ASC 815, the embedded derivatives are revalued at each balance sheet date and marked to fair value with the corresponding adjustment as a "gain or loss on change in fair value of derivatives" in the statement of operations.

As of May 31, 2015 the fair value of the embedded derivatives included on the accompanying balance sheet was \$0. During the twelve months ended May 31, 2015, the Company recognized a \$278,458 charge for changes in fair value of derivative liability in the year. During the twelve months ended May 31, 2015, \$119,339 of derivative liabilities were settled to additional paid in capital.

As of May 31, 2014 the fair value of the embedded derivatives included on the accompanying balance sheet was \$389,093. During the twelve months ended May 31, 2014, the Company recognized a \$80,905 charge for changes in fair value of derivative liability in the year.

Key assumptions used in the valuation of derivative liabilities associated with the convertible notes at May 31, 2015 were as follows:

- The underlying stock price was used as the fair value of the common stock;
- The Note face amounts as of issuance and assignment; conversion or payment; and the quarter's end effectively convert at a discount in the range 50% to 68.01% for the 50% conversion rates and 75% to 83.48% for the 25% conversion rate.
- Capital raising events were not a factor since there are no reset features in any of these notes;
- The Holder would redeem based on availability of alternative financing, 10% of the time increasing 1.0% monthly to a maximum of 20%;
- The Holder would automatically convert the note at maturity if the registration was effective and the company was not in default;
- The projected annual volatility for each valuation period was based on the historic volatilities of the Company in the range 341% to 409% and detailed in the Appendix.
- An event of default would occur 5% of the time, increasing 1.00% per month to a maximum of 10% – to-date the 2 notes in default have been converted by the holder.

NOTE 5 – IRONRIDGE - 3(a)10 Transaction

On February 22, 2013, AXLX and Ironridge Global IV, Ltd (“IV”) settled \$802,889 in AXLX accounts payable, now owned by IV, in exchange for shares of AXLX common stock. Pursuant to an order approving stipulation for settlement of claims between IV and AXLX, IV is entitled to receive 10 million common shares plus that number of shares with an aggregate value equal to the debt amount plus a 10% third-party agent fee, and reasonable attorney fees, divided by 70% of the following: the closing price of AXLX's common stock on the date prior to entry of the order, not to exceed the arithmetic average of the individual daily volume weighted average prices of any five trading days during a period equal to that number of consecutive trading days following the date of initial receipt of shares required for the aggregate trading volume to exceed \$9 million.

IV received an initial issuance of 75,000 unrestricted AXLX common shares, and as of May 31, 2014, IV has received a total of 2,115,000 unrestricted AXLX common shares, and may be required to return or be entitled to receive additional shares, based on the calculation summarized in the prior paragraph. For purposes of calculating the percent of class, the reporting persons have assumed that there were a total of 71,768,545 shares of common stock outstanding immediately prior to the issuance of shares to IV, such that the shares initially issued to IV would represent approximately 9.99% of the outstanding common stock after such issuance. IV is prohibited from receiving any shares of common stock that would cause it to be deemed to beneficially own more than 9.99% of the issuer's total outstanding shares at any one time.

In connection with the transaction, IV agreed not to hold any short position in the issuer's common stock, and not to engage in or effect, directly or indirectly, any short sale until at least 180 days after the end of the calculation period.

IV is not a registered broker-dealer or an affiliate of a registered broker-dealer. Voting and dispositive power with respect to shares of common stock owned by IV is exercised by Peter Cooper, Director. However, for so long as IV holds any shares, it is prohibited from, among other actions: (1) voting any shares of issuer common stock owned or controlled by them, exercising any dissenter's rights, executing or soliciting any proxies or seeking to advise or influence any person with respect to any voting securities of the issuer; (2) engaging or participating in any actions or plans that relate to or would result in, among other things, (a) acquiring additional securities of the issuer, alone or together with any other person, which would result in them collectively beneficially owning or controlling, or being deemed to beneficially own or control, more than 9.99% of the total outstanding common stock or other voting securities of the issuer, (b) an extraordinary corporate transaction such as a merger, reorganization or liquidation, (c) a sale or transfer of a material amount of assets, (d) changes in the present board of directors or management of the issuer, (e) material changes in the capitalization or dividend policy of the issuer, (f) any other material change in the issuer's business or corporate structure, (g) actions which may impede the acquisition of control of the issuer by any person or

entity, (h) causing a class of securities of the issuer to be delisted, (i) causing a class of equity securities of the issuer to become eligible for termination of registration; or (3) any actions similar to the foregoing. We believe our offering and sale of the securities in the above transaction, made only to an accredited investor, was exempt from registration under Section 3(a)(10) of the Securities Act.

As per FASB ASC 480, we recorded a stock payable liability of \$1,175,096 and a loss on stock payable of \$238,861 at May 31, 2015 to account for the fair market value of the shares still due to Ironridge under the agreement.

NOTE 6 – IBC 3(a)10 Transaction:

On May 16, 2014, IBC Funds LLC (“IBC”) and the issuer settled \$139,391.16 in accounts payable of the issuer now owned by IBC, in exchange for shares of common stock of the issuer. Pursuant to an order approving stipulation for settlement of claims between IBC and the issuer, IBC is entitled to receive that number of shares with an aggregate value equal to the debt amount multiplied by 55% of the lowest sale price over the previous 15 trading days from an IBC share request.

IBC received an initial issuance of 200,000 unrestricted common shares, and may be required to return or be entitled to receive additional shares, based on the calculation summarized in the prior paragraph. For purposes of calculating the percent of class, the reporting persons have assumed that there were a total of 4,522,845 shares of common stock outstanding immediately prior to the issuance of shares to IBC, such that the shares initially issued to IBC would represent approximately 4.99% of the outstanding common stock after such issuance. IBC is prohibited from receiving any shares of common stock that would cause it to be deemed to beneficially own more than 9.99% of the issuer’s total outstanding shares at any one time.

IBC is not a registered broker-dealer or an affiliate of a registered broker-dealer. Voting and dispositive power with respect to shares of common stock owned by IBC is exercised by Samuel Oshana. However, for so long as IBC holds any shares, it is prohibited from voting any shares of Common Stock owned or controlled by it (unless voting in favor of a proposal approved by a majority of Company's Board of Directors), or solicit any proxies or seek to advise or influence any person with respect to any voting securities of Company; in favor of (1) an extraordinary corporate transaction, such as a reorganization or liquidation, involving Company or any of its subsidiaries, (2) a sale or transfer of a material amount of assets of Company or any of its subsidiaries, (3) any material change in the present capitalization or dividend policy of Company, (4) any other material change in Company's business or corporate structure, (5) a change in Company's charter, bylaws or instruments corresponding thereto (6) causing a class of securities of Defendant to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association, (7) causing a class of equity securities of Company to become eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Exchange Act of 1934, as amended, (8) terminating its Transfer Agent (9) taking any action which would impede the purposes and objects of this Settlement Agreement or (10) taking any action, intention, plan or arrangement similar to any of those enumerated above. Nothing in this section shall be deemed to exclude strategic decisions by Company made in an effort to expand the Company except as expressly stated herein. The provisions of this paragraph may not be modified or waived without further order of the Court. We believe our offering and sale of the securities in the above transaction, made only to an accredited investor, was exempt from registration under Section 3(a)(10) of the Securities Act.

As per FASB ASC 480, we recorded a stock payable liability of \$209,634 and a loss on stock payable of \$96,600 at May 31, 2014 to account for the fair market value of the shares still due to IBC under the agreement.

On December 10, 2014, Axiologix entered into a Settlement and Release Agreement with IBC Funds for the full and final settlement of the outstanding balance of \$42,307 due under the agreement. The cash payment was made by a third party on behalf of the Company who received an unconvertible promissory note for \$42,307, accruing 6% annual interest and due and payable in one year, on December 10, 2015. To date, this note has not been repaid and the Company has not received any default notice from the Note Holder.

During the period from June 1, 2014 to December 10, 2014, the Company recorded a loss on stock payable of \$57,545 to account for the fair market value of the shares still due to IBC under the agreement.

NOTE 7 - IRONRIDGE – SERIES C PREFERRED STOCK PURCHASE TRANSACTION

On May 1, 2013 Axiologix, Inc. (“We” or “Our”) entered into a Stock Purchase Agreement with an accredited investor, Ironridge Technology Co. (the “Investor”), under which the Investor will purchase up to a total aggregate of US \$7,500,000.00 in shares of convertible, redeemable Series C Preferred Stock, convertible into shares of Common Stock at fixed price of \$1.60 per share, with each preferred share worth \$10,000 (the “Series C Preferred Stock”). The Series C Preferred Stock carries an 8% per annum adjustable dividend, payable in cash or shares of our restricted common stock, at our option. If paid in shares then the shares will be valued at a 15% discount to the lowest daily VWAP (volume weighted average price) from May 1, 2013 to 30 days after the date of conversion, less \$0.0001 per share. We issued 19 shares of Series C Preferred Stock to the Investor as a commitment fee on the date the Agreement was executed, May 1, 2013.

Subject to certain closing conditions, the Investor will purchase 5 Preferred Shares at each Closing through the ninth Closing and thereafter Investor will purchase 10 Preferred Shares at each Closing. The first Closing occurred on May 3, 2013 in which we received \$50,000 and issued 5 shares of Series C Preferred Stock. Each subsequent Closing will take place on the first day each calendar month thereafter or sooner, at our option and if all conditions set forth in the Stock Purchase Agreement, including, but not limited to, the conditions set forth below, have been fully satisfied, until a total of \$7,500,000 has been purchased by the Investor. As of May 31, 2013, no additional Closings had occurred. In June of 2013 a second Closing occurred under the Stock Purchase Agreement with Ironridge in which we received \$50,000 and issued 5 additional shares of Series C Preferred Stock to Ironridge. In March of 2014 a third Closing occurred under the Stock Purchase Agreement with Ironridge in which we received \$50,000 and issued 5 additional shares of Series C Preferred Stock.

Each subsequent Closing will be subject to standard customary closing conditions as well as specific provisions, that the trading price of our Common Stock is at least \$0.0003 per share on the day prior to a Closing, and since the prior Closing, a minimum of \$1.0 million in aggregate trading volume of our Common Stock has traded in the public market.

The foregoing description of the financing transaction is qualified in its entirety by reference to the full text of the Stock Purchase Agreement and Certificate of Designation of Series C Preferred Stock, which are attached as Exhibits to this Registration Statement and are incorporated herein by reference.

These funds will be used for general working capital purposes.

We believe our offer and sale of the securities in the above transaction, made only to an accredited investor, were exempt from registration under Section 4(2) of the Securities Act as a transaction by an issuer not involving any public offering, and as a private placement of restricted securities pursuant to Rule 506 of Regulation D promulgated under the Act. The certificates representing the securities issued contain a legend to the effect that such securities were not registered under the Securities Act and may not be transferred except pursuant to an effective registration statement or pursuant to an exemption from such registration requirements.

During the twelve months ended May 31, 2015 we did not issue any additional shares nor receive any additional investment from the Investor. During the twelve months ended May 31, 2014 we issued 10 shares of Series C Preferred Stock to the Investor following receipt of \$100,000 from the Investor. In addition we recorded a current liability of \$116,583 and \$53,202 to reflect the dividends payable at May 31, 2015 and 2014, respectively.

NOTE 8 – TCA CREDIT FACILITY

On September 12, 2013, Axiologix, Inc., a Nevada corporation (the “Company”), and all of its wholly owned subsidiaries (collectively, the “Guarantors”) entered into a Senior Secured Revolving Credit Facility Agreement (the “Credit Agreement”) with TCA Global Credit Master Fund, LP, as lender (the “Lender”).

The Credit Agreement provides for a revolving credit facility (the "Credit Facility") of up to \$5,000,000. Funds under the Credit Facility will be made available to the Company on an as-needed basis, based on a mutually approved formula of eligible receivables and assets, with an initial draw down at closing of \$250,000 less transaction expenses. The Credit Facility is guaranteed by the Guarantors and is secured by the assets of the Company and the Guarantors. The Lender will maintain and operate a bank account "lock box" for the collection and disbursement of the Company's accounts receivable, and will become the senior, secured lender for the Company.

The Company intends to use the proceeds of the Credit Facility for general working capital purposes and to fund initial consideration for acquisitions. Neither the Company nor the Guarantors had any relationship with the Lender, material or otherwise, prior to entering into the Credit Agreement.

The maturity date for the Credit Facility is the six-month anniversary of the effective date (the "Maturity Date"), and the Company has the option (so long as no event of default exists and no event has occurred that, with the passage of time or giving of notice or both, would constitute an event of default) to request an extension of the Maturity Date for an additional six month period, which request may be accepted or rejected by the Lender in its sole discretion. Borrowings under the Credit Facility outstanding from time to time will bear interest at an annual rate of 16.5% and such interest will be payable on a weekly basis. The Company may repay principal amounts borrowed under the Credit Facility from time to time prior to the Maturity Date, but all outstanding amounts under the Credit Facility must be repaid in full on or prior to the Maturity Date. Principal amounts repaid under the Credit Facility may be re-borrowed prior to the Maturity Date.

The Credit Agreement contains representations and warranties, affirmative and negative covenants (including financial covenants with respect to minimum revenues and a loan-to-value ratio) that are typical for facilities and transactions of this type. The Credit Agreement also contains events of default (and related remedies, including acceleration and increased interest rates following an event of default) that are typical for facilities and transactions of this type. Loans drawn under the Credit Facility will be evidenced by a Revolving Convertible Promissory Note (the "Revolving Note"). At any time while the Revolving Notes remain outstanding and only if an Event of Default occurs subject to certain limitations, the Lender may convert all or any portion of the outstanding principal, accrued but unpaid interest and other sums payable under the Revolving Note or the Credit Agreement into shares of the Company's common stock, par value \$0.01 per share, at a price equal to (i) the amount to be converted, divided by (ii) 85% of the lowest daily volume weighted average price of the Company's common stock during the five business days immediately prior to the conversion date.

As consideration for investment banking and advisory services provided by the Lender to the Company, pursuant to the Credit Agreement the Company shall pay a fee to the Lender in the amount of \$108,000, payable in 3 equal installments of \$36,000 each over a period of 12 months from September 12, 2013. Mr. Browne, our Chief Executive Officer has personally guaranteed the advisory services in full and the Revolving Note, under certain limited circumstances. The Revolving Note was issued by the Company upon reliance on the exemption from the registration requirements of the Securities Act of 1933, as amended, provided in Section 4(2) thereof.

Also as part of the Closing, the Company agreed to register its shares of common stock with the Securities and Exchange Commission (SEC), through the filing of a SEC Form 10, within 3 months of the Closing. The Company incurred placement agent fees of \$10,000. After payment of additional legal and other expenses net proceeds received equaled \$157,000.

The foregoing description is a summary of certain of the terms of the Revolving Note and the Credit Agreement. This summary does not purport to be complete and is qualified in its entirety by the complete text of (i) the Revolving Note, which is filed as an Exhibit to this Supplemental Information Statement and is incorporated herein by reference and (ii) the Credit Agreement, which were filed as Exhibits to previous OTC filings and are incorporated herein by reference.

Amendment No. 1 to TCA Credit Facility:

Effective November 21, 2013, Axiologix, Inc., a Nevada corporation (the "Company"), and all of its wholly owned subsidiaries (collectively, the "Guarantors") entered into an Amendment No. 1 to the Senior Secured Revolving Credit Facility Agreement (the "Amendment No. 1") with TCA Global Credit Master Fund, LP, as lender (the "Lender"). The Credit Facility Agreement provides for a revolving credit facility (the "Credit Facility") of up to \$5,000,000.

Funds under the Credit Facility will be made available to the Company on an as-needed basis, based on a mutually approved formula of eligible receivables and assets.

The Amendment No. 1 allowed for an additional draw down at closing of \$1,750,000 less transaction expenses. The Credit Facility is guaranteed by the Guarantors and is secured by the assets of the Company and the Guarantors. The Lender will maintain and operate a bank account "lock box" for the collection and disbursement of the Company's accounts receivable, and will become the senior, secured lender for the Company.

Pursuant to the Amendment No. 1, the Company issued an Amended and Restated Revolving Convertible Promissory Note (the "Amended Note") in the amount of \$2,000,000, consisting of \$250,000 advanced on September 11, 2013 and \$1,750,000 advanced as of November 21, 2013.

At any time while the Amended Note remains outstanding and only if an Event of Default occurs subject to certain limitations, the Lender may convert all or any portion of the outstanding principal, accrued but unpaid interest and other sums payable under the Revolving Note or the Credit Agreement into shares of the Company's common stock, par value \$0.01 per share, at a price equal to (i) the amount to be converted, divided by (ii) 85% of the lowest daily volume weighted average price of the Company's common stock during the five business days immediately prior to the conversion date.

The Company used the proceeds of the Credit Facility for general working capital purposes and to fund the initial consideration for the acquisition of iWorld Services as per Note 11. Neither the Company nor the Guarantors had any relationship with the Lender, material or otherwise, prior to entering into the Credit Agreement.

The maturity date for the Credit Facility is the six-month anniversary of the effective date (the "Maturity Date"), and the Company has the option (so long as no event of default exists and no event has occurred that, with the passage of time or giving of notice or both, would constitute an event of default) to request an extension of the Maturity Date for an additional six month period, which request may be accepted or rejected by the Lender in its sole discretion.

Borrowings under the Credit Facility outstanding from time to time will bear interest at an annual rate of 16.5% and such interest will be payable on a weekly basis. The Company may repay principal amounts borrowed under the Credit Facility from time to time prior to the Maturity Date, but all outstanding amounts under the Credit Facility must be repaid in full on or prior to the Maturity Date. Principal amounts repaid under the Credit Facility may be re-borrowed prior to the Maturity Date.

The Credit Agreement contains representations and warranties, affirmative and negative covenants (including financial covenants with respect to minimum revenues and a loan-to-value ratio) that are typical for facilities and transactions of this type. The Credit Agreement also contains events of default (and related remedies, including acceleration and increased interest rates following an event of default) that are typical for facilities and transactions of this type.

As consideration for investment banking and advisory services provided by the Lender to the Company, pursuant to the Amendment No. 1 to the Credit Agreement, the Company paid a fee to the Lender in the amount of \$200,000.

The Revolving Note was issued by the Company upon reliance on the exemption from the registration requirements of the Securities Act of 1933, as amended, provided in Section 4(2) thereof. The Company incurred placement agent fees of \$35,000. After payment of additional legal and other expenses net proceeds received equaled \$1,655,850.

The foregoing description is a summary of certain of the terms of the Amended and Restated Revolving Note and the Amendment No. 1 to the Credit Agreement. This summary does not purport to be complete and is qualified in its entirety by the complete text of (i) the Amended and Restated Revolving Note, and the Amendment No.1 to the Credit Agreement, which are filed as Exhibits to previous OTC filings and are incorporated herein by reference.

TCA Amendment No. 2

Effective February 17, 2014, Axiologix, Inc., a Nevada corporation (the "Company"), and all of its wholly owned subsidiaries (collectively, the "Guarantors") entered into an Amendment No. 2 to the Senior Secured Revolving Credit Facility Agreement (the "Amendment No. 2") with TCA Global Credit Master Fund, LP, as lender (the "Lender"). The Credit Facility Agreement provides for a revolving credit facility (the "Credit Facility") of up to \$5,000,000.

Funds under the Credit Facility will be made available to the Company on an as-needed basis, based on a mutually approved formula of eligible receivables and assets.

The Amendment No. 2 waives Borrower's existing defaults for failure to pay certain over-advances required to be paid under the Credit Agreement in exchange for the payment of a cash fee of \$125,000. The Credit Facility is guaranteed by the Guarantors and is secured by the assets of the Company and the Guarantors. The Lender will maintain and operate a bank account "lock box" for the collection and disbursement of the Company's accounts receivable, and will become the senior, secured lender for the Company.

Pursuant to the Amendment No. 2, the Company issued an Amended and Restated Revolving Convertible Promissory Note (the "Amended Note") in the amount of \$2,186,697.82, consisting of \$250,000 advanced on September 11, 2013, \$1,750,000 advanced as of November 21, 2013, a \$125,000 fee paid to Lender for waiving the existing defaults of Borrower, and certain other amounts outstanding in connection with the Preferred Stock issued under Amendment No. 1 to the Credit Agreement.

At any time while the Amended Note remains outstanding and only if an Event of Default occurs subject to certain limitations, the Lender may convert all or any portion of the outstanding principal, accrued but unpaid interest and other sums payable under the Revolving Note or the Credit Agreement into shares of the Company's common stock, par value \$0.01 per share, at a price equal to (i) the amount to be converted, divided by (ii) 85% of the lowest daily volume weighted average price of the Company's common stock during the five business days immediately prior to the conversion date.

The maturity date for the Credit Facility is the six-month anniversary of the effective date (the "Maturity Date"), and the Company has the option (so long as no event of default exists and no event has occurred that, with the passage of time or giving of notice or both, would constitute an event of default) to request an extension of the Maturity Date for an additional six month period, which request may be accepted or rejected by the Lender in its sole discretion.

Borrowings under the Credit Facility outstanding from time to time will bear interest at an annual rate of 16.5% and such interest will be payable on a weekly basis. The Company may repay principal amounts borrowed under the Credit Facility from time to time prior to the Maturity Date, but all outstanding amounts under the Credit Facility must be repaid in full on or prior to the Maturity Date. Principal amounts repaid under the Credit Facility may be re-borrowed prior to the Maturity Date.

The Credit Agreement contains representations and warranties, affirmative and negative covenants (including financial covenants with respect to minimum revenues and a loan-to-value ratio) that are typical for facilities and transactions of this type. The Credit Agreement also contains events of default (and related remedies, including acceleration and increased interest rates following an event of default) that are typical for facilities and transactions of this type.

The Revolving Note was issued by the Company upon reliance on the exemption from the registration requirements of the Securities Act of 1933, as amended, provided in Section 4(2) thereof.

The foregoing description is a summary of certain of the terms of the Amended and Restated Revolving Note and the Amendment No. 2 to the Credit Agreement. This summary does not purport to be complete and is qualified in its entirety by the complete text of (i) the Amended and Restated Revolving Note, and (ii) the Amendment No. 2 to the Credit Agreement, which were filed as Exhibits to our previous OTC filings and are incorporated herein by reference.

As of May 31, 2014, the Company had \$1,922,738 due to TCA under the Credit Facility.

As of May 31, 2015, the Company had \$1,999,385 due to TCA under the Credit Facility.

Subsequently, effective September 14, 2015, Axiologix and all of its wholly owned subsidiaries (collectively, the "Credit Parties") entered into an Amendment No. 3 to the Senior Secured Revolving Credit Facility Agreement in the form of a Letter Agreement (the "Letter Agreement") with TCA Global Credit Master Fund, LP. See Subsequent Events Footnote 16 for more details.

NOTE 9 – ACQUISITION OF IWORLD SERVICES

Acquisition of iWorld Services:

On November 21, 2013, Axiologix, Inc., a Nevada corporation (“AXLX” or the “Company”) acquired 100% of the issued and outstanding capital stock of iWorld Services, a California corporation, pursuant to a Merger Agreement entered into on November 13, 2013. The aggregate consideration provided by AXLX in exchange for the acquisition consisted of the following: (i) \$750,000 in cash paid at Closing, (ii) 250,000 shares of AXLX Series D Convertible Preferred Stock, par value \$0.001, with one share of Series D Convertible Preferred Stock being convertible into Ten Dollars (\$10.00) worth of common stock at Market Price, commencing twelve months after the Closing Date, and subject to additional conversion and selling restrictions as set forth in the Merger Agreement and the Certificate of Designation of Series D Preferred Stock (the “Shares”) (iii) the issuance of a \$2,750,000 unsecured promissory note, accruing six (6%) interest per annum with quarterly payments of \$275,000 commencing twelve (12) months after the Closing Date, and with interest to be paid in arrears quarterly in cash beginning with the first quarterly payment due 12 months after the Closing Date (the “Note”), and (iv) additional earn-out consideration up to a maximum of \$4,500,000, to be paid based on a percentage of the adjusted EBITDA of iWorld Services for each calendar year commencing January 1, 2014, and as further described in the Merger Agreement. The Shares, the Note and the potential earn-out consideration may all be available to compensate AXLX for certain damages or misrepresentations of iWorld Services, as provided for in the Merger Agreement. In connection with the acquisition, AXLX paid total finder’s fees of \$450,000.

The foregoing description is a summary of certain of the terms of the Merger Agreement, the Note and the Series D Convertible Preferred Stock. This summary does not purport to be complete and is qualified in its entirety by the complete text of (i) the Merger Agreement, (ii) the Note, and (iii) the Certificate of Designation of Series D Convertible Preferred Stock, which were filed as Exhibits to previous OTC filings and are incorporated herein by reference.

The acquisition is being accounted for as a purchase business combination under Statements of Financial Accounting Standards guidelines (ASC 805 – *Business Combinations* and ASC 820 – *Fair Value Measurements and Disclosures*). According to ASC 805, the standard of value to be used in the application of purchase accounting rules is fair value. For purposes of this report, the Company employed an independent valuation expert to evaluate fair value of the consideration and net assets acquired as defined in Statement of Financial Accounting Standard No. 820–10–35–37 Fair Value Measurements and Disclosures.

	November 20, 2013
Consideration:	
Cash paid at closing	750,000
Seller financed note payable (1)	2,750,000
Series D Preferred shares (2)	2,500,000
Other Net Liabilities assumed (3)	1,904,325
Total value of consideration	<u>7,904,325</u>
Fair value of identifiable assets acquired assumed:	
IP/Technology	12,000
Customer base	42,000
Trade names / marks	69,200
Non-Compete Key persons	28,500
Total fair value of assets assumed	<u>151,700</u>
Consideration paid in excess of fair value	<u>7,752,625</u>
Impairment of Goodwill to reflect fair value of consideration	<u>(4,654,325)</u>
Goodwill carried forward in consolidated balance sheet	<u>3,098,300</u>

- (1). The Company issued a \$2,750,000 unsecured promissory note, accruing six (6%) interest per annum with quarterly payments of \$275,000 commencing twelve (12) months after the Closing Date, and with interest to be paid in arrears quarterly in cash beginning with the first quarterly payment due 12 months after the Closing Date.
- (2). The Company issued 250,000 shares of AXLX Series D Convertible Preferred Stock, par value \$0.001, with one share of Series D Convertible Preferred Stock being convertible into Ten Dollars (\$10.00) worth of common stock at Market Price, commencing twelve months after the Closing Date, and subject to additional conversion

and selling restrictions as set forth in the Merger Agreement and the Certificate of Designation of Series D Preferred Stock.

(3). Other net liabilities assumed are made up of:

Cash acquired	(112,560)
Accounts receivable	(61,075)
Accounts payable and accrued expenses	1,714,191
Deferred revenues	226,599
Cash paid Acquisition costs	137,170
Total	<u>1,904,235</u>

Management scaled back operations in iWorld Services in June 2014 pending a review and restructure of the business. iWorld Services only generated revenues in the first quarter of the Company's 2015 fiscal year.

iWorld Services Settlement Agreements:

On October 13, 2014, Axiologix entered into a Settlement and General Release Agreement with Paul Falchi and James Alleman, as Representatives on behalf of the shareholders of iWorld Services, pursuant to the Shareholders Representative Agreement, existing immediately prior to the 2013 merger between AXLX and iWorld Services (hereinafter, altogether referred to as the "IWS PRE-MERGER SHAREHOLDERS"), whereby the IWS PRE-MERGER SHAREHOLDERS agreed (i) to return to AXLX 184,000 shares of AXLX Series D Preferred Stock, and (ii) to cancel and terminate any and all rights it had under the \$2,750,000 promissory note (the "Note"), including the repayment of any and all principal amounts and/or accrued interest amounts underneath the Note, and (iii) other than the \$650,000 already received, the IWS PRE-MERGER SHAREHOLDERS agreed to relinquish and waive any and all right to receive any other benefit or consideration that otherwise would be required to be paid or provided to them by virtue of the Merger Agreements, and in exchange, AXLX agreed to issue to IWS PRE-MERGER SHAREHOLDERS eight million (8,000,000) shares of AXLX common stock.

Also on October 13, 2014, iWorld Services ("IWS") entered into a Release and Settlement Agreement with Evitarus, Inc., whereby a stipulated award shall be entered in the Arbitration between IWS and Evitarus in Evitarus' favor for \$500,000, however, Evitarus agrees to refrain from: (a) confirming the Award into a judgment; and (b) attempting to collect (from IWS and the current and past officers, directors, shareholders, agents, attorneys, and assigns of IWS) monies owed by IWS to Evitarus as provided in the Award, so long as there is complete performance by IWS and the IWS Pre-Merger Shareholders pursuant to the following assignment agreement. IWS, Paul Falchi, James Alleman, Richard Glantz as trustee of Falchi and Alleman (collectively, the "Pre-Merger Shareholders") entered into an Assignment Agreement with AXLX and Evitarus whereby 60,000 shares of AXLX Series D Convertible Preferred Stock were assigned from the IWS Pre-Merger Shareholders to Evitarus. Finally, a second Assignment Agreement was entered into by and among the IWS Pre-Merger Shareholders and the Law Offices of Richard Glantz, Inc. whereby 6,000 shares of AXLX Series D Convertible Preferred Stock were assigned from the IWS Pre-Merger Shareholders to Richard Glantz. AXLX agreed to amend and restate the Certificate of Designation of the Series D Convertible Preferred Stock.

The securities issued in connection with this acquisition have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements of the Securities Act of 1933.

The foregoing description is a summary of certain of the terms of the Settlement and General Release Agreement, the Release and Settlement Agreement, the two Assignment Agreements and the Amended and Restated Series D Convertible Preferred Stock. This summary does not purport to be complete and is qualified in its entirety by the complete text of (i) the Settlement and General Release Agreement, (ii) the Release and Settlement Agreement, (iii) the Assignment Agreement to Evitarus, and (iv) the Amended and Restated Certificate of Designation of Series D Convertible Preferred Stock, which are filed as Exhibits to the Company's Supplemental Information Statement filed on October 23, 2014 and are incorporated herein by reference.

The Company recorded a gain of \$4,256,040 to account for the forgiveness of debt and accrued interest of \$2,876,575 and the return of 184,000 Series D Preferred shares under the agreement and the cost of the 8 million common shares issued.

Subsequently, in September of 2015, iWorld Services sold a material asset of its business; See Subsequent Events Footnote 16 for more details on this transaction.

NOTE 10 - NOTES PAYABLE

For the Twelve Months Ended May 31, 2015:

As of May 31, 2015, the Company had \$375,302 of principal balance on promissory notes issued and outstanding, \$155,572 of which is convertible at a discount to the current market price of the Company's common stock, with discounts ranging from 20% to 70%. As of May 31, 2014, the Company had \$3,104,756 of principal balance on promissory notes issued and outstanding, \$176,524 of which is convertible at a discount to the current market price of the Company's common stock, with discounts ranging from 20% to 70%.

As of May 31, 2015 and 2014, the Company had accrued interest payable of \$127,613 and \$217,077, respectively. Interest expense totaled \$234,891 and \$765,558 for the twelve months ended May 31, 2015 and 2014, respectively.

The following table reflects the total debt balances of the Company as of May 31, 2015 and May 31, 2014:

	<u>May 31,</u> <u>2015</u>	<u>May 31,</u> <u>2014</u>
Principal Balance on Convertible Promissory Notes – third parties	155,572	\$ 176,524
Principal Balance on Promissory Notes - related parties	\$ 30,288	\$ 19,788
Principal Balance on Promissory Notes - third parties	\$ 189,441	\$ 2,908,444
Principal balance on Revolving line of credit	\$ 1,999,385	\$ 1,922,738
Total Principal Balance	\$ 2,374,686	\$ 5,027,494
Debt Discount	\$ -	\$ -
Total Balance after debt discount	\$ 2,374,686	\$ 5,027,494
Accrued Interest on Promissory Notes Outstanding	\$ 127,613	\$ 217,007
Debt discount amortized	\$ 222,891	\$ 8,714

During the twelve month period ended May 31, 2015, the Company converted \$22,332 of outstanding promissory notes and accrued interest thereon into 6,263,168 shares of common stock.

During the twelve month period ended May 31, 2014, the Company converted \$187,764 of outstanding promissory notes and accrued interest thereon into 1,409,412 shares of common stock at prices ranging from \$0.50 per share to \$0.10 per share.

During the twelve months ended May 31, 2015, the Company entered into the following new debt transactions:

During the twelve months ended May 31, 2015, the Company did not issue any new promissory notes, other than one unconvertible note accruing 6% annual interest and having a one-year term to replace the outstanding \$42,307 owed to IBC.

During the twelve months ended May 31, 2014, the Company entered into the following new debt transactions:

In March of 2014, the Company sold the following receivables in exchange for cash advances:
\$224,850 in receivables to TVT Capital in exchange for a cash advance of \$150,000;
\$224,850 in receivables to Cap Call LLC in exchange for a cash advance of \$150,000;
\$112,125 in receivables to Yellowstone Capital in exchange for a cash advance of \$75,000;
\$103,500 in receivables to Knight Capital Funding in exchange for a cash advance of \$75,000; and
\$72,500 in receivables to Pirs Capital in exchange for a cash advance of \$50,000.

In February of 2014, the Company sold \$149,900 in receivables to Everest Capital in exchange for a cash advance of \$100,000.

Each of the above cash advances have a term of one year and carry interest rates ranging from 15% to 20%. Each cash advance is secured and is subordinate to TCA loans.

As at May 31, 2015 a total of \$184,936 was still outstanding from the above transactions. As at the date of this report approximately \$175,000 remains due on these transactions and is in default.

During the twelve months ended May 31, 2014, the Company entered into the following debt modifications:

In September of 2013, \$12,000 of a \$100,000 note originally issued September 7, 2010 was assigned to another third party. The Company did not record a gain or loss against this assignment, as the original terms of this note did not change at assignment. The assigned note was converted in October and December of 2013 into a total of 120,000 shares of common stock.

In August of 2013 we executed a first amendment to Cape One's \$90,000 note and warrants, which went effective November 21, 2013. This Amendment includes the following terms: i) extends the term of the Note issued to Cape One to May 21, 2014, ii) AXLX agreed to pay \$31,500 to go towards repayment of the Note, iii) the existing Warrant's exercise price shall be reduced to \$0.100 per share, iv) the Company agrees to issue 225,000 additional Warrants to the Holder, also at a reduced exercise price of \$0.100 per share, with no additional warrants owed to the Holder with no future reset or other anti-dilution rights, v) the conversion price of the Note shall be 50% of the Market Price at the time of conversion, vi) If and when the Company raises additional capital, the Company shall prepay/redeem the Note in an amount equal to ten percent (10%) of the gross proceeds received by the Company from and at the closing of such additional capital raises. Accrued but unpaid interest shall be paid first, and then Principal Amount of the Note, vii) After the Note is repaid in full, then Company shall redeem the Series B Preferred from the Holder if and when the Company raises additional capital, in an amount equal to ten percent (10%) of the gross proceeds received by the Company at each and every closing from such capital raise. The foregoing descriptions of the Amendment are qualified in its entirety by reference to the full text of the Amendment, which is attached as an Exhibit and incorporated herein by reference. Because the conversion terms of the note were modified, resulting in additional shares being potentially issuable to Cape One, the Company recorded a loss on debt modification of \$229,833 to additional paid in capital against this note. Subsequently, in July of 2015, the Company received a Notice of Default from Cape One; for more details see Footnote 16: Subsequent Events.

On July 18, 2013, \$20,000 of a \$100,000 note originally issued on September 7, 2010 was assigned. Because the conversion terms of this note were modified at the time of assignment, resulting in additional shares being potentially issuable on conversion, the Company recorded a loss on debt modification of \$22,222 to additional paid in capital against this note. \$10,500 of the assigned note was converted on July 24, 2013 into 35,000 shares of common stock, leaving an outstanding balance on the note of \$9,500.

On June 28, 2013, \$15,000 of a \$100,000 note originally issued on September 7, 2010 was assigned. Because the conversion terms were modified at the time of assignment, resulting in additional shares being potentially issuable on conversion, the Company recorded a loss on debt modification of \$4,000 to additional paid in capital against this note. The assigned note was converted into 30,000 shares of common stock on July 1, 2013.

In June of 2013, the remaining balance of €14,804 (\$19,515) from a €468,436 note originally issued on March 5, 2012 was assigned. As this note was not originally convertible, the Company recorded a loss on debt modification of \$97,575 to additional paid in capital, to account for the difference between the conversion price and the market price on the date of modification of this note. The assigned note was converted in June and July 2013 into a total of 97,575 shares of common stock.

On June 21, 2013 \$10,000 of a \$100,000 note originally issued on September 7, 2010 was assigned. As the conversion terms were modified at the time of assignment, resulting in additional shares being potentially issuable on conversion, the Company recorded a loss on debt modification of \$10,000 to additional paid in capital against this note. The assigned note was converted in December of 2013 into 100,000 shares of common stock.

On June 10, 2013 \$10,423 of a \$10,423 note restated on February 28, 2013 through the assignment from a \$100,000 note originally issued on September 7, 2010 was assigned. As the conversion terms were modified at the time of assignment, resulting in additional shares being potentially issuable on conversion, the Company recorded a loss on debt modification of \$20,000 to additional paid in capital against this note. Half of the balance, or \$5,211, of the assigned note was converted on June 18, 2013 into 26,058 shares of common stock.

NOTE 11 – STOCKHOLDERS’ SURPLUS (DEFICIT)

On December 30, 2014, through the written consent of the holders of a majority of our issued and outstanding voting securities, a majority, constituting sixty percent (60%) of our holders of voting stock, voted in favor of amending our Articles of Incorporation to decrease the total authorized shares of common stock from 8,000,000,000 to 250,000,000, par value \$0.0001 per share. On January 2, 2015, the Company submitted a Certificate of Amendment to the Articles of Incorporation for filing with the Office of the Secretary of the State of Nevada to decrease the total authorized common stock of the corporation to 250,000,000.

As of May 31, 2015, the Company is authorized to issue up to 250,000,000 shares of common stock, at \$0.0001 par value per share, and up to 10,000,000 shares of preferred stock. At May 31, 2015 there were 45,047,948 common shares issued and outstanding (with an additional 10,000,000 shares being held in escrow) and 964,055 shares of preferred stock issued and outstanding, including 500,000 shares of Series A Convertible Preferred, 400,000 shares of Series B Convertible Preferred, 34 shares of Series C Convertible Preferred, 64,021 shares of Series D Convertible Preferred (see FN12 Temporary Equity). The rest of our preferred stock is undesignated. The board of directors, without stockholder approval, may issue the remaining shares of preferred stock with voting and conversion rights that could materially and adversely affect the voting power of the holders of common stock, and could also decrease the amount of earnings and assets available for distribution to the holders of common stock.

As of May 31, 2014, the Company was authorized to issue up to 8,000,000,000 shares of common stock, at \$0.0001 par value, and up to 10,000,000 shares of preferred stock. At May 31, 2014, there were 6,360,222 common shares issued and outstanding (with an additional 10,000,000 shares being held in escrow) and 1,100,034 shares of preferred stock outstanding, including 500,000 shares of Series A Convertible Preferred, 400,000 shares of Series B Convertible Preferred, 34 shares of Series C Convertible Preferred, 250,000 shares of Series D Convertible Preferred (see FN12 Temporary Equity). The rest of our preferred stock is undesignated.

Series A: In September of 2013, VOIP ACQ, INC. exchanged 300,000 shares of AXLX common stock for amended terms to its 500,000 shares of AXLX Series A Convertible Preferred Stock (the “Series A”), whereby the 500,000 shares of Series A convert into a total of 60% of the total fully diluted shares of AXLX common stock at the time of conversion, and the Series A vote on an as-converted basis. The Series A are not redeemable and they carry a liquidation value of \$0.002 per share. The foregoing description of the amended Series A Convertible Preferred is qualified in its entirety by reference to the full text of the Form of Certificate of Designation of Amended and Restated Series A Preferred Stock, which is attached as an Exhibit and is incorporated herein by reference.

In October 2013, VOIP ACQ, INC. merged with and into Axiologix. VOIP’s ownership of AXLX common and preferred shares were therefore distributed to VOIP’s shareholder, Darjon Investments, Ltd.; Vincent Browne’s spouse holds the dispositive voting and investment control of Darjon.

Series B: There are also 400,000 shares of Series B Convertible Preferred Stock (The “Series B”) issued. The Series B carry a liquidation value of \$1.00 per share and are convertible into shares of common stock at the market price at the time of conversion. One share of Series B carries one vote. The Series B are redeemable by the Company after January of 2014. The description of the Series B Convertible Preferred Shares is qualified in its entirety by the Certificate of

Designation of Series B Convertible Preferred Stock, which is attached as an Exhibit, and incorporated herein by reference.

The Series B Preferred shares have been classified as a current liability at February 28, 2014 as the redemption date has passed and the Company therefore in default in the terms of the Series B. The Company has not received any default notice from the Holder.

Series C: The 34 shares of Series C Convertible Preferred Stock (the “Series C”) are convertible into shares of Common Stock at a fixed price of \$1.60 per share. The Series C carries an 8% per annum adjustable dividend, payable in cash or shares of our restricted common stock, at our option. If paid in shares then the shares will be valued at a 15% discount to the lowest daily VWAP (volume weighted average price) from May 1, 2013 to 30 days after the date of conversion, less \$0.0001 per share. The Series C have no voting rights. The Series C carry a liquidation value of \$10,000 per share, plus any accrued but unpaid Dividends.

Dividends: Commencing on the date of the issuance of any such shares of Series C Preferred Stock, Holders of Series C will be entitled to receive monthly dividends on each outstanding share of Series C at a rate equal to 8.0% per annum. Dividends are payable at the Corporation’s election, (a) in cash, or (b) in shares of Common Stock valued at 85.0% of the following: the volume weighted average price of the Common Stock on the date of delivery, not to exceed the daily volume weighted average price of any Trading Day from the May 3, 2013 through the end of the applicable Equity Conditions Measuring Period, less \$0.0001 per share of Common Stock.

Redemption: Upon or after 12 years after the Issuance Date, the Corporation will have the right, at the Corporation’s option, to redeem all or a portion of the shares of Series C, at a price per share equal to 100% of the Series C Liquidation Value. Prior to redemption above, the Corporation will have the right, at the Corporation’s option, to redeem all or a portion of the shares of Series C Preferred Stock at any time or times after the Issuance Date of such Series C, at a price per share equal to the sum of the following: (a) the Series C Liquidation Value, plus (b) the Embedded Dividend Liability on the date of the applicable redemption or conversion, less (c) any Dividends that have been paid.

During the twelve months ended May 31, 2015, no shares of Series C were issued. During the twelve months ended May 31, 2014, 10 Series C shares were sold for \$100,000.

The description of the Series C Convertible Preferred Shares is qualified in its entirety by the Certificate of Designation of Series C Convertible Preferred Stock, which was attached as an Exhibit to our Annual Report for the year ended May 31, 2014, and incorporated herein by reference.

During the Twelve Months Ended May 31, 2015:

During the twelve months ended May 31, 2015, the Company issued a total of 38,687,726 shares of common stock. Of this amount, 10,000,000 shares of restricted common stock were issued to two outside consultants in exchange for services rendered; 8,000,000 shares of restricted common stock were issued to a trustee on behalf of the shareholders of iWorld Services as part of a settlement agreement; 9,240,000 shares of unrestricted common stock were issued to IBC in exchange for the partial settlement of a total of \$139,391 of debt under SEC Rule 3(a)10; 700,000 shares of unrestricted common stock were issued to Ironridge in exchange for the partial settlement of an approximate total of \$802,000 worth of debt under SEC Rule 3(a)10; 6,263,000 shares of unrestricted common stock were issued to three convertible note holders, reducing our principal debt obligation by \$20,951; and 1,000,000 shares of restricted common stock were issued to a third party in exchange for a \$100,000 investment.

Additionally, during the twelve months ended May 31, 2015, 184,000 shares of Series D Convertible Preferred Stock were cancelled and the remaining 66,000 Series D Preferred Shares were assigned to other third parties as part of a settlement, 1,979 of which were converted into 1,979,458 shares of common stock. Finally, the Company also issued warrants to purchase up to 1,000,000 shares of common stock at \$0.10 per share, having a term of 1 year, and warrants to purchase up to 766,667 shares of common stock at \$0.60 per share and also having a 1 year term.

During the Twelve Months Ended May 31, 2014:**1-for-2,000 Reverse Stock Split**

On March 21, 2014, the Company's Board of Directors voted in favor of a 1-for-2,000 reverse stock split. Also on March 21, 2014, through the written consent of the holders of a majority of our issued and outstanding voting securities, the Company's shareholders voted in favor of the reverse stock split.

The reverse stock split transaction consists of a 1-for-2,000 reverse stock split of the Company's outstanding common stock. Shareholders holding less than 2,000 shares of common stock immediately prior to the reverse split will not receive fractional shares in the reverse stock split, but will instead have their shares converted into the right to receive one whole common share in exchange for the fractional share interests resulting from the reverse stock split.

The reverse stock split went effective on April 24, 2014.

The financial statements reflect the results of the Company with the share numbers and dollar amounts adjusted retroactively for the reverse split as if the split had happened at the time of the transactions and accounting dates.

Common Stock Issuances:

During the twelve months ended May 31, 2014, the Company issued a total of 5,381,280 shares of common stock. Of this amount, 1,025,000 shares of restricted common stock were issued in exchange for services rendered; 2,000,000 shares of unrestricted common stock were issued in exchange for the partial settlement of debts under SEC Rule 3(a)10; 100,000 shares were issued pursuant to a cash investment, and the balance, or 2,256,280 shares of unrestricted common stock were issued pursuant to the conversion of convertible promissory notes. Additionally, 300,000 shares of common stock were returned by VOIP ACQ in exchange for amended terms to its Series A Convertible Preferred Stock.

NOTE 12 – TEMPORARY EQUITY

On November 21, 2013 Axiologix issued 250,000 shares of Series D Convertible Preferred Stock (the "Series D") to iWorld Services shareholders as part of the consideration paid for the acquisition of iWorld Services (See Note 9: Acquisition of iWorld Services). On October 13, 2014, iWorld Services shareholders returned 184,000 of these shares to Axiologix as part of a settlement agreement (See iWorld Services Settlement Agreements FN 9 for more details). Also in October of 2014, the iWorld Services shareholders assigned 66,000 shares to two third parties. One share of Series D is convertible into Ten Dollars (\$10.00) worth of common stock at the closing price on the day preceding the conversion notice. One share of Series D has a par value of \$0.001 per share and carries one vote. The Series D carry a face value of \$10.00 per share. The Series D is non-redeemable.

The description of the Series D Convertible Preferred Shares is qualified in its entirety by the Certificate of Designation of Series D Convertible Preferred Stock, which is attached as an Exhibit to the Company's Supplemental Information Statement filed on December 2, 2013 and incorporated herein by reference.

On December 1, 2014, 1,979 shares of Series D were converted into 1,979,458 shares of common stock.

As of May 31, 2015 there were 64,021 shares of Series D Convertible Preferred Stock issued and outstanding.

NOTE 13 – EQUITY INVESTMENT

In April and May of 2014, we closed two equity private placements of US\$10,000 and US\$100,000, respectively. Under the terms of the private placement, we sold an aggregate of 1,100,000 Units, consisting of 1,100,000 shares of common stock (the "Shares") and warrants to purchase up to an additional 1,100,000 Shares until April and May of 2015. In connection with the private placement, we paid a placement fee to the placement agent, Belmont, of \$11,000, and issued 1,100,000 common shares. After payment of expenses in the amount of \$11,000 and placement fees, we received net proceeds of approximately \$85,000. These funds were used for general working capital purposes.

Provided the Shares have not yet been sold or transferred by the Subscriber, any and all remaining Shares shall be valued at the twelve (12), twenty four (24) and thirty six (36) month anniversary dates from the Closing Date. The Shares shall be valued based on the twenty trading day VWAP immediately preceding the relevant anniversary date.* Should the Share value not meet or exceed the Guaranteed Value, as described below, Axiologix shall issue additional shares to the Subscriber in order to bring the total number of Shares issued to the Subscriber to equal the Guaranteed Value.

Guaranteed Value:

12 Month Anniversary Date: \$0.80 per share

24 Month Anniversary Date: \$1.10 per share

36 Month Anniversary Date: \$1.40 per share

*Notwithstanding anything to the contrary provided herein, the Shares shall be deemed to have a floor price of twenty cents (\$0.20) per share.

As of May 31, 2015, a total of 6,050,000 shares of common stock were owed and issuable to two investors, based on the above share price value guarantee described above.

NOTE 14 - RELATED PARTY TRANSACTIONS

On March 1, 2014, Mr. Dennis Mitrano was appointed as President and Chief Operating Officer of the Company. Mr. Mitrano is already currently a director of AXLX and was President of Telecom Operations prior to his appointment as President. AXLX and Realistic Solutions, Inc. ("Consultant") entered into a Professional Consulting Agreement, whereby Mr. Mitrano was appointed President and COO for an initial term of 12 months with automatic renewal for additional one year terms, in exchange for an annual consulting fee of \$150,000. Additionally, Consultant will be eligible to earn a minimum total annual bonus incentive compensation of up to 100% of the Consulting Fee; provided, however, that the annual bonus incentive may commence at 50% of the Consulting Fee and grow to 100% of the Consulting Fee based upon the Consultant achieving the performance objectives set for each quarter and year. Realistic Solutions is a company controlled and owned by Mr. Mitrano. Consultant was also granted a non-dilutive 15% equity stake in the Company, subject to review and modification by the Board of Directors to occur simultaneously with the Closing of a third party institutional financing.

On March 5, 2013, Darjon Investments, Ltd. loaned the Company \$19,788, repayable on demand. Darjon is controlled and 100% owned by our CEO, Vincent Browne's spouse.

In September of 2013, VOIP ACQ, INC. exchanged 300,000 shares of AXLX common stock for amended terms to its 500,000 shares of AXLX Series A Convertible Preferred Stock, whereby the 500,000 shares of Series A Convertible Preferred convert into a total of 60% of the fully diluted shares of AXLX common stock at the time of conversion, and the Series A Preferred vote on an as-converted basis. The foregoing description of the amended Series A Convertible Preferred is qualified in its entirety by reference to the full text of the Form of Certificate of Designation of Amended and Restated Series A Preferred Stock, which is attached as an Exhibit and is incorporated herein by reference. In October of 2013, VOIP ACQ, INC. merged with and into Axiologix. VOIP's ownership of AXLX common and preferred shares were therefore distributed to VOIP's shareholder, Darjon Investments, Ltd.

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Litigation

The Company is not currently involved in any litigation that it believes could have a material adverse effect on its financial condition or results of operations. Other than as set forth below and in the Subsequent Events FN 16, there is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of the Company or any of its subsidiaries, threatened against or affecting the Company, our common stock, any of our subsidiaries or of our companies or our subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

In July of 2014, an Affidavit of Confession of Judgment was filed by Yellowstone Capital, LLC against Dennis Mitrano, our President, in the Supreme Court of the State of New York, County of Westchester, authorizing entry of judgment against Mr. Mitrano in the amount of \$112,125 plus attorney's fees and interest at 16% arising from the Company's failure to pay a debt due under a Merchant Agreement dated March 13, 2014, which was personally guaranteed by Mr. Mitrano. The total amount actually due to Yellowstone Capital at the time of the award was and remains approximately \$22,000.

NOTE 16 – SUBSEQUENT EVENTS

In accordance with ASC 855, Subsequent Events, we have evaluated subsequent events through January 12, 2016, the date of available issuance of these unaudited financial statements.

TCA Amendment No. 3 and iWorld Services Asset Sale Agreement:

Effective September 14, 2015, Axiologix, Inc., a Nevada corporation (the "Company"), and all of its wholly owned subsidiaries (collectively, the "Credit Parties") entered into an Amendment No. 3 to the Senior Secured Revolving Credit Facility Agreement in the form of a Letter Agreement (the "Letter Agreement") with TCA Global Credit Master Fund, LP, as lender (the "Lender") and Telco Worldwide Billing Corp. ("Telco"), which waives the Company's existing defaults for failure to make certain payments to the Lender, authorizes the sale of assets of one of the Company's subsidiaries, iWorld Services, to a third party, Telco, amends the Company's existing promissory note issued to the Lender to a total aggregate amount of \$2,250,000, and amends certain other terms of the TCA Credit Facility Agreement as further described below.

Also effective September 14, 2015, the Company and its wholly owned subsidiary, iWorld Services, entered into an Asset Sale Agreement with Telco, pursuant to which iWorld shall transfer and sell the Switch (as defined in the Purchase Agreement) to Telco in exchange for: (i) \$100,000 (the "Purchase Price") to be paid on the date hereof by Telco to Axiologix using a portion of the proceeds of the Telco Loan; (ii) 2,000,000 shares of common stock of Telco (equal to twenty percent (20%) of the currently issued and outstanding shares of common stock of Telco, the "Telco Shares"); (iii) ongoing royalty payments representing 17% of the gross revenues generated by Telco, to be paid to Lender until such time as the Obligations to the Lender owing pursuant to the Axiologix Credit Agreement and the Telco Credit Agreement have been satisfied in full (provided, however, that until such time as legal fees and expenses have been paid in full to Lender's legal counsel pursuant to Section 2.2 of the Telco Credit Agreement, ongoing royalty payments representing seventeen and one tenth of one percent (17.1%) of the gross revenues generated by Telco shall be paid to the Lender) (the "Royalty Payments"); and (iv) following such time as the Obligations to the Lender owing pursuant to the Axiologix Credit Agreement and the Telco Credit Agreement have been satisfied in full, ongoing royalty payments representing 20% of the defined Net Income generated by Telco, to be paid to Axiologix. During such time as Royalty Payments are being made, Axiologix will not receive any other compensation from Telco nor be entitled to dividends even if Telco shall pay dividends to other holders.

As consideration for the Lender agreeing to waive the defaults under the Axiologix Credit Agreement and permitting Axiologix and Telco to proceed with the transactions contemplated by the Purchase Agreement, (i) Axiologix shall, on or prior to the Revolving Loan Maturity Date (as defined in the Axiologix Credit Agreement), pay to the Lender a fee of \$250,000 in cash, which such amount shall be added to the existing principal balance due and owing under the Axiologix Credit Agreement and (ii) Telco shall, on or prior to the Revolving Loan Maturity Date (as defined in the Telco Credit Agreement), pay to the Lender a fee of \$750,000 in cash, which such amount shall be added to the existing principal balance due and owing under the Telco Credit Agreement.

The Parties also, among other things, agreed to the following:

1. To immediately pay certain third party expenses on behalf of Axiologix to a total aggregate amount of \$40,000. Axiologix shall issue to the Lender an Amended, Restated, Consolidated, Replacement Convertible Promissory Note (the "Amended Note") in the total aggregate principal amount of \$2,250,000, which such Amended Note shall evidence the total aggregate indebtedness owing by Axiologix to the Lender as of the date hereof, including the payment of expenses contemplated hereby, as well as all outstanding principal, interest and fees.

2. To amend the definition of “Interest Rate” in the Axiologix Credit Agreement to mean “zero percent (0%)”, in order to eliminate any additional interest from accruing on the aggregate principal amount outstanding following the issuance of the Amended Note on the date hereof.
3. To waive Lender’s rights contained in Section 3.4 of the Axiologix Credit Agreement, in order to permit Axiologix to form one or more new Subsidiaries following the date hereof which will not be required to become Axiologix Credit Parties.
4. To a limited waiver of the Lender’s rights contained in Section 8.1 of the Axiologix Credit Agreement, in order to permit Axiologix to incur additional indebtedness following the date hereof, provided however that such indebtedness is subordinate to Lender’s security interest and provided that the Axiologix Credit Parties obtain the prior written consent of the Lender, which such consent shall not be unreasonably withheld.
5. To a limited waiver of the Lender’s rights contained in Section 8.4 of the Axiologix Credit Agreement, in order to permit Axiologix, following the asset sale contemplated hereby, to transfer and sell any or all of its securities in its subsidiary, iWorld, to a third party following the date hereof.
6. To a limited waiver of the Lender’s rights contained in Section 2.1 of the Axiologix Security Agreement, such that the definition of “Collateral” shall exclude any assets of Axiologix that are acquired by Axiologix following the date hereof, provided that Axiologix has received the prior written consent of the Lender, which such consent shall not be unreasonably withheld.

With the exception of the aforementioned limited waivers contained herein, the obligations of the Axiologix Credit Parties shall continue without amendment.

The maturity date for the Credit Facility is the six-month anniversary of the effective date (the “Maturity Date”), and the Company has the option (so long as no event of default exists and no event has occurred that, with the passage of time or giving of notice or both, would constitute an event of default) to request an extension of the Maturity Date for an additional six month period, which request may be accepted or rejected by the Lender in its sole discretion.

Borrowings under the Credit Facility outstanding from time to time will bear no interest. The Company may repay principal amounts borrowed under the Credit Facility from time to time prior to the Maturity Date, but all outstanding amounts under the Credit Facility must be repaid in full on or prior to the Maturity Date. Principal amounts repaid under the Credit Facility may be re-borrowed prior to the Maturity Date.

The Credit Agreement contains representations and warranties, affirmative and negative covenants (including financial covenants with respect to minimum revenues and a loan-to-value ratio) that are typical for facilities and transactions of this type. The Credit Agreement also contains events of default (and related remedies, including acceleration and increased interest rates following an event of default) that are typical for facilities and transactions of this type.

The Revolving Note was issued by the Company upon reliance on the exemption from the registration requirements of the Securities Act of 1933, as amended, provided in Section 4(2) thereof.

The foregoing description is a summary of certain of the terms of the Amended and Restated Revolving Note and the Asset Sale Agreement. This summary does not purport to be complete and is qualified in its entirety by the complete text of the Amended and Restated Revolving Note and the Asset Sale Agreement, which are filed as Exhibits to this Annual Report and are incorporated herein by reference.

Note Default:

On July 6, 2015, Cape One Master Fund II LP sent the Company a Notice of Default related to its Subordinated Secured Convertible Promissory Note originally issued on July 31, 2012, as amended effective November 21, 2013. Cape One claims \$56,000 in monetary damages, plus compensatory damages and attorneys' fees. The Company disagrees with the amount of monetary damages claimed.

Departure of Officer & Director:

As of October 1, 2015, Dennis Mitrano resigned as Axiologix, Inc.'s President and Chief Operating Officer and as a member of the Board of Directors.

Also as of October 1, 2015, Axiologix entered into a Separation Agreement with Realistic Solutions, Inc. ("RSI"), a company owned and controlled by Mr. Mitrano, whereby AXLX issued to RSI a \$150,000 Convertible Promissory Note, having a four year term, accruing no interest and convertible at a 60% discount to the market price at the time of conversion or \$0.0022 per share, whichever is lower, with a \$0.0005 per share floor price.

EXHIBITS

PROMISSORY NOTE

Phoenix, Arizona
Dublin, Ireland

September 11, 2015

\$36,557.50

FOR VALUE RECEIVED, TELCO WORLDWIDE BILLING CORP., a corporation incorporated under the laws of the State of Arizona (“Telco”), and **AXIOLOGIX, INC.,** a corporation incorporated under the laws of the State of Nevada (“Axiologix” and together with Telco, collectively, the “Borrower”), hereby promises to pay to the order of **LUCOSKY BROOKMAN LLP,** a limited liability partnership organized and existing under the laws of the State of New Jersey and located at 101 Wood Avenue South, 5th Floor, Woodbridge, New Jersey 08830, or its successors or assigns (the “Holder”), in accordance with the terms hereof, the principal amount **Thirty-Six Thousand Five Hundred Fifty-Seven and 50/100 United States Dollars (US\$36,557.50)** on or before December 31, 2015 (the “Maturity Date”). This is a joint and several obligation of Telco and Axiologix.

1. Payments of Principal and Interest.

(a) Payment of Principal. The principal amount of this promissory note (this “Note”) shall be paid to the Holder on or by the Maturity Date.

(b) Payment of Interest. This Note shall bear zero percent (0%) interest.

(c) Payment of Default Interest. Any amount of principal on this Note which is not paid when due shall bear interest until such past due amount is paid at the rate of eighteen percent (18%) per annum (the “Default Rate”). Interest shall be computed on the basis of a 360-day year and paid for the actual number of days elapsed.

(d) General Payment Provisions. Borrower and Holder hereby agree that TCA Global Credit Master Fund, LLP (“TCA”) is hereby instructed to make payments, from funds otherwise due to the Borrower, to the Holder on behalf of the Borrower. The obligation of the Borrower evidenced by this Note has been incurred by the Borrower pursuant to that certain Senior Secured Revolving Credit Facility Agreement, dated as of June 30, 2015 and effective on or about September 11, 2015 (the “Credit Agreement”), by and among Telco, as borrower, a certain affiliate of Telco, as guarantor, and TCA, as lender. It has been agreed by the Holder that the Holder will receive this Note in partial consideration of certain legal fees (the total amount of which is \$60,000) and certain disbursements (the total amount of which is \$13,115) incurred by the Borrower and owed to the Holder in connection with the Credit Agreement.

(e) Optional Prepayment. At any time, the Borrower may pre-pay this Note without penalty and, upon such prepayment in full, the Holder shall have no further rights under this Note, including no rights of conversion.

2. Defaults and Remedies.

(a) Events of Default. An “Event of Default” means: (i) a default for five (5) days in payment of principal or interest on this Note; (ii) failure by the Borrower to comply with any material provision of this Note, as set forth in such notice; (iii) the Borrower, pursuant to or within the meaning of any Bankruptcy Law (as defined herein): (A) commences a voluntary case; (B) consents to the entry of an order for relief against it in an involuntary case; (C) consents to the appointment of a Custodian (as defined herein) of it or for all or substantially all of its property; (D) makes a general assignment for the benefit of its creditors; or (E) admits in writing that it is generally unable to pay its debts as the same become due; or (iv) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that: (A) is for relief against the Borrower in an involuntary case; (B) appoints a Custodian of the Borrower for all or substantially all of its property; or (C) orders the liquidation of the Borrower, and the order or decree remains unstayed and in effect for sixty (60) days. “Bankruptcy Law” means Title 11, U.S. Code, or any similar Federal or state law for the relief of debtors. The term “Custodian” means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

(b) Remedies. If an Event of Default occurs and is continuing, the Holder of this Note may declare all of this Note, including any interest and other amounts due, to be due and payable immediately. The Holder may exercise any or all rights under this Note and/or take any other action in law or equity. Any election of any right or remedy will not be deemed to be an election of that right or remedy to the exclusion of any other right or remedy.

(c) Holder Appointed Attorney-in-Fact. The Borrower hereby irrevocably appoints the Holder as the Borrower’s attorney-in-fact, with full authority in the name, place and stead of the Borrower, from time to time in the Holder’s discretion upon the occurrence and during the continuance of an Event of Default to take any action and to execute any document which the Holder may deem necessary or advisable to accomplish the purposes of this Note.

3. Lost or Stolen Note. Upon notice to the Borrower of the loss, theft, destruction or mutilation of this Note, and, in the case of loss, theft or destruction, of an indemnification undertaking by the Holder to the Borrower in a form reasonably acceptable to the Borrower and, in the case of mutilation, upon surrender and cancellation of the Note, the Borrower shall execute and deliver a new Note of like tenor and date and in substantially the same form as this Note.

4. Cancellation. After all principal and accrued interest at any time owed on this Note has been paid in full and the Holder acknowledges the same in writing, this Note shall automatically be deemed canceled, shall be surrendered to the Borrower for cancellation and shall not be re-issued.

5. Waiver of Notice. To the extent permitted by law, the Borrower hereby waives demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Note.

6. Governing Law. This Note shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Note shall be governed by, the laws of the State of New Jersey, without giving effect to

provisions thereof regarding conflict of laws. Each party hereto hereby irrevocably submits to the non-exclusive jurisdiction of the state and federal courts sitting in the State of New Jersey for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by sending by certified mail or overnight courier a copy thereof to such party at the address indicated in the preamble hereto and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. **EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HEREWITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

7. Indemnity and Expenses. The Borrower agrees:

(a) To indemnify and hold harmless the Holder and each of its partners, employees, agents and affiliates from and against any and all claims, damages, demands, losses, obligations, judgments and liabilities (including, without limitation, attorneys' fees and expenses) in any way arising out of or in connection with this Note; and

(b) To pay and reimburse, as the case may be, the Holder upon demand for all costs and expenses (including, without limitation, attorneys' fees and expenses) that the Holder may incur in connection with (i) the exercise or enforcement of any rights or remedies (including, but not limited to, collection) granted hereunder or otherwise available to it (whether at law, in equity or otherwise), or (ii) the failure by the Borrower to perform or observe any of the provisions hereof. The provisions of this Section shall survive the execution and delivery of this Note, the repayment of any or all of the principal or interest owed pursuant hereto, and the termination of this Note.

8. Remedies, Characterizations, Other Obligations, Breaches and Injunctive Relief. The remedies provided in this Note shall be cumulative and in addition to all other remedies available under this Note, at law or in equity.

9. Advice of Counsel. **The Borrower hereby acknowledges that (i) such party has been, and hereby is, advised to seek legal counsel and to review this Note with legal counsel of such party's choice, and (ii) such party has sought such legal counsel, which such legal counsel has reviewed the Note, or hereby waives the right to do so.** In connection with the preparation of this Note, the Borrower acknowledges and agrees that Lucosky Brookman LLP acted solely as legal counsel to the Holder. The Borrower hereby expressly waives any and all conflicts of interest with Lucosky Brookman LLP, whether actual or potential, and whether existing previously or in the future in connection with the issuance of the Note. The Borrower acknowledges that Lucosky Brookman LLP has represented the interests of the Holder and not

the Borrower. The Borrower acknowledges that he has no objection to the terms and conditions herein contained or Lucosky Brookman LLP's representation of the Holder in connection herewith. The economic, business and legal terms and conditions contained herein were agreed upon by the Borrower after the Borrower had the opportunity to consult with independent counsel. The Borrower had access to its independent counsel and has knowingly consented and executed this Note and agreed to be irrevocably bound by its terms.

13. Specific Shall Not Limit General; Construction. No specific provision contained in this Note shall limit or modify any more general provision contained herein. This Note shall be deemed to be jointly drafted by the Borrower and the Holder and shall not be construed against any person as the drafter hereof.

14. Failure or Indulgence Not Waiver. No failure or delay on the part of this Note in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege.

15. Notice. Notice shall be given to each party at the address indicated in the preamble hereto or at such other address as provided to the other party in writing.

[signature page follows]

IN WITNESS WHEREOF, the Borrower has caused this Note to be executed on and as of the date below.

TELCO WORLDWIDE BILLING CORP.

By:
Name: David
Mau Title:
President

AXIOLOGIX, INC.

By: 
Name: Vincent Browne
Title: Chief Executive Officer

Principal Amount: US\$36,557.50

[signature page to Promissory Note]

ASSET SALE AGREEMENT

by and between

Telco Worldwide Billing Corp.
("ACQUIROR")

and

iWorld Services
("IWS" or "Seller"),
and

Axiologix, Inc.
("AXLX" or "Parent Company")

DATED AUGUST 26, 2015

ASSET SALE AGREEMENT

THIS ASSET SALE AGREEMENT, dated as of August 26, 2015, is made and entered into by and between Telco Worldwide Billing Corp., an Arizona corporation ("Acquiror"), iWorld Services, a California corporation ("IWS") and a wholly owned subsidiary of Axiologix, Inc., a Nevada corporation ("AXLX").

RECITALS:

WHEREAS, upon and subject to the terms and conditions set forth herein, AXLX proposes to sell to Acquiror, and Acquiror proposes to purchase, a telecommunications switch and its related hardware and software and related intellectual property used to operate the switch, as further defined and described in Exhibit A attached hereto and incorporated herein (the "Asset" or "Switch"), in exchange for the Consideration Issued Upon Sale as defined herein.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, agreements and conditions set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, each Party hereby agrees as follows:

DEFINITIONS

Certain Definitions

"Affiliate" of any specified Person means any other Person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such specified Person.

"Agreement" means this Asset Sale Agreement, as amended from time to time.

"Available Pre-Tax Net Income" will be defined as Gross Revenues less direct costs of minutes used, less Fixed Expenses, less financing expenses and banking fees, less Capital Expenses.

"Business Day" means any day except Saturday, Sunday or any day on which banks are generally not open for business.

"Capital Expenses" means capital expenditure deemed necessary by Acquiror management to a maximum of \$15,000 per calendar quarter or if the expenditure(s) is greater than \$15,000 in any one calendar quarter it must be pre-approved by all shareholders.

“Cash Royalties” means the distribution payments made to AXLX representing 20% of the Available Pre-Tax Net Income (if any) for as long as AXLX is the owner of the Acquired Shares. These distributions are delivered in advance of the normal distribution of Dividends to other equity holders and AXLX shall have no further claim to future Dividends that may or may not be distributed to other equity holders that cover the same time periods that AXLX has already received a distribution for.

“Closing” means the consummation of the sale of the Assets, as set forth in Article IX of this Agreement.

“Closing Date” means “the date on which the Closing occurs.

“Confidential Information” means any data or information (including trade secrets), without regard to form, regarding (for example and including) (a) business process models; (b) proprietary software; (c) research, development, products, services, marketing, selling, business plans, budgets, unpublished financial statements, licenses, prices, costs, Contracts, suppliers, customers, and customer lists; (d) the identity, skills and compensation of employees, contractors, and consultants; (e) specialized training; and (f) discoveries, developments, trade secrets, processes, formulas, data, lists, and all other works of authorship, mask works, ideas, concepts, know-how, designs, and techniques, whether or not any of the foregoing is or are patentable, copyrightable, or registrable under any intellectual property Laws or industrial property Laws in the United States or elsewhere. Notwithstanding the foregoing, no data or information constitutes “Confidential Information” if such data or information is publicly known and in the public domain through means that do not involve a breach by the Party who is under an obligation of confidentiality or under any covenant or obligation set forth in this Agreement.

“Control” means, when used with respect to any specified Person, the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by Contract or otherwise.

“Credit Agreement” means that certain Senior Secured Revolving Credit Facility Agreement dated as of July 31, 2013, but made effective as of September 11, 2013 (the “Original Credit Agreement”), as amended by Amendment No. 1 to Senior Secured Revolving Credit Facility Agreement dated as of October 31, 2013, but made effective as of November 20, 2013 (the “First Amendment”)(the Original Credit Agreement and First Amendment, together with all other renewals, extensions, future advances, amendments, modifications, substitutions, or replacements thereof, sometimes collectively referred to as the “Credit Agreement”).

“Fixed Expenses” means the fixed overhead expenses of running the Acquiror’s business which will be a maximum of \$50,000 per month for the first four months following the Close and thereafter will not exceed more than 2.0% of Gross Revenues. Any increase in this number must first be approved by all shareholders. For the purposes of this clause, banking fees are not included which will be paid as incurred.

“IWS Ancillary Documents” means any certificate, agreement, document or other instrument, other than this Agreement, to be executed and delivered by AXLX in connection with the transactions contemplated hereby.

“IWS Indemnified Parties” means IWS and its Affiliates, their respective officers, directors, employees, agents and representatives and the heirs, executors, successors and assigns of any of the foregoing.

“Governmental Entity” means any (a) nation, state, commonwealth, county, city, town, village, district, or other jurisdiction of any nature, (b) federal, state, local, municipal, foreign, or other government, (c) federal, state, local or foreign governmental or quasi-governmental authority of any nature (including any agency, branch, department, board, commission, court or tribunal), (d) multi-national or supranational organization or body, (e) body exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power, including any court or arbitrator, (f) self-regulatory organization or (g) official of any of the foregoing.

“Intellectual Property” means any or all of the following and all rights, arising out of or associated therewith: (a) all patents and applications therefor and all reissues, divisions, renewals, extensions, provisionals, continuations and continuations-in-part thereof; (b) all inventions (whether patentable or not), invention disclosures, improvements, proprietary information, know-how, technology, technical data and customer lists, and all documentation relating to any of the foregoing; (c) all copyrights, copyright registrations and applications therefor, and all other rights corresponding thereto; (d) all industrial designs and any registrations and applications therefor; (e) all internet uniform resource locators, domain names, trade names, logos, slogans, designs, common law trademarks and service marks, trademark and service mark registrations and applications therefor; (f) all Software, databases and data collections and all rights therein; (g) all moral and economic rights of authors and inventors, however denominated; and (h) any similar or equivalent rights to any of the foregoing.

“Knowledge” means, (i) with respect to IWS, all facts known by any executive officer or director of IWS on the date hereof or on the Closing Date following reasonable inquiry and diligence with respect to the matters at hand and (ii) with respect to Acquiror, all facts known by any executive officer or director of Acquiror on the date hereof or on the Closing Date following reasonable inquiry and diligence with respect to the matters at hand.

“Laws” means all laws (including Labor Laws), statutes, common law, rules, codes, regulations, restrictions, ordinances, orders, decrees, approvals, directives, judgments, rulings, injunctions, writs, awards and decrees of, or issued or entered by, all Governmental Entities.

“Liens” means all mortgages, liens, pledges, security interests, charges, claims, restrictions and encumbrances of any nature whatsoever.

“Losses” means any and all claims, liabilities, obligations, damages, losses, costs, expenses, penalties, fines and judgments (including amounts paid in settlement, costs of investigation and reasonable attorney’s fees and expenses), whenever arising or incurred, and whether or not arising out of a third party claim. The Parties acknowledge and agree that **“Losses”** shall not include special, indirect, consequential, exemplary and punitive damages.

“Person” means any individual, corporation, partnership, joint venture, limited liability company, trust, unincorporated organization or Governmental Entity.

“Second Amended and Restated Promissory Note” means the promissory note issued by AXLX to TCA, as amended and restated as of February 14, 2014.

“Software” means any computer software program, together with any error corrections, updates, modifications, or enhancements thereto, in both machine-readable form and human-readable form, including all comments and any procedural code.

“Switch” means the software switch technology that is being sold to Acquiror as part of this Asset Sale Agreement, as outlined in Exhibit A.

“Termination Date” means the date prior to the Closing when this Agreement is terminated in accordance with Article X.

II. SALE OF ASSET

Article 2.1 Agreement to Purchase the Switch. Subject to the terms and conditions hereof, at the Closing, IWS shall sell, assign, transfer and deliver to Acquiror, and Acquiror shall accept such

and acquire from IWS, all right, title and interest of IWS in and to, the Switch, as described and fully defined in Exhibit A attached hereto and incorporated herein.

Article 2.2 All Other Assets and Liabilities Excluded. Acquiror shall not assume, in connection with the transactions contemplated hereby, any other assets of IWS (other than the Switch) nor shall Acquiror assume any liabilities and obligations of IWS, and IWS shall retain responsibility for all such assets and liabilities and obligations.

Article 2.3 Asset sold as part of Lender Forbearance. The Parties acknowledge that AXLX and IWS are currently in default under the Credit Agreement with TCA referenced herein. Currently, the combined assets of AXLX and IWS are insufficient to repay AXLX and IWS obligations to TCA. TCA is therefore exercising its rights to take possession of the some, part or all of the assets of both AXLX and IWS and sell some, part or all of those assets as partial or full settlement of the obligations of AXLX and IWS to TCA. In consideration of these rights AXLX and IWS have entered into a forbearance agreement with TCA whereby certain assets, but not substantially all of the assets of either AXLX or IWS have been released to TCA with the sale proceeds being applied to the debt of AXLX and IWS to TCA. The payments in this Agreement represent the sale of one of those assets. The cash portion of the sale proceeds will be immediately applied to the debt of AXLX and IWS to TCA and the equity portion (stock in Telco) will be held by TCA for the benefit of AXLX until the full obligation of AXLX and IWS to TCA has been satisfied.

CONSIDERATION ISSUED UPON SALE

Article 3.1 Consideration Issued Upon Sale. In consideration for the sale by IWS and AXLX of the Switch to Acquiror, Acquiror shall pay the sum of \$120,000 US dollars:

Cash Portion. Pay directly to TCA on the Closing Date the cash sum of One Hundred Thousand Dollars (\$100,000), which sum shall reduce the amounts due to TCA under the Second Amended and Restated Promissory Note;

Equity Portion. The balance of the Consideration Issued Upon Sale which is \$20,000 will be satisfied by the transfer of Two Million (2,000,000) shares of common stock of Acquiror to AXLX, representing a twenty percent (20%) equity ownership in Acquiror (the "Acquired Shares") on the Closing Date; and

c. Rights Associated with Acquired Shares. For as long as AXLX holds the Acquired Shares, Acquiror will pay Cash Royalties to AXLX representing twenty percent (20%) of the Available Pre-Tax Net Income generated by Acquiror. These distributions or Cash Royalties are delivered in advance of the normal distribution of Dividends to other equity holders and AXLX shall have no further claim to future Dividends that may or may not be distributed to other equity holders that cover the same time periods that AXLX has already received a distribution for. Further, these Cash Royalties shall temporarily be set at seventeen percent (17%) of Gross Revenues and one hundred percent (100%) allocated against the total outstanding amount due from AXLX to TCA, which has been mutually agreed upon by all parties as a total sum of Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000) (the "Total Amount"), and shall be paid where

directed by TCA within 30 days following the end of the applicable monthly period until such time as the Total Amount is fully and finally repaid by AXLX. After the Total Amount has been repaid to TCA and the Telco loan from TCA has been repaid in full thereafter such Cash Royalty amounts shall be twenty percent (20%) of Available Pre-Tax Net Income (if any) and be paid directly to AXLX as AXLX directs.

Article 3.2 Non-Dilution of Acquired Shares. For so long as AXLX holds any Acquired Shares, the Acquiror shall be prohibited from discussing, negotiating, effecting or entering into an agreement, plan, arrangement or understanding to effect any transaction whatsoever in which the Acquiror or any Subsidiary issues or sells, agrees to issue or sell, or may issue or sell, any common stock, preferred stock or security convertible or exchangeable into common or preferred stock that results in a dilution of the interest of AXLX, that does not similarly dilute the remaining 80% stock holders.

Article 3.3 Non-Circumvent. (a) Acquiror and each of its Directors and Officers will use their best efforts to maximize the Available Pre-Tax Net Income generated by Acquiror, including, but not limited to enabling the Acquiror to reach operational profitability in as short a time as commercially reasonably possible. (b) Acquiror and each of its Directors and Officers shall cooperate to preserve intact Acquiror's business, its assets (including, but not limited to, the Asset). (c) Each of Acquiror's Directors and Officers will not compete with Acquiror in the operation of the business, or move the business, or part thereof, out of the Acquiror in order to circumvent the obligation to pay AXLX the Cash Royalties due herein. AXLX and IWS and its officers and directors will not compete directly with the business of Acquiror.

Article 3.4 Restricted Stock. The Acquired Shares in Acquiror to be issued in connection with this Agreement will be issued in a transaction exempt from registration under the Securities Act by reason of Article 4(2) thereof. There will be placed on the certificates for such shares, or shares issued in substitution thereof, a legend stating in substance:

"THE SECURITIES REFERENCED HEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933."

REPRESENTATIONS AND WARRANTIES OF IWS AND AXLX

IWS and AXLX hereby, jointly and severally, represent and warrant to Acquiror as follows as of the date hereof and the Closing Date:

Article 4.1 Organization. IWS is a corporation duly organized in the State of California.

Article 4.2 Authorization. IWS has all requisite corporate power and authority, and have taken all corporate action necessary, to execute and deliver this Agreement, to consummate the transactions contemplated hereby and to perform their obligations thereunder. The execution and delivery of this Agreement by IWS and the consummation by IWS of the transactions contemplated hereby have been duly approved by the boards of directors of IWS. No other corporate proceedings on the part of IWS are necessary to authorize this Agreement and the transactions contemplated hereby. This Agreement has been duly executed and delivered by IWS and is a legal, valid and binding obligation of IWS, enforceable against IWS in accordance with its terms.

Article 4.3 No Conflict or Violation. Neither the execution, delivery or performance of this Agreement nor the consummation of the transactions contemplated hereby, nor compliance by IWS with any of the provisions hereof, will (1) violate or conflict with any provision of the Articles of Incorporation or Bylaws of IWS or, (2) violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration under, any of the terms, conditions or provisions of any contract, indebtedness, note, bond, indenture, security or pledge agreement, commitment, license, lease, franchise, permit, agreement, authorization, concession, or other instrument or obligation to which IWS is a party, or (3) violate any statute, rule, regulation, ordinance, code, order, judgment, ruling, writ, injunction, decree or award except, in the case of each of clauses (a), (b) and (c) above, for such violations, conflicts, breaches, defaults, terminations, accelerations or creations of encumbrances which, in the aggregate, would not have a Material Adverse Effect on the Business or its ability to consummate the transactions contemplated hereby.

Article 4.4 Required Consents. Except for TCA's consent, no consent, approval, order or authorization of, or registration, declaration or filing with, any Person is required with respect to IWS or AXLX in connection with the execution, delivery or performance of this Agreement or the IWS Ancillary Documents or the consummation of the transactions contemplated hereby.

Article 4.5 Personal Property. All equipment and other items of tangible personal property and assets included in the Asset (a) are free of defects and in good operating condition and in a state of good maintenance and repair, ordinary wear and tear excepted and (b) were acquired and are usable in the regular and ordinary course of business.

Article 4.6 Intellectual Property. IWS owns, or has licensed or otherwise has the right to use, free and clear of any Liens, all Intellectual Property used in connection with the operation of the Switch. There are no agreements or arrangements between IWS and any third party which have any effect upon IWS's title to or other rights respecting the Intellectual Property, including the right to transfer the same as contemplated by this Agreement.

Article 4.7 Disclosure. No representations, warranties, assurances or statements by IWS in this Agreement and no statement contained in any document, certificates or other writings furnished or to be furnished by IWS to Acquiror or any of its representatives pursuant to the provisions

hereof contains or will contain any untrue statement of material fact, or omits or will omit to state any fact necessary, in light of the circumstances under which it was made, in order to make the statements herein or therein not misleading.

Article 4.8 No Other Agreements. IWS does not have any commitment or legal obligation, absolute or contingent, to any other Person (other than Acquiror hereunder) to sell, assign, transfer or effect a sale of the Asset, or to enter into any agreement or cause the entry into of an agreement with respect to any of the foregoing.

Article 4.9 Investment Representations. IWS and AXLX are acquiring the Acquiror Securities for their own account, for investment and not with a view to the distribution thereof within the meaning of the Securities Act. IWS and AXLX understand that (i) the Acquiror Securities have not been registered under the Securities Act or any state securities laws, by reason of their issuance by Acquiror in a transaction exempt from the registration requirements thereof and (ii) the Acquiror Securities may not be sold unless such disposition is registered under the Securities Act and applicable state securities laws or is exempt from registration thereunder. IWS and AXLX further understand that the exemption from registration afforded by Rule 144 (the provisions of which are known to IWS and AXLX) promulgated under the Securities Act depends on the satisfaction of various conditions, and that, if applicable, Rule 144 may afford the basis for sales only in limited amounts. IWS and AXLX have been provided the opportunity at reasonable times prior to the date hereof to discuss the business with directors, officers and management of Acquiror, and to review its operations. IWS and AXLX have also had the opportunity to ask questions and receive answers regarding the terms and conditions of the offering of the Acquiror Securities.

Article 4.10 Sale of AXLX Shareholding: In the event that AXLX may choose to sell or transfer the Acquired Shares that is granted to them due to the terms of this Asset Sales Agreement, Acquiror shall be granted the right of first refusal to purchase such portion of Acquired Shares. In order to sell or transfer the Acquired Shares, AXLX must present Acquiror with written notice and evidence of a third party bid for the Acquired Shares including proof that third party has the financial ability to perform. Acquiror shall have 60 days to accept and exercise Acquiror's right of first refusal to purchase the Acquired Shares offered by AXLX (the "Option Period"). The closing for the purchase of the Acquired Shares by Acquiror shall take place within the Option Period. After the expiration of the Option Period, if Acquiror has not provided to AXLX the funds for all of the Acquired Shares under identical terms of the third party bid, then AXLX may sell the Acquired Shares to such third party. Third Party Purchaser will accept the purchase of the equity from AXLX and shall not be entitled to a seat on Acquirer's board nor receive accelerated dividends.

REPRESENTATIONS AND WARRANTIES OF ACQUIROR

Acquiror hereby represents and warrants to IWS, AXLX and TCA as follows as of the date hereof and the Closing Date:

Article 5.1 Organization. Acquiror is a corporation duly incorporated, validly existing and in good standing under the Laws of the State of Arizona and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted. Acquiror is duly qualified or registered as a foreign corporation to transact business under the Laws of each jurisdiction where the character of its activities or the location of the properties owned or leased by it requires such qualification or registration, except in such jurisdictions where the failure to be so qualified or in good standing would not reasonably be expected to have a Material Adverse Effect on Acquiror.

Article 5.2 Authorization. Acquiror has full corporate power and authority to execute and deliver this Agreement and the Acquiror Ancillary Documents and to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Acquiror Ancillary Documents by Acquiror and the performance by Acquiror of its obligations hereunder and thereunder and the consummation of the transactions provided for herein and therein have been duly and validly authorized by all necessary corporate action on the part of Acquiror. This Agreement has been, and the Acquiror Ancillary Documents shall be as of the Closing Date, duly executed and delivered by Acquiror and do or shall, as the case may be, constitute the valid and binding agreements of Acquiror, enforceable against Acquiror in accordance with their respective terms, except to the extent that enforceability may be limited by the effect of (i) any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally and (ii) general principles of equity, regardless of whether such enforceability is considered in a proceeding at law or in equity.

Article 5.3 Absence of Restrictions and Conflicts. The execution, delivery and performance of Acquiror of this Agreement and the Acquiror Ancillary Documents, as applicable, the consummation of the transactions contemplated hereby and thereby and the fulfillment of and compliance with the terms and conditions hereof and thereof do not or shall not (as the case may be), with the passing of time or the giving of notice or both, (a) contravene or conflict with any term or provision of the articles of incorporation or bylaws of Acquiror, (b) violate or conflict with, constitute a breach of or default under, result in the loss of any benefit under, permit the acceleration of any obligation under or create in any party the right to terminate, modify or cancel any Contract to which Acquiror is a party, (c) contravene or conflict with any judgment, decree or order of any Governmental Entity to which Acquiror is a party or by which Acquiror or any of its respective properties are bound or (d) contravene or conflict with any Law or arbitration award applicable to Acquiror, except in the case of each of (b) and (d) above to the extent any such violation, breach or conflict would not reasonably be expected to result in a Material Adverse Effect on Acquiror.

Article 5.4 Required Consents. This Article sets forth each Required Consent under any Law, License or Contract to which Acquiror is a party that is necessary with respect to the execution, delivery and performance of this Agreement or the Acquiror Ancillary Documents to avoid a breach or violation of, or giving rise to any right of termination, cancellation or acceleration of

any right or obligation or to a loss of any benefit under any such Law, License or Contract. No consent, approval, order or authorization of, or registration, declaration or filing with, any Governmental Entity is required with respect to Acquiror in connection with the execution, delivery or performance of this Agreement or the Acquiror Ancillary Documents or the consummation of the transactions contemplated hereby.

Article 5.5 Capitalization. As of the Closing Date, the authorized capital stock of Acquiror consists of 50,000,000 shares of common stock, \$0.001 par value per share, of which 10,000,000 shares are or shall be issued and outstanding. No Person has any right of first refusal, preemptive right, right of participation, or any similar right to participate in the transactions contemplated by the Transaction Documents that has not been waived or satisfied. Except as a result of the purchase and sale of the Acquired Shares, there are no outstanding options, warrants, script rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities, rights or obligations convertible into or exchangeable for, or giving any Person any right to subscribe for or acquire, any shares of Common Stock, or contracts, commitments, understandings or arrangements by which Acquiror or any Subsidiary is or may become bound to issue additional shares of Common Stock or securities convertible into or exercisable for shares of Common Stock that will dilute AXLX's ownership. The issuance and sale of the Acquired Shares will not obligate Acquiror to issue shares of Common Stock or other securities to any Person, other than AXLX, and will not result in a right of any holder of Acquiror securities to adjust the exercise, conversion, exchange, or reset price under such securities. All of the outstanding shares of capital stock of Acquiror are validly issued, fully paid and non-assessable, have been issued in material compliance with all federal and state securities laws, and none of such outstanding shares was issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. No further approval or authorization of any stockholder, the Board of Directors of Acquiror or others is required for the issuance and sale of the Shares. There are no stockholders agreements, voting agreements or other similar agreements with respect to Acquiror's capital stock to which Acquiror is a party or, to the knowledge of Acquiror, between or among any of Acquiror's stockholders.

Article 5.6 Valid Title to Shares: At the Closing Date AXLX will have full and valid title to the Acquired Shares, and there will be no existing impediment or encumbrance to the sale and transfer of the Acquired Shares to AXLX; and on delivery to AXLX of the Acquired Shares being sold hereby, all of such Shares shall be free and clear of all liens, encumbrances, charges or assessments of any kind; such Shares will be legally and validly issued and fully paid and non-assessable shares of Acquiror's common stock; and all such common stock has been issued under duly authorized resolutions of the Board of Directors of Acquiror.

Article 5.7 Disclosure. No representations, warranties, assurances or statements by Acquiror in this Agreement and no statement contained in any document, certificates or other writings furnished or to be furnished by Acquiror to IWS or any of its representatives pursuant to the provisions hereof contains or will contain any untrue statement of material fact, or omits or will omit to state any fact necessary, in light of the circumstances under which it was made, in order to make the statements herein or therein not misleading.

CERTAIN COVENANTS AND AGREEMENTS

Article 6.1 Inspection and Access to Information. During the period commencing on the date hereof and ending on the Closing Date, each Party shall (and shall cause its officers, directors, employees, auditors and agents to) provide the other Parties and their accountants, investment bankers, counsel, consultants and other authorized representatives full access, during reasonable hours and under reasonable circumstances, to any and all of its premises, employees (including executive officers), properties, contracts, commitments, books, records and other information (including Tax Returns filed and those in preparation) and shall cause its officers to furnish to the other Parties and their authorized representatives, promptly upon request therefor, any and all financial, technical and operating data and other information pertaining to itself and its business and otherwise fully cooperate with the conduct of due diligence by the other Parties and their representatives.

Article 6.2 Reasonable Efforts; Further Assurances; Cooperation. Subject to the other provisions hereof, each Party shall use its reasonable, good faith efforts to perform its obligations hereunder and to take, or cause to be taken, and do, or cause to be done, all things necessary, proper or advisable under applicable Law to cause the transactions contemplated herein to be effected as soon as practicable, but in any event on or prior to the Expiration Date, in accordance with the terms hereof and shall cooperate fully with each other Party and its officers, directors, employees, agents, counsel, accountants and other designees in connection with any step required to be taken as a part of its obligations hereunder, including the following:

- (a) Each Party shall promptly make its filings and submissions and shall take all actions necessary, proper or advisable under applicable Laws to obtain any required approval of any Governmental Entity with jurisdiction over the transactions contemplated hereby. Each Party shall furnish to the other Parties all information required for any application or other filing to be made by such Parties pursuant to any applicable Law in connection with the transactions contemplated hereby;
- (b) Each Party shall promptly notify the other Parties of (and provide written copies of) any communications from or with any Governmental Entity in connection with the transactions contemplated hereby;
- (c) In the event any claim, action, suit, investigation or other proceeding by any Governmental Entity or other Person is commenced that questions the validity or legality of the transactions contemplated hereby or seeks damages in connection therewith, the Parties shall (i) cooperate and use all reasonable efforts to defend against such claim, action, suit, investigation or other proceeding, (ii) in the event an injunction or other order is issued in any such action, suit or other proceeding, use all reasonable efforts to have such injunction or other order lifted, and (iii) cooperate reasonably regarding any other impediment to the consummation of the transactions contemplated hereby; and

(d) Each Party shall give all notices to third parties and use its reasonable efforts (in consultation with the other Parties) to obtain all third-party consents (i) necessary, proper or advisable to consummate the transactions contemplated hereby, (ii) required to be given or obtained, including the Required Consents or (iii) required to prevent a Material Adverse Effect, whether prior to, on or following the Closing Date.

Article 6.3 Risk of Loss. The risk of loss with respect to the Asset of IWS shall remain with IWS until the Closing.

Article 6.4 Transfer Taxes; Expenses. Any Taxes or recording fees payable as a result of the purchase and sale of the Asset or any other action contemplated hereby shall be borne by AXLX or IWS as may be appropriate. The Parties shall cooperate in the preparation, execution and filing of all returns, questionnaires, applications and other documents regarding Taxes and all transfer, recording, registration and other fees that become payable in connection with the transactions contemplated hereby that are required or permitted to be filed at or prior to the Closing.

Article 6.5 Confidentiality; Press Releases. Each Party shall, and shall cause its advisers and agents to, maintain the confidentiality of all Confidential Information furnished to it by another Party concerning its and its Subsidiaries' businesses, operations, and financial positions and shall not use such information for any purpose except in furtherance of the transactions contemplated by this Agreement. Each Party shall take all steps necessary to safeguard and protect such Confidential Information from unauthorized access, use or disclosure by or to others, including but not limited to, maintaining appropriate security measures and providing access on an as-needed basis only. If this Agreement is terminated prior to the Closing Date, each Party shall promptly return or certify the destruction of all documents and copies thereof, and all work papers containing Confidential Information received from another Party. Notwithstanding the foregoing, Acquiror and AXLX shall consult with each other as to the form and substance of any press release or other public disclosure materially related to this Agreement or any other transaction contemplated hereby; provided, that nothing in this Section shall be deemed to prohibit any Party from making any disclosure which its counsel deems necessary or advisable in order to satisfy such Party's disclosure obligations imposed by law.

ARTICLE VII CONDITIONS TO CLOSING

Article 7.1 Conditions to Obligations of Acquiror. The obligations of Acquiror to consummate the transactions contemplated hereby shall be subject to the fulfillment (or waiver by Acquiror) at or prior to the Closing of each of the following conditions:

a). Injunction. There shall be no effective injunction, writ or preliminary restraining order or any order of any nature issued or Law passed by a Governmental Entity of competent jurisdiction to the effect that the transactions contemplated hereby may not be consummated as provided herein, no proceeding or lawsuit shall have been commenced by any Governmental Entity for the purpose of obtaining any such

injunction, writ or preliminary restraining order and no written notice shall have been received from any Governmental Entity indicating an intent to restrain, prevent, materially delay or restructure the transactions contemplated hereby, in each case where the Closing would (or would be reasonably likely to) result in a material fine or penalty payable by IWS or AXLX.

b). Consents. All Required Consents shall have been obtained or made on terms and conditions reasonably satisfactory to Acquiror, including, but not limited to, the approval of TCA and Acquiror's Board of Directors.

c). Representations and Warranties. Each of the representations and warranties of IWS and AXLX shall have been true and correct in all material respects as of the date hereof and shall be true and correct in all material respects as of the Closing Date as though made on and as of the Closing Date, except that those representations and warranties that by their terms are qualified by materiality shall be true and correct in all respects.

d). Performance of Obligations of IWS and AXLX. IWS and AXLX shall have performed in all material respects all covenants and agreements required to be performed by it hereunder at or prior to the Closing.

e). Ancillary Documents. IWS, AXLX and TCA shall have delivered, or caused to be delivered, to Acquiror all of the Ancillary Documents.

Article 7.2 Conditions to Obligations of IWS and AXLX. The obligations of IWS and AXLX to consummate the transactions contemplated hereby shall be subject to the fulfillment (or waiver by IWS and AXLX) at or prior to the Closing of each of the following additional conditions:

a). Injunction. There shall be no effective injunction, writ or preliminary restraining order or any order of any nature issued by a Governmental Entity of competent jurisdiction to the effect that the transactions contemplated hereby may not be consummated as provided herein, no proceeding or lawsuit shall have been commenced by any Governmental Entity for the purpose of obtaining any such injunction, writ or preliminary restraining order and no written notice shall have been received from any Governmental Entity indicating an intent to restrain, prevent, materially delay or restructure the transactions contemplated hereby, in each case where the Closing would (or would be reasonably likely to) result in a material fine or penalty payable by Acquiror or a material restriction on Acquiror's operation of its business.

b). Consents. All consents, approvals, orders or authorizations of, or registrations, declarations or filings with, any Governmental Entity required in connection with the execution, delivery or performance hereof, including, but not limited to, the written consent from TCA, shall have been obtained or made on terms and conditions reasonably satisfactory to IWS and AXLX.

- c). Representations and Warranties. Each of the representations and warranties of Acquiror shall have been true and correct in all material respects as of the date hereof and shall be true and correct in all material respects as of the Closing Date as though made on and as of the Closing Date, except that those representations and warranties that by their terms are qualified by materiality shall be true and correct in all respects.
- d). Performance of Obligations by Acquiror. Acquiror shall have performed in all material respects all covenants and agreements required to be performed by it hereunder on or prior to the Closing Date.
- e). Ancillary Documents. Acquiror shall have delivered, or caused to be delivered, to IWS all of the Ancillary Documents.
- f). Funding. Acquiror shall have closed a third party funding in the amount of not less than Four Hundred Fifty Thousand Dollars (\$450,000).
- g). Credit Agreement Amendment and Second Amended and Restated Note Amendment. An Amendment to the Credit Agreement shall be simultaneously executed by TCA and AXLX, which shall be acceptable to both AXLX and TCA in their sole discretion.
- h). TCA Payments. Prior to or commensurate with Closing, TCA shall have paid certain critical third party AXLX expenses, as set forth in the attached Schedule 7.2(h), attached hereto and incorporated herein.

ARTICLE VIII CLOSING

Article 8.1 Closing. Subject to the satisfaction or waiver of the conditions set forth in Article VIII, the Closing shall occur on or before _____, 2015- or such other date as the Parties may agree. The Closing shall take place at the offices of _____, or at such other place as the Parties may agree.

Article 8.2 IWS Closing Deliveries. At the Closing, IWS and AXLX, as applicable, shall deliver to Acquiror the following:

- (a) a certificate or certificates executed by a duly authorized officer of IWS as to compliance with the conditions set forth in Article 7.1(c), and (d) hereof;
- all other documents required to be entered into by IWS and AXLX pursuant hereto or reasonably requested by Acquiror to convey the Assets to Acquiror or to otherwise consummate the transactions contemplated hereby.

Article 8.3 Acquiror Closing Deliveries. On the Closing, Acquiror shall deliver, or cause to be delivered, to IWS and AXLX the following:

- (a) The sum of One Hundred Thousand Dollars (\$100,000) to TCA.
- (b) a certificate representing the Acquired Securities;
- (c) a certificate of an authorized officer of Acquiror, dated as of the Closing Date, evidencing the closing of a third party funding into Acquiror of at least \$450,000 and the effectiveness of the resolutions of the board of directors of Acquiror authorizing the execution, delivery and performance hereof by Acquiror passed in connection with the investment and the transactions contemplated thereby;
- (d) a certificate of an authorized officer of Acquiror as to compliance with the conditions set forth in Article 7.2(c) and 7.2(d);
- (e) a certificate by the President of Acquiror, dated the Closing Date, as to (1) the good standing of Acquiror in its jurisdiction of incorporation and in each other jurisdiction where it is qualified to do business, (2) the completeness of Acquiror's articles of incorporation and bylaws and (3) the effectiveness of the resolutions of the board of directors of Acquiror authorizing the execution, delivery and performance hereof by Acquiror passed in connection herewith and the transactions contemplated hereby; and
- (f) all other documents required to be entered into or delivered by Acquiror at or prior to the Closing pursuant hereto.

ARTICLE IX TERMINATION

Article 9.1 Termination. This Agreement may be terminated:

- (a) in writing by mutual consent of AXLX and Acquiror;
- (b) by written notice from AXLX to Acquiror, in the event Acquiror (i) fails to perform in any material respect any of its agreements contained herein required to be performed by it at or prior to the Closing or (ii) materially breaches any of its representations and warranties contained herein, which failure or breach is not cured within ten (10) days following AXLX having notified Acquiror of its intent to terminate this Agreement pursuant to this Article 9.1(b);
- (c) by written notice from Acquiror, in the event IWS or AXLX (i) fails to perform in any material respect any of their agreements contained herein required to be performed by it at or prior to the Closing, including, but not limited to, a

claim against IWS relating to this Agreement brought by an IWS shareholder or debt holder, or (ii) materially breaches any of their representations and warranties contained herein, which failure or breach is not cured within ten (10) days following Acquiror having notified IWS of its intent to terminate this Agreement pursuant to this Article 9.1(c);

Article 9.2 Specific Performance and Other Remedies. Each Party hereby acknowledges that the rights of each Party to consummate the transactions contemplated hereby are special, unique and of extraordinary character and that, in the event that any Party violates or fails or refuses to perform any covenant or agreement made by it herein, the non-breaching Party may be without an adequate remedy at law. In the event that any Party violates or fails or refuses to perform any covenant or agreement made by such Party herein, the non-breaching Party or Parties may, subject to the terms hereof and in addition to any remedy at law for damages or other relief, institute and prosecute an action in any court of competent jurisdiction to enforce specific performance of such covenant or agreement or seek any other equitable relief.

Article 9.3 Effect of Termination. In the event of termination of this Agreement pursuant to this Article IX, this Agreement shall forthwith become void and there shall be no liability on the part of any Party or its partners, officers, directors or stockholders, except for obligations under Article 9.4 (Specific Performance and Other Remedies), Article 11.1 (Notices), Article 11.5 (Controlling Law), Article 11.6 (Severability), Article 11.8 (Enforcement of Certain Rights), Article 11.9 (Waiver; Amendment) and Article 11.15 (Transaction Costs) and this Article 9.3, all of which shall survive the Termination Date. Notwithstanding the foregoing, nothing contained herein shall relieve any Party from liability for any breach hereof; *provided, however*, that (i) if any Party terminates this Agreement under Article 9.1(b) or 9.1(c) on the basis that the other Party breached any agreement or covenant or (ii) a Party refuses to close notwithstanding the conditions precedent to such Party's obligation to close having been fulfilled, then, the Party who breached the covenant (as to clause (i)) or the Party who refused to close (as to clause (ii)) shall be required to pay all costs and expenses of the other Party, including reasonable attorneys' and accountants' fees and expenses incurred in connection with the transactions described herein.

ARTICLE X INDEMNIFICATION

Article 10.1 Indemnification Obligations of IWS and AXLX. From and after the Closing, IWS and AXLX shall indemnify and hold harmless the Acquiror Indemnified Parties from, against and in respect of any and all Losses arising out of or relating to:

any breach or inaccuracy of any representation or warranty made by IWS or AXLX in this Agreement or in any Ancillary Document, whether such representation or warranty is made as of the date hereof or as of the Closing Date; or

any breach of any covenant, agreement or undertaking made by IWS or AXLX in this Agreement or in any Ancillary Document.

The Losses of the Acquiror Indemnified Parties described in this Article as to which the Company Indemnified Parties are entitled to indemnification are collectively referred to as “Company Losses.”

Article 10.2 Indemnification Obligations of the Acquiror. From and after the Closing, the Acquiror shall indemnify and hold harmless IWS Indemnified Parties from, against and in respect of any and all Losses arising out of or relating to:

any breach or inaccuracy of any representation or warranty made by the Acquiror in this Agreement or in any Acquiror Ancillary Document, whether such representation or warranty is made as of the date hereof or as of the Closing Date; or

any breach of any covenant, agreement or undertaking made by the Acquiror in this Agreement or in any ancillary document.

The Losses of the IWS Indemnified Parties described in this Article as to which the IWS Indemnified Parties are entitled to indemnification are collectively referred to as “IWS Losses.”

Article 10.3 Survival Period. The representations and warranties of the Parties contained herein shall not be extinguished by the Closing, but shall survive the Closing for, and all claims for indemnification in connection therewith shall be asserted not later than, eighteen months following the Closing Date; provided, however, that (a) each of the representations and warranties contained in Article 5.1 (Organization), Article 5.4 (Authorization), Article 6.1 (Organization), Article 6.2 (Authorization) shall survive the Closing without limitation as to time, and the period during which a claim for indemnification may be asserted in connection therewith shall continue indefinitely. The covenants and agreements of the Parties hereunder shall survive without limitation as to time, and the period during which a claim for indemnification may be asserted in connection therewith shall continue indefinitely. Notwithstanding the foregoing, if, prior to the close of business on the last day a claim for indemnification may be asserted hereunder, an Indemnifying Party shall have been properly notified of a claim for indemnity hereunder and such claim shall not have been finally resolved or disposed of at such date, such claim shall continue to survive and shall remain a basis for indemnity hereunder until such claim is finally resolved or disposed of in accordance with the terms hereof.

Article 10.4 Procedure; Set-Off Rights.

(a) Cooperation. The Indemnified Party shall cooperate in all reasonable respects with the Indemnifying Party and the attorneys defending the Indemnification Claims, or Claims covered by Set Off Rights, in the investigation, trial and defense of such lawsuit or action and any appeal arising therefrom; provided, however, that the Indemnified Party may, at its own cost, participate in the investigation, trial and defense of such lawsuit or action and any appeal arising therefrom. The parties shall cooperate with each other in any notifications to insurers.

(b) Conduct of Indemnification Proceedings. Any person entitled to indemnification under this Article 10.1 or 10.2 will (i) give prompt notice to the indemnifying party of any claim with respect to which it seeks indemnification (but omission of such notice shall not relieve the

indemnifying party from liability hereunder except to the extent such indemnifying party is actually prejudiced by such failure to give notice), and (ii) unless in such indemnified party's reasonable judgment a conflict of interest may exist between the indemnified and indemnifying parties with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If the indemnifying party so assumes the defense of such claim, after notice from the indemnifying party to the indemnified party of its election to so assume the defense thereof, the indemnifying party will not be liable to the indemnified party for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense of such claim. If such defense is not assumed by the indemnifying party, the indemnifying party will not be Subject to any liability for any settlement made without its consent (but such consent will not be unreasonably withheld). No indemnifying party will consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of an unconditional release of all indemnified parties from all liability with respect to such claim or litigation. An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim (i) will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, and (ii) shall be entitled to participate in (at its own cost and expense), but not control, the defense of such claim.

(c) Contribution. If the indemnification provided for in Article 10 is unavailable or insufficient to hold harmless each of the indemnified parties against any losses, claims, damages, liabilities and expenses (or actions in respect thereof) referred to therein, then the indemnifying party shall, in lieu of indemnifying each party entitled to indemnification hereunder, contribute to the amount paid or payable by such party as a result of such losses, claims, damages, liabilities or expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and the indemnified parties on the other in connection with the statements or omissions or alleged statements or omissions that resulted in such losses, claims, damages, liabilities or expenses. The relative fault of such persons shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact, or omission or alleged omission to state a material fact, relates to information supplied by or concerning the indemnifying party on the one hand, or by such indemnified person on the other, and such person's relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Article 10.4(e) were determined by pro rata allocation or by any other allocation that does not take into account the equitable considerations referred to in this Article. No person guilty of fraudulent misrepresentation within the meaning of the Securities Act shall be entitled to contribution from any person that is not guilty of such fraudulent misrepresentation.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Article 11.1 Notices. All notices, communications and deliveries required or made hereunder must be made in writing signed by or on behalf of the Party making the same, shall specify the Article hereunder pursuant to which it is given or being made, and shall be delivered personally

or by telecopy transmission or by a national overnight courier service or by registered or certified mail (return receipt requested) (with postage and other fees prepaid) as follows:

To IWS:
c/o AXLX as below.

To AXLX:
Axiologix, Inc.
c/o InCorp Services
2360 Corporate Circle, Suite 400,
Henderson NV 89074-7739
Attn: Vincent Browne Chairman and CEO

To Acquiror:
Telco Worldwide Billing Corp
C/O Belmont Acquisitions Compliance Dept.
7135 E. Camelback Road Suite 230
Scottsdale, Arizona 85251
ATTN: David Mau, Chairman and President

To TCA:
TCA Fund Management Group
19950 West Country Club Drive
Aventura Florida 33180
ATTN: Donna Silverman, Managing Director

or to such other representative or at such other address of a Party as such Party may furnish to the other Parties in writing. Any such notice, communication or delivery shall be deemed given or made (a) on the date of delivery, if delivered in person, (b) upon transmission by facsimile if receipt is confirmed by telephone, (c) on the first (1st) Business Day following delivery to a national overnight courier service or (d) on the fifth (5th) Business Day following it being mailed by registered or certified mail.

Article 11.2 Schedules and Exhibits. The IWS Disclosure Letter, Acquiror Disclosure Letter, TCA Consent and Exhibits are hereby incorporated into this Agreement and are hereby made a part hereof as if set out in full herein.

Article 11.3 Assignment; Successors in Interest. No assignment or transfer by any Party of such Party's rights and obligations hereunder shall be made except with the prior written consent of the other Parties. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns, and any reference to a Party shall also be a reference to the successors and permitted assigns thereof.

Article 11.4 Captions. The titles, captions and table of contents contained herein are inserted herein only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.

Article 11.5 Controlling Law. This Agreement shall be governed by and construed and enforced in accordance with the internal Laws of the State of Arizona without reference to its choice of law rules.

Article 11.6 Severability. Any provision hereof that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by Law, each Party hereby waives any provision of Law that renders any such provision prohibited or unenforceable in any respect.

Article 11.7 Counterparts; Facsimile. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this Agreement or the terms hereof to produce or account for more than one of such counterparts. This Agreement and any document executed and delivered in connection with this Agreement, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or as an attachment to an electronic mail message in "pdf" or similar format, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any Party to any such agreement or instrument, each other Party hereto or thereto shall re-execute original forms thereof and deliver them to all other Parties. No Party to any such agreement or instrument shall raise the use of a facsimile machine or electronic mail attachment in "pdf" or similar format to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or as an attachment to an electronic mail message as a defense to the formation of a contract and each such Party forever waives any such defense. A facsimile signature or electronically scanned copy of a signature shall constitute and shall be deemed to be sufficient evidence of a Party's execution of this Agreement, without necessity of further proof. Each such copy shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

Article 11.8 Enforcement of Certain Rights. Nothing expressed or implied herein is intended, or shall be construed, to confer upon or give any Person other than the Parties, and their successors or permitted assigns, any right, remedy, obligation or liability under or by reason of this Agreement, or result in such Person being deemed a third-party beneficiary hereof.

Article 11.9 Waiver; Amendment. Any agreement on the part of a Party to any extension or waiver of any provision hereof shall be valid only if set forth in an instrument in writing signed on behalf of such Party. A waiver by a Party of the performance of any covenant, agreement, obligation, condition, representation or warranty shall not be construed as a waiver of any other covenant, agreement, obligation, condition, representation or warranty. A waiver by any Party of the performance of any act shall not constitute a waiver of the performance of any other act or an

identical act required to be performed at a later time. This Agreement may not be amended, modified or supplemented except by written agreement of the Parties.

Article 11.10 Integration. This Agreement and the documents executed pursuant hereto supersede all negotiations, agreements and understandings among the Parties with respect to the subject matter hereof (except for any Confidentiality Agreement by and between the Parties which shall remain in effect until termination or expiration pursuant to its terms) and constitute the entire agreement among the Parties with respect thereto.

Article 11.11 Compliance with Bulk Sales Laws. Each Party hereby waives compliance by the Parties with the “bulk sales,” “bulk transfers” or similar Laws and all other similar Laws in all applicable jurisdictions in respect of the transactions contemplated by this Agreement.

Article 11.12 Interpretation. Where the context requires, the use of a pronoun of one gender or the neuter is to be deemed to include a pronoun of the appropriate gender. References herein to any Law shall be deemed to refer to such Law, as amended from time to time, and all rules and regulations promulgated thereunder. The words “include,” “includes,” and “including” shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation.” Except as otherwise indicated, all references in this Agreement to “Articles” and “Exhibits” are intended to refer to Articles of this Agreement and Exhibits of this Agreement.

Article 11.13 Cooperation Following the Closing. Following the Closing, each Party shall deliver to the other Parties such further information and documents and shall execute and deliver to the other Parties such further instruments and agreements as any other Party shall reasonably request to consummate or confirm the transactions provided for herein, to accomplish the purpose hereof or to assure to any other Party the benefits hereof.

Article 11.14 Record and Audits. For as long as AXLX holds its Acquired Shares in Acquiror, Acquiror will maintain, at no cost to AXLX or IWS in accordance with GAAP (Generally Accepted Accounting Principles) such financial records and other records of services performed (including switch calling records) to substantiate all revenue, fees and charges in connection with this Agreement or any supplier and customer order issued pursuant to the Acquiror’s business in perpetuity following the Closing Date. If requested by AXLX, Acquiror will produce such records, and send them electronically to AXLX or produce such records for AXLX’s inspection, at AXLX expense, at Acquiror’s business office, where such records are kept, provided, however, that the inspection will be conducted in a manner not intended to disrupt unreasonably Acquiror’s business and will be restricted in scope, manner and duration to that reasonably necessary to achieve its purpose. AXLX will give reasonable notice of its intent to inspect such records. If, following an audit of Acquiror’s records, it is determined and agreed that Acquiror has materially misstated its net income, Acquiror will promptly credit AXLX’s royalty account and immediately pay to AXLX any excess amounts incurred by AXLX in its audit of Acquiror’s

records. Acquiror agrees to provide and agrees to request that its subcontractors and agents provide AXLX, its auditors and government authorities access to such records.

Article 11.15 Transaction Costs. Except as provided above or as otherwise expressly provided herein, (a) Acquiror shall pay its own fees, costs and expenses incurred in connection herewith and the transactions contemplated hereby, including the fees, costs and expenses of its financial advisors, accountants and counsel, and (b) IWS and AXLX shall pay the fees, costs and expenses of IWS and AXLX incurred in connection herewith and the transactions contemplated hereby, including the fees, costs and expenses of financial advisors, accountants and counsel to IWS and/or AXLX.

* * *

Signature Pages to Follow

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed, as of the date first above written.

IWS:

iWORLD SERVICES

By: 

Name: Vincent Browne

Title: Chief Executive Officer

PARENT COMPANY:

AXIOLOGIX, INC.

By: 

Name: Vincent Browne

Title: Chief Executive Officer

ACQUIROR:

TELCO WORLDWIDE BILLING CORP.

By: /s/ David Mau

Name: David Mau

Title: Chairman and President