



"Smarter Loyalty Solutions"

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**Schimatic Technologies Inc. (dba Smart Chip Technologies)**  
**Balance Sheet**  
**As of June 30, 2010**

	<u>Total</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts</b>	
900 U.S. Bank-6743	0.00
905 U.S. Bank-9998	0.00
910 Wells Fargo-2685	0.00
915 Wells Fargo-9926	0.00
920 US Bank-7085	0.00
925 US Bank-1997	2,943.52
930 Union Bank of CA	0.00
999 AP Adjusting Bank	<u>-950.05</u>
 Total Bank Accounts	 \$ 1,993.47
<b>Accounts Receivable</b>	
1100 Accounts Receivable	0.00
Total Accounts Receivable	<u>\$ 0.00</u>
<b>Other Current Assets</b>	
1000 Prepaid Expenses	0.00
1010 Employee Advances	0.00
1030 Retainer - Hutchison & Steffen	0.00
1031 Retainer - Ray Quinney & Nebekker	0.00
1032 Retainer - Wallin Harrison	0.00
1033 Retainer - David J Merrill, PLC	30,000.00
1040 Security Deposits	720.00
1050 Kruse, Landa In Trust	0.00
1060 Prepaid Philip Andreae	6,500.00
1070 Prepaid Investor Relations	<u>0.00</u>
Total 1000 Prepaid Expenses	<u>\$ 37,220.00</u>
Total Other Current Assets	<u>\$ 37,220.00</u>
 Total Current Assets	 \$ 39,213.47
<b>Fixed Assets</b>	
<b>1200 Fixed Assets</b>	
1210 Office Equipment	17,042.42
1220 Computer Equipment	197,174.00
1230 Office Furniture	77,108.00
1240 Software	15,341.00
1270 Incentive System IP & Patents	7,116,854.00
1280 Accumulated Depreciation	-305,672.00
1285 Amortization	<u>-46,854.00</u>
Total 1200 Fixed Assets	<u>\$ 7,070,993.42</u>
Total Fixed Assets	<u>\$ 7,070,993.42</u>



<b>Other Assets</b>	
3105 Note Receivable-Airos	0.00
<b>Total Other Assets</b>	<u>\$ 0.00</u>
<b>TOTAL ASSETS</b>	<b>\$ 7,110,206.89</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2000 Accounts Payable	-500.00
2005 Accounts Payable	1,469,545.68
2010 Disputed Payables	0.00
	<u>0.00</u>
<b>Total 2000 Accounts Payable</b>	<b>\$ 1,469,045.68</b>
<b>Total Accounts Payable</b>	<b>\$ 1,469,045.68</b>
<b>Other Current Liabilities</b>	
2020 Management Services Payable - Rambe Capital, Inc.	580,000.00
2025 Management Services Payable - Airos	150,000.00
2040 Legal Settlements Payable	0.00
2045 Expenses Payable - Miki Radivojsa	10,907.62
2050 Deferred Compensation, Expenses and Settlements	0.00
2056 David J. Simon	0.00
2057 Elaine K. Simon	0.00
2058 Debra J. Feraco	0.00
2059 Bernard F. McHale	0.00
2060 Peter Bennee	0.00
2061 Greg Morrison	0.00
2062 Sandra E. Lueck	0.00
2063 Jani Goins	0.00
2064 Donna Kreutz	0.00
2066 Phil Voelker	0.00
2067 David Abplanalp	0.00
2068 Joe Coykendall	0.00
2069 Richard Hauge	0.00
2070 John Hipsley	0.00
2071 Rhoda Debes	0.00
2072 John Berkenpas	0.00
2073 Verlo Howell	40,590.00
	<u>40,590.00</u>
<b>Total 2050 Deferred Compensation, Expenses and Settlements</b>	<b>\$ 40,590.00</b>
<b>2100 Payroll Liabilities</b>	0.00
<b>2110 Payroll Taxes Payable-EE</b>	
2111 Federal Withholding Tax	0.00
2113 UT SWT Payable	0.00
2114 CA SWT Payable	0.00
	<u>0.00</u>
<b>Total 2110 Payroll Taxes Payable-EE</b>	<b>\$ 0.00</b>



2120 Payroll Taxes Payable-ER		
2124 FUTA Payable		0.00
2126 UT SUTA Payable		0.00
		<hr/>
Total 2120 Payroll Taxes Payable-ER	\$	<b>0.00</b>
Total 2100 Payroll Liabilities	\$	<b>0.00</b>
2200 Notes Payable		
2215 Senior Secured Note		0.00
2216 Senior Secured Note Interest		0.00
2217 Senior Secured Note - Mac		0.00
		<hr/>
Total 2215 Senior Secured Note	\$	<b>0.00</b>
2218 Convertible Promissory Note - Principal		349,087.09
2219 Convertible Promissory Note - Interest		42,776.65
2220 Short Term Loan		138,175.00
2225 Loans Payable Shareholders		32,700.00
		<hr/>
Total 2200 Notes Payable	\$	<b>562,738.74</b>
2201 Phoenix Payable		
2230 Loans Payable - Phoenix Canada		-4,987.72
2231 Interest Payable - Phoenix Canada		-281.00
2240 Loans Payable - Phoenix US		-2,211.01
2241 Interest Payable - Phoenix US		402.26
2250 Loans Payable - Phoenix TCI		138,672.63
2251 Interest Payable - Phoenix TCI		15,480.99
		<hr/>
Total 2201 Phoenix Payable	\$	<b>147,076.15</b>
2202 Airos Deferred Interest		0.00
2300 Old Taxes and Penalties Payable		
2330 IRS-Federal Payroll Taxes		300,000.00
2335 IRS-Penalties & Interest		0.00
2336 IRS Payments		-37,500.00
2340 NE State Payroll Taxes		0.00
2341 NE State Payroll Taxes Penalties & Interest		0.00
2345 UT State Tax Commission		26,757.24
2346 UT State Tax Commission Penalties & Interest		36,080.93
2350 CA EDD		43,797.61
2351 CA Franchise Tax		0.00
2352 CA EDD Penalties & Interest		42,902.08
2353 CA Franchise Tax Penalties & Interest		0.00
2354 State Late Fees		2,181.00
		<hr/>
Total 2300 Old Taxes and Penalties Payable	\$	<b>414,218.86</b>
2400 Accrued Audit Fees		44,367.77
2999 Suspense		0.00



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Total Other Current Liabilities	\$	1,949,899.14
Total Current Liabilities	\$	3,418,944.82
Long Term Liabilities		
2205 IBM		
2206 IBM Payable		0.00
2207 IBM Accrued Interest		0.00
Total 2205 IBM	\$	0.00
2210 Due to Phoenix Technology Holding Inc. - Non-Interest Bearing		0.00
2260 Due to CEO		150,000.00
Total Long Term Liabilities	\$	150,000.00
Total Liabilities	\$	3,568,944.82
Equity		
3000 Opening Bal Equity		-63,805,403.00
3095 Shares Payable - Airos		0.00
3100 Equity		
3110 Common Stock (Par Value .001)		578,687.06
3123 Additional Paid In Capital		80,346,696.48
Total 3100 Equity	\$	80,925,383.54
3130 Subscriptions Receivable		0.00
3131 Reserve for Valuation Allowance		0.00
3900 Retained Earnings		-13,167,494.05
Net Income		-411,224.42
Total Equity	\$	3,541,262.07
TOTAL LIABILITIES AND EQUITY	\$	7,110,206.89

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