MAX SOUND CORP

FORM 10-Q
(Quarterly Report)

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2022

☐ TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the transition period from ______to______.

Commission file number 000-51886

MAX SOUND CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**26-3534190**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

3525 Del Mar Heights Road #802, San Diego, CA 92130
(Address of principal executive offices) (Zip Code)

(800) 327-6293
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated Filer	☐	Accelerated Filer	☐
Non-accelerated Filer	☐	Smaller reporting company	☒
(Do not check if a smaller reporting company)		Emerging growth company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock.

As of August 30, 2022, the registrant had 7,828,769,489 shares, par value $0.00001 per share, of common stock issued and outstanding.

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PART I-- FINANCIAL INFORMATION

PART II-- OTHER INFORMATION

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

This Quarterly Report on Form 10-Q (this "Report") contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements discuss matters that are not historical facts. Because they discuss future events or conditions, forward-looking statements may include words such as "anticipate," "believe," "estimate," "intend," "could," "should," "would," "may," "seek," "plan," "might," "will," "expect," "predict," "project," "forecast," "potential," "continue," negatives thereof or similar expressions. Forward-looking statements speak only as of the date they are made, are based on various underlying assumptions and current expectations about the future and are not guarantees. Such statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, level of activity, performance or achievement to be materially different from the results of operations or plans expressed or implied by such forward-looking statements.

We cannot predict all of the risks and uncertainties. Accordingly, such information should not be regarded as representations that the results or conditions described in such statements or that our objectives and plans will be achieved, and we do not assume any responsibility for the accuracy or completeness of any of these forward-looking statements. These forward-looking statements are found at various places throughout this Report and include information concerning possible or assumed future results of our operations, including statements about potential acquisition or merger targets; business strategies; future cash flows; financing plans; plans and objectives of management; any other statements regarding future acquisitions, future cash needs, future operations, business plans and future financial results, and any other statements that are not historical facts.

These forward-looking statements represent our intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors. Many of those factors are outside of our control and could cause actual results to differ materially from the results expressed or implied by those forward-looking statements. Considering these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than we have described. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Report. All subsequent written and oral forward-looking statements concerning other matters addressed in this Report and attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this Report.

Except to the extent required by law, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, a change in events, conditions, circumstances or assumptions underlying such statements, or otherwise.

CERTAIN TERMS USED IN THIS REPORT

When this report uses the words "we," "us," "our," and the "Company," they refer to Max Sound Corporation, and "SEC" refers to the Securities and Exchange Commission.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

When this report uses the words "we," "us," "our," and the "Company," they refer to Max Sound Corporation, and "SEC" refers to the Securities and Exchange Commission.

PART I FINANCIAL INFORMATION

MAX SOUND CORPORATION

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Max Sound Corporation
Condensed Balance Sheets

ASSETS

	June 30, 2022 (UNAUDITED)	December 31, 2021
Total Assets	**$ 56**	**$ -**

LIABILITIES AND STOCKHOLDERS' DEFICIT

	June 30, 2022 (UNAUDITED)	December 31, 2021
Current Liabilities		
Accounts payable	$ 890,488	$ 863,061
Cash overdraft	-	47
Accrued expenses	3,147,765	2,870,458
Accrued expenses - related party	3,290,311	2,910,864
Judgement payable	819,626	819,626
Line of credit - related party	334,816	363,336
Convertible note payable	5,792,429	5,940,429
Total Current Liabilities	**14,275,435**	**13,767,821**
Commitments and Contingencies	-	-
Stockholders' Deficit		
Preferred stock, $0.0001 par value; 10,000,000 shares authorized, No shares issued and outstanding	-	-
Series, A Convertible Preferred stock, $0.00001 par value; 10,000,000 shares authorized, 10,000,000 and 10,000,000 shares issued and outstanding, respectively	100	100
Common stock, $0.00001 par value; 10,000,000,000 shares authorized, 7,352,186,157 and 6,878,852,823 shares issued and outstanding, respectively	75,450	70,717
Additional paid-in capital	71,271,501	71,063,234
Treasury stock	(534,575)	(534,575)
Accumulated deficit	(85,087,855)	(84,367,297)
Total Stockholders' Deficit	**(14,275,379)**	**(13,767,821)**
Total Liabilities and Stockholders' Deficit	**$ 56**	**$ 0**

See accompanying notes to condensed unaudited financial statements

Max Sound Corporation
Condensed Statements of Operations
(UNAUDITED)

	For the Three Months Ended,		For the Six Months Ended,	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Revenue	$ -	$ -	$ -	$ 251,000
Operating Expenses				
General and administrative	8,077	213,649	47,620	231,810
Professional fees	8,500	38,334	27,200	42,334
Compensation	72,000	72,000	144,000	144,000
Total Operating Expenses	88,577	323,983	218,820	418,144
Loss from Operations	(88,577)	(323,983)	(218,820)	(167,144)
Other Income / (Expense)				
Interest expense	(132,738)	(134,440)	(266,291)	(270,471)
Interest expense - related party	(118,239)	(119,010)	(235,447)	(236,699)
Total Other Income / (Expense)	(250,977)	(253,450)	(501,738)	(507,170)
Provision for Income Taxes	-	-	-	-
Net Loss	**$ (339,554)**	**$ (577,433)**	**$ (720,558)**	**$ (674,314)**
Net Loss Per Share - Basic and Diluted	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**
Weighted average number of shares outstanding during the year Basic and Diluted	**7,315,775,900**	**66,866,808,624**	**7,098,521,331**	**6,766,532,381**

See accompanying notes to condensed unaudited financial statements

Max Sound Corporation
Condensed Statement of Changes in Stockholders' Deficit
For the three and six months ended June 30, 2022 and 2021
(UNAUDITED)

	Series A Preferred Stock		Preferred stock		Common stock		Additional paid-in capital	Accumulated Deficit	Treasury Stock	Total Stockholder's Deficit
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance, December 31, 2021	**10,000,000**	**$ 100**	**-**	**$ -**	**6,878,852,824**	**$ 70,717**	**$71,063,234**	**$ (84,367,297)**	**$ (534,575)**	**$ (13,767,821)**
Common stock issued in exchange for note payable ($0.00045/sh)	-	-	-	-	473,333,333	4,733	208,267	-	-	213,000
Net loss for the six months ended June 30, 2022	-	-	-	-	-	-	-	(720,558)	-	(720,558)
Balance, June 30, 2022 (Unaudited)	**10,000,000**	**$ 100**	**-**	**$ -**	**7,352,186,157**	**$ 75,450**	**$71,271,501**	**$ (85,087,855)**	**$ (534,575)**	**$ (14,275,379)**
Balance, March 31, 2022 (Unaudited)	**10,000,000**	**$ 100**	**-**	**$ -**	**6,878,852,824**	**$ 70,714**	**$71,063,234**	**$ (84,748,301)**	**$ (534,575)**	**$ (14,148,825)**
Common stock issued in exchange for note payable ($0.00045/sh)	-	-	-	-	473,333,333	4,733	208,267	-	-	213,000
Net loss for the three months ended June 30, 2022	-	-	-	-	-	-	-	(339,554)	-	(339,554)
Balance, June 30, 2022 (Unaudited)	**10,000,000**	**$ 100**	**-**	**$ -**	**7,352,186,157**	**$ 75,447**	**$71,271,501**	**$ (85,087,855)**	**$ (534,575)**	**$ (14,275,379)**
Balance, December 31, 2020	**10,000,000**	**$ 100**	**-**	**$ -**	**6,583,852,824**	**$ 65,967**	**$70,787,984**	**$ (82,972,471)**	**$ (534,575)**	**$ (12,652,995)**
Common stock issued in exchange for note payable ($0.0008/sh)	-	-	-	-	275,000,000	2,750	217,250	-	-	220,000

Common stock issued for services ($0.003/sh)	-	-	-	-	20,000,000	2,000	58,000	-	-	60,000
Net loss for the six months ended June 30, 2021	-	-	-	-	-	-	-	(674,314)	-	(674,314)
Balance, June 30, 2021 (Unaudited)	**10,000,000**	**$ 100**	**-**	**$ -**	**6,878,852,824**	**$ 70,717**	**$71,063,234**	**$ (83,646,785)**	**$ (534,575)**	**$ (13,047,309)**
Balance, March 31, 2021 (Unaudited)	**10,000,000**	**$ 100**	**-**	**$ -**	**6,858,852,824**	**$ 68,717**	**$71,005,234**	**$ (83,069,352)**	**$ (534,575)**	**$ (12,529,876)**
Common stock issued for services ($0.003/sh)	-	-	-	-	20,000,000	2,000	58,000	-	-	60,000
Net loss for the three months ended June 30, 2021	-	-	-	-	-	-	-	(577,433)	-	(577,433)
Balance, June 30, 2021 (Unaudited)	**10,000,000**	**$ 100**	**-**	**$ -**	**6,878,852,824**	**$ 70,717**	**$71,063,234**	**$ (83,646,785)**	**$ (534,575)**	**$ (13,047,309)**

See accompanying notes to condensed unaudited financial statements

Max Sound Corporation
Condensed Statements of Cash Flows
(UNAUDITED)

	For the Six Months Ended, June 30, 2022	June 30, 2021
Cash Flows From Operating Activities:		
Net Loss	$ (720,558)	$ (674,314)
Adjustments to reconcile net loss to net cash used in operations		
Stock issued for services	-	60,000
Increase in prepaid expenses	-	(3,000)
Increase in accounts payable	27,427	8,847
Increase in accrued expenses	277,307	281,499
Increase in accrued expenses - related party	379,447	378,700
Net Cash Provided by (Used in) Operating Activities	**(36,377)**	**51,732**
Net Cash Used In Investing Activities	**-**	**-**
Cash Flows From Financing Activities:		
Proceeds from stockholder loans / lines of credit	11,520	61,485
Repayment from stockholder loans / lines of credit	(40,040)	(112,143)
Cash overdraft	(47)	-
Proceeds from issuance of convertible note	65,000	-
Net Cash Provided by (Used in) Financing Activities	**36,433**	**(50,658)**
Net Increase in Cash	**56**	**1,074**
Cash at Beginning of Period	-	-
Cash at End of Period	**$ 56**	**$ 1,074**
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ -	$ -
Cash paid for taxes	$ -	$ -
Supplemental disclosure of non-cash investing and financing activities:		
Shares issued in conversion of convertible debt	$ 213,000	$ -

See accompanying notes to condensed unaudited financial statements

Max Sound Corporation
Financial Position

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION

(A) Organization and Basis of Presentation

Max Sound Corporation (the "Company") was incorporated in Delaware on December 9, 2005, under the name 43010, Inc. The Company's business operations are focused primarily on developing and launching audio technology software.

Effective March 1, 2011, the Company filed with the State of Delaware a Certificate of Amendment of Certificate of Incorporation changing our name from So Act Network, Inc. to Max Sound Corporation.

On August 9, 2016, the Company moved a level down from OTCQB to OTC Pink Current Information where it is within the continued standards and pricing requirements as found in Section 2 of the OTCQB Eligibility Standards. The Company's services may re-apply at any time after a price increase to meet all the OTCQB Eligibility Standards to be moved back to the higher OTCQB marketplace.

It is management's opinion, however, that all material adjustments (consisting of normal and recurring adjustments) have been made which are necessary for a fair financial statement presentation. The results for the interim period are not necessarily indicative of the results to be expected for the year.

These unaudited interim financial statements should be read in conjunction with the consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC on April 19, 2022.

(B) Risks and Uncertainties

In December 2019, a novel strain of coronavirus (COVID-19) emerged in Wuhan, Hubei Province, China. While initially the outbreak was largely concentrated in China and caused significant disruptions to its economy, it has now spread to several other countries and infections have been reported globally.

Because COVID-19 infections have been reported throughout the United States, certain federal, state and local governmental authorities have issued stay-at-home orders, proclamations and/or directives aimed at minimizing the spread of COVID-19. Additional, more restrictive proclamations and/or directives may be issued in the future. As a result, all of our office locations have been closed effective April 1, 2020.

The ultimate impact of the COVID-19 pandemic on the Company's operations is unknown and will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration of the COVID-19 outbreak, new information which may emerge concerning the severity of the COVID-19 pandemic, and any additional preventative and protective actions that governments, or the Company, may direct, which may result in an extended period of continued business disruption, reduced customer traffic and reduced operations.

(C) Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates.

(D) Cash Equivalents

For purposes of the cash flow statements, the Company considers all highly liquid investments with original maturities of three months or less at the time of purchase to be cash equivalents. As of June 30, 2022, and December 31, 2021, the Company had no cash equivalents.

(E) Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Expenditures for maintenance and repairs are charged to expense as incurred.

Depreciation is provided using the straight-line method over the estimated useful life of three to five years.

(F) Research and Development

The Company has adopted the provisions of FASB Accounting Standards Codification No. 350, Intangibles - Goodwill & Other ("ASC Topic 350"). Costs incurred in the planning stage of a website are expensed as research and development while costs incurred in the development stage are capitalized and amortized over the life of the asset, estimated to be three years. Expenses subsequent to the launch have been expensed as website development expenses.

(G) Concentration of Credit Risk

The Company at times has had cash in banks in excess of FDIC insurance limits. The Company had $0 in excess of FDIC insurance limits as of June 30, 2022 and December 31, 2021.

(H) Revenue Recognition

Effective January 1, 2018, the Company adopted ASC 606 - Revenue from Contracts with Customers. Under ASC 606, the Company recognizes revenue from the commercial sales of products, licensing agreements and contracts by applying the following steps: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to each performance obligation in the contract; and (5) recognize revenue when each performance obligation is satisfied. For the comparative periods, revenue has not been adjusted and continues to be reported under ASC 605 - Revenue Recognition. Under ASC 605, revenue is recognized when the following criteria are met: (1) persuasive evidence of an arrangement exists; (2) the performance of service has been rendered to a customer or delivery has occurred; (3) the amount of fee to be paid by a customer is fixed and determinable; and (4) the collectability of the fee is reasonably assured.

(I) Loss Per Share

In accordance with accounting guidance now codified as FASB ASC Topic 260, "Earnings per Share," Basic earnings (loss) per share ("EPS") is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding during the period, excluding the effects of any potentially dilutive securities. Diluted EPS gives effect to all dilutive potential of shares of common stock outstanding during the period including stock options or warrants, using the treasury stock method (by using the average stock price for the period to determine the number of shares assumed to be purchased from the exercise of stock options or warrants), and convertible debt or convertible preferred stock, using the if-converted method. Diluted EPS excludes all dilutive potential of shares of common stock if their effect is anti-dilutive. Because of the Company's net losses, the effects of stock warrants and stock options would be anti-dilutive and, accordingly, is excluded from the computation of earnings per share.

The computation of basic and diluted loss per share for the three and six months ended June 30, 2022 and 2021, excludes the common stock equivalents of the following potentially dilutive securities because their inclusion would be anti-dilutive:

	June 30, 2022	June 30, 2021
Convertible Debt (Exercise price - $0.0001 - $0.000061/share)	10,663,523,277	117,980,324,264
Series A Convertible Preferred Shares ($0.01/share)	250,000,000	250,000,000
Total	10,913,523,277	118,230,324,264

The Company's obligations to issue shares upon conversion of its outstanding convertible notes, the exercise of stock options and warrants and conversion of its preferred stock (the "Convertible Instruments") at current market prices for its common stock exceeds by the 7,792,376,100 authorized but unissued shares of Common Stock as of the date of this report (the "Potentially Issuable Shares"). While it is uncertain whether the Company would receive requests to issue all of the Potentially Issuable Shares and the number of such shares fluctuates based on the market price of the Company's common stock, the Company may increase the number of its authorized shares of common stock or effectuate a recapitalization, or a combination of both, in order to make available additional shares of its Common Stock for the Potentially Issuable Shares. Such action would require shareholder approval. Until such time as the Company has a sufficient number of shares of its Common Stock for issuance to cover the Potentially Issuable Shares, the Company could be subject to penalties and damages to the holders of the Convertible Instruments in the event it does not deliver the Potentially Issuable Shares upon request by a holder of the Convertible Instruments. Furthermore, the lack of available shares of common stock may be deemed a default under one or more of the Convertible Instruments.

(J) Income Taxes

The Company recognizes deferred tax assets and liabilities for the expected future tax consequences of items that have been included or excluded in the financial statements or tax returns. Deferred tax assets and liabilities are determined on the basis of the difference between the tax basis of assets and liabilities and their respective financial reporting amounts ("temporary differences") at enacted tax rates in effect for the years in which the temporary differences are expected to reverse.

The Company adopted the provisions of Accounting Standards Codification ("ASC") Topic 740-10, which prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

Management has evaluated and concluded that there are no material tax positions requiring recognition in the Company's unaudited condensed consolidated financial statements as of June 30, 2022. The Company does not expect any significant changes in its unrecognized tax benefits within twelve months of the reporting date. The Company's, 2019, 2020, and 2021 tax returns remain open for audit for Federal and State taxing authorities.

The Company's policy is to classify assessments, if any, for tax related interest as interest expense and penalties as general and administrative expenses in the statement of operations.

(K) Business Segments

The Company operates in one segment and therefore no segment information is not presented.

(L) Recent Accounting Pronouncements

Changes to accounting principles are established by the FASB in the form of ASUs to the FASB's Codification. We consider the applicability and impact of all ASUs on our financial position, results of operations, stockholders' deficit, cash flows, or presentation thereof. Management has evaluated all recent accounting pronouncements as issued by the FASB in the form of Accounting Standards Updates ("ASU") through the date these financial statements were available to be issued and found no recent accounting pronouncements issued, but not yet effective accounting pronouncements, when adopted, will have a material impact on the financial statements of the Company.

In August 2020, FASB issued ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity; Own Equity ("ASU 2020-06"), as part of its overall simplification initiative to reduce costs and complexity of applying accounting standards while maintaining or improving the usefulness of the information provided to users of financial statements. Among other changes, the new guidance removes from GAAP separation models for convertible debt that require the convertible debt to be separated into a debt and equity component, unless the conversion feature is required to be bifurcated and accounted for as a derivative or the debt is issued at a substantial premium. As a result, after adopting the guidance, entities will no longer separately present such embedded conversion features in equity and will instead account for the convertible debt wholly as debt. The new guidance also requires use of the "if-converted" method when calculating the dilutive impact of convertible debt on earnings per share, which is consistent with the Company's current accounting treatment under the current guidance. The guidance is effective for financial statements issued for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years, with early adoption permitted, but only at the beginning of the fiscal year. The Company adopted the guidance under ASU 2020-06 on January 1, 2022. The adoption of this guidance and had no material impact on the Company's financial statements.

(M) Fair Value of Financial Instruments

The carrying amounts on the Company's financial instruments including accounts payable, derivative liability, convertible note payable, and note payable, approximate fair value due to the relatively short period to maturity for these instruments.

We adopted accounting guidance for financial and non-financial assets and liabilities (ASC 820). The adoption did not have a material impact on our results of operations, financial position or liquidity. This standard defines fair value, provides guidance for measuring fair value and requires certain disclosures.

This standard does not require any new fair value measurements, but rather applies to all other accounting pronouncements that require or permit fair value measurements. This guidance does not apply to measurements related to share-based payments. This guidance discusses valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flow), and the cost approach (cost to replace the service capacity of an asset or replacement cost). The guidance utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3: Unobservable inputs in which little or no market data exists, therefore developed using estimates and assumptions developed by us, which reflect those that a market participant would use.

The following are the major categories of liabilities measured at fair value on a recurring basis: as of June 30, 2022 and December 31, 2021, using quoted prices in active markets for identical liabilities (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3):

	June 30, 2022 Fair Value Measurement Using				December 31, 2021 Fair Value Measurement Using			
	Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
	-	-	-	-	-	-	-	-

(N) Stock-Based Compensation

In December 2004, the FASB issued FASB Accounting Standards Codification No. 718, Compensation - Stock Compensation. Under FASB Accounting Standards Codification No. 718, companies are required to measure the compensation costs of share-based compensation arrangements based on the grant-date fair value and recognize the costs in the financial statements over the period during which employees are required to provide services. Share-based compensation arrangements include stock options, restricted share plans, performance-based awards, share appreciation rights and employee share purchase plans. As such, compensation cost is measured on the date of grant at their fair value. Such compensation amounts, if any, are amortized over the respective vesting periods of the option grant. The Company applies this statement prospectively.

Equity instruments (“instruments”) issued to other than employees are recorded based on the fair value of the instruments, as required by FASB Accounting Standards Codification No. 718. FASB Accounting Standards Codification No. 505, Equity Based Payments to Non-Employees defines the measurement date and recognition period for such instruments. In general, the measurement date is when either a (a) performance commitment, as defined, is reached or the earlier of (i) the non-employee performance is complete or (ii) the instruments are vested. The measured value related to the instruments is recognized over a period based on the facts and circumstances of each grant as defined in the FASB Accounting Standards Codification.

(O) Reclassification

Certain amounts from prior periods have been reclassified to conform to the current period presentation. These reclassifications had no impact on the Company’s net loss or cash flows.

NOTE 2 GOING CONCERN

As reflected in the accompanying condensed unaudited financial statements, the Company has an accumulated deficit of $85,087,855 stockholders’ deficit of $14,275,379 and working capital deficit of $14,275,379. These matters raise substantial doubt about the Company’s ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the Company’s ability to raise additional capital and implement its business plan.

As the Company continues to incur losses, transition to profitability is dependent upon the successful commercialization of its products and achieving a level of revenues adequate to support the Company's cost structure. The Company may never achieve profitability, and unless and until it does, the Company will continue to need to raise additional cash. Management intends to fund future operations through additional private or public debt or equity offerings. Based on the Company's operating plan, existing working capital at December 31, 2021 was not sufficient to meet the cash requirements to fund planned operations through December 31, 2022 without additional sources of cash. The Company continues to explore various financing alternatives, including debt and equity financings and strategic partnerships, as well as trying to generate revenue. However, at this time, the Company has no commitments to obtain any additional funds, and there can be no assurance such funds will be available on acceptable terms or at all. If the Company is unable to obtain additional funding and improve its operations, the Company's financial condition and results of operations may be materially adversely affected, and the Company may not be able to continue operations. This raises substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements have been prepared assuming that the Company will continue as a going concern and do not include adjustments that might result from the outcome of this uncertainty.

NOTE 3 DEBT AND ACCOUNTS PAYABLE

Debt consists of the following:

	As of June 30, 2022	As of December 31, 2021
Line of credit- related party	$ 334,816	$ 363,336
Accrued interest - related party	1,897,366	1,661,919
Accrued expenses - related party	1,392,945	1,248,945
Convertible debt	$ 5,792,429	$ 5,940,429
Total current debt	$ 9,417,556	$ 9,214,629

Line of credit - related party

Line of credit with the principal stockholder consisted of the following activity and terms:

	Principal	Interest Rate
Balance - December 31, 2021	$ 363,336	4%
Borrowings during the six months ended June 30, 2022	11,520	-
Repayments	(40,040)	-
Balance – June 30, 2022	$ 334,816	4%

Accounts payable consists of the following:

	As of June 30, 2022	As of December 31, 2021
Accounts Payable	$ 890,488	$ 863,061
Total accounts payable	$ 890,488	$ 863,061

(A) Convertible Debt

On December 20, 2019, the Company removed the variable component and penalties related to its convertible debt and made it a fixed price.

Convertible debt consisted of the following activity and terms:

Convertible Debt Balance as of December 31, 2021	$	5,940,429	4%-12%
Repayments		(213,000)	
Borrowing		65,000	6%-8%
Convertible Debt Balance as of June 30, 2022	$	5,792,429	4%-12%

On April 11, 2022, the Company issued a convertible promissory note in the amount of $15,000. The note carries a rate of 8% and is due on October 11, 2022. The note further contains a provision that the lender may convert any part of the note, including accrued interest, that is unpaid into the Company's common stock at a fixed rate.

On March 28, 2022, the Company issued a convertible promissory note in the amount of $5,000. The note carries a rate of 8% and is due on September 28, 2022. The note further contains a provision that the lender may convert any part of the note, including accrued interest, that is unpaid into the Company's common stock at a fixed rate.

On March 1, 2022, the Company issued a convertible promissory note in the amount of $15,000. The note carries a rate of 8% and is due on September 1, 2022. The note further contains a provision that the lender may convert any part of the note, including accrued interest, that is unpaid into the Company's common stock at a fixed rate.

On February 11, 2022, the Company issued two convertible promissory notes in the amount of $15,000 each. The note carries a rate of 6% and is due on August 11, 2022. The note further contains a provision that the lender may convert any part of the note, including accrued interest, that is unpaid into the Company's common stock at a fixed rate.

(D) Line of Credit - Related Party

During the six months ended June 30, 2022, the principal stockholder has advanced $11,520 and accrued $6,941 in interest and was repaid $40,040.

The line of credit balance and accrued interest as of June 30, 2022 and December 31, 2021 is $391,682 and $363,336, respectively.

NOTE 4 STOCKHOLDERS' DEFICIT

Common Stock

On April 8, 2022, the Company entered into a conversion agreement executed by a note holder for 473,333,333 shares based on a conversion price of $0.00045 per share in exchange for $213,000 convertible loan balance.

On April 20, 2021, the Company issued 20,000,000 shares of its common stock with a fair value of $60,000 ($0.003 /share) based on the most recent market value.

Stock Warrants

The Company had no outstanding and exercisable warrants as of June 30, 2022 and December 31, 2021.

Stock Options

The Company had no outstanding and exercisable stock options as of June 30, 2022 and December 31, 2021.

NOTE 5 COMMITMENTS AND CONTINGENCIES

On March 4, 2021, the Company signed a 10-year exclusive licensing agreement with TIP Solutions (Licensee) to implement the MAXD HD Audio Source Code into their mobile phone app and platforms. The Licensee was granted an exclusive license of MAX-D HD audio technology for an annual payment of $100,000 or $25,000 paid quarterly for up to 10 years.

The agreement also calls for a license fee split in the event the following occurs:

5. If Licensor is TIP - 20% of total license revenue received by TIP will be paid to Max Sound within 30 days of such receipts.

6. If the Licensor is Max Sound and combined with TIP Solutions Smart Call Assistant, 20% of total license revenue received by Max Sound will be paid to TIP within 30 days.

On March 10, 2021, the Company received a $100,000 payment from the Licensee.

On March 23, 2021, the Company signed a 10-year exclusive licensing agreement with Formula 4 Protocol (Licensee) to implement the MAXD HD Audio Source Code into their mobile phone app and platforms. The Licensee was granted an exclusive license of MAX-D HD audio technology for an annual payment of $100,000 or $25,000 paid quarterly for up to 10 years.

The agreement also calls for a license fee split in the event the following occurs:

1. If Licensor is Formula 4 Protocol - 20% of total license revenue received by Formula 4 Protocol will be paid to Max Sound within 30 days of such receipts.

2. If the Licensor is Max Sound and combined with Formula 4 Protocol, 20% of total license revenue received by Max Sound will be paid to Formula 4 Protocol within 30 days.

On March 23, 2021, the Company received a $150,000 payment from the Licensee.

NOTE 6 LITIGATION

On June 1, 2016, the Company was named as a defendant in an action filed in the Superior Court of the State of California, County of Los Angeles – Central District, captioned Adli Law Group, PC v. Max Sound Corporation (Case No. BC621886). Plaintiff alleges two causes of action for Breach of Contract and a cause of action for Common Counts, all arising out of the Company's alleged failure to pay for Plaintiff's legal services. Even though the Company was never served with the Complaint, default was entered against the Company. The Default has been set aside and the Company has responded to the Complaint with an Answer and Cross-Complaint for Breach of Contract, Professional Negligence, Breach of Fiduciary Duty, Conversion, and Fraud, due to the fact, that among other things, Adli Law reassigned the Company's primary patent to itself. The parties had begun the discovery phase of the litigation and the Judge had set a status hearing for January 19, 2018. On June 1, 2018, Adli filed a motion for summary judgment on numerous issues.

One issue raised by Adli (at the very end of their motion and in only a single paragraph) was that Max Sound was a forfeited corporation and thus, "is foreclosed from prosecuting any action in California courts." Adli did not raise this issue before filing its papers. Max Sound's counsel, SML Avvocati,

P.C. had since learned that the California Franchise Tax Board contended that Max Sound owed back taxes, hence the forfeiture. Max Sound hired a CPA tax specialist to assist with paying its outstanding taxes which the state finally agreed were approximately $8,000 instead of the $340,000 the state had arbitrarily wrongly calculated and the Company sought to obtain a revivor to cure its forfeited status and thus be able to regain its ability to both defend itself in this action and prosecute its counterclaims.

However, despite working diligently with the hope of resolving this issue before the summary judgment motion hearing set for September 6, 2018, Max Sound had not resolved its issues with the state of California and had not yet obtained a revivor. As a result of this issue and glaring mistakes by the Company's Counsel SML Avvocati, Max Sound had to respectfully request that the court grant a stay in the proceedings until Max Sound was able to obtain a revivor or, in the alternative, a continuance of all proceedings. A stay or continuance was necessary because Max Sound's counsel would not be able to respond to the pending summary judgment motion (or any other substantive proceeding), and Max Sound would be unable to defend itself against this action or prosecute its cross-complaint until Max Sound's forfeited status was cured. The court provided a summary default judgment in favor of Adli one day before Max Sound obtained a revivor.

In response, the Company hired Klapach & Klapach, P.C. who filed an application for an extension to file an opening brief. The extension was granted, and the opening brief was filed April 26, 2019. Adli responded with a Respondent Brief, Appendix and Motion to Augment. Max Sound's counsel filed a reply brief.

In the conclusion of the brief, Max Sound's counsel Mr. Klapach stated:

"The trial court committed error in granting summary judgment in the Adli Firm's favor. Based on the Adli Firm's own evidence, there were triable issues of fact regarding the Adli Firm's claims for unpaid fees. With respect to the Steele Litigation, nearly all of the unpaid invoices that the Adli Firm sought to recover were for legal services that were separately billed to Mr. Trammell for Mr. Trammell, Mr. Wolff, and Audio Genesis's defense. The record also reflects that Dr. Adli orally agreed to look solely to Mr. Trammell and Mr. Wolff for payment of the Adli Firm's fees. With respect to the patent prosecution representation, triable issues of fact existed as to whether the Adli Firm's admitted error in identifying itself – instead of Max Sound – as the assignee of the MAXD patent was a material breach that excused Max Sound's performance and/or entitled Max Sound to set off. With respect to the Cross-Complaint, the trial court erred in concluding that Max Sound lacked the capacity to sue when Max Sound had presented the court with a Certificate of Revivor prior to the summary judgment hearing. The trial court also erred in refusing to grant Max Sound a short continuance so that it could pay its outstanding taxes and obtain a Certificate of Revivor."

No assurance can be given as to the ultimate outcome of these actions or their effect on the Company however the Company is confident it will receive a reversal in of the Summary Judgment and ultimately succeed in its cross complaint against the Adli Firm.

On September 2, 2021, the honorable Judge Latham of the United States Bankruptcy Court Southern District of California, approved a global settlement in the Chapter's 11 and 7 bankruptcy filing (case number 20-01894) of Greg Halpern - Max Sound Founder and CEO. Although there are more motions and procedures still to be completed over the next few months, we believe this is an extremely positive outcome to our future. In addition, there are ongoing positive discussions with Google on their related claim that we expect to result in an outcome economically beneficial to the company and its founder.

On June 1, 2016, the Company was named as a defendant in an action filed in the Superior Court of the State of California, County of Los Angeles – Central District, captioned Adli Law Group, PC v. Max Sound Corporation (Case No. BC621886). Plaintiff alleges two causes of action for Breach of Contract and a cause of action for Common Counts, all arising out of the Company's alleged failure to pay for Plaintiff's legal services. Even though the Company was never served with the Complaint, default was entered against the Company. The Default has been set aside and the Company has responded to the Complaint with an Answer and Cross-Complaint for Breach of Contract, Professional Negligence, Breach of Fiduciary Duty, Conversion, and Fraud, due to the fact, that among other things, Adli Law reassigned the Company's primary patent to itself. The parties had begun the discovery phase of the litigation and the Judge had set a status hearing for January 19, 2018. On June 1, 2018, Adli filed a motion for summary judgment on numerous issues. On September 6, 2018, The court provided a summary default judgment in favor of Adli one day before Max Sound obtained a revivor.

No assurance can be given as to the ultimate outcome of these actions or their effect on the Company however the Company is confident it will receive a reversal in of the Summary Judgment and ultimately succeed in its cross complaint against the Adli Firm.

On September 2, 2021, the United States Bankruptcy Court Southern District of California, approved a global settlement in the Chapter's 11 and 7 bankruptcy filing (case number 20-01894) of Greg Halpern - Max Sound Founder and CEO. The Court Granted Discharge on March 13, 2022.

One new item substantial in our 8K later this week will positively alter our entire legal future in the best possible way.

NOTE 7 SUBSEQUENT EVENTS

On December 13, 2021, the company entered into an exclusive Sales, Marketing and Distribution Partnership Agreement to work in an enterprise known as InGroundAssets in partnership with Jose Ignacio Natera Ramirez. The Company acquired certain rights to assets that can be harvested in Mexico in exchange for 300 million shares of the Company. An 8K will be filed no later than the current week of this filing demonstrating that the first income payment of five figures and second payment of six figures expected by quarter end from our Partnership for certain additional income will represent the success beginning in the InGroundAssets program.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following plan of operation provides information which management believes is relevant to an assessment and understanding of our results of operations and financial condition. The discussion should be read along with our financial statements and notes thereto. This section includes a number of forward-looking statements that reflect our current views with respect to future events and financial performance. Forward-looking statements are often identified by words like believe, expect, estimate, anticipate, intend, project and similar expressions, or words which, by their nature, refer to future events. You should not place undue certainty on these forward-looking statements. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our predictions.

Overview

ViBelt

MAXD "The Consumer Audio Brand"

MAX-D is the only audio brand proven over and over in CONSUMER TEST AFTER TEST to be THE PREFERRED AUDIO CHOICE always chosen by RETAIL CUSTOMER BUYERS (YOU & EVERYONE YOU KNOW). Think "The Pepsi Challenge" According to thousands of participants, over the past several years "MAX-D just sounds better" than whatever listening device was used. Bose, Beats, Sony headphones, Harmon Kardon & Bang & Olufsen Car Audio Infotainment Systems, Apple Air Pods, Samsung Galaxy Mobile Smart Phones and JBL Speaker Bars are just a few of those tested straight up. In the only study of its type, the renowned hearing research center at the University of Florida Gainesville Blind Consumer Study demonstrated that the significant majority of Consumers preferred MAX-D at safe hearing levels.

MAXD "The Secret Sauce"

The MAX-D Secret Sauce is an epic proprietary breakthrough and patented-process that uses advanced resynthesis to restore lost, compressed harmonics and bring true high definition (HD) live sound to digital media without affecting file size or energy consumption. Consumers have shown their love for MAX-D by previously downloading the MAX-D app from both app stores over a million times which occurred with an unprecedented zero marketing dollars campaign. A new Native App to all formats will be launched later in 2021 that will be greatly improved and is expected to generate significant revenue for MAX-D and its partners. Late summer and early fall of 2021 will feature the release of the cloud based player version of MAX-D onto high traffic web platforms in mainstream Music, TV, Movies, eSports and Online Gaming with many of the brands consumers already know, use and pay for.

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A MARKET FOR **BETTER AUDIO**

MAX-D HD requires no special software, no altering of file formats and does not change the files size. Consumers get the convenience, as well as better audio.

MAX-D BENEFITS:

- Increases dynamic range, eliminates destructive effects of audio compression with no increase in file size or transmission bandwidth
- High-resolution audio reproduction with an omni-directional sound field using only two speakers

- “Real” three-dimensional sound field, versus artificial sound field created by competing technologies
- More realistic “live performance” quality of all recordings with optimal dynamic range, bass response and overall clarity

ANYWHERE AUDIO CAN GO **SO CAN MAX-D**

MOBILE - Communication | Voice – Data | Entertainment **ENTERTAINMENT -** Music | Movies | Audiobooks | Streaming Content | Live Events **MULTI-MEDIA -** Computing | Gaming | E-Sports **CONSUMER -** Home Theater | Portable Audio Players | Live Concert Sound | Automotive

CONSUMERS WANT BETTER AUDIO

Consumers have unknowingly sacrificed better audio quality for portable convenience.

Throughout history, we have attempted to capture, enhance and reproduce audio. During past century almost every generation has used a different audio delivery system and player reproduce audio. Some advancements in "Audio" were superior and some were sub-par, most were more convenient but often had inferior quality.

The most commonly used digital audio file today is an MP3. The general population has sacrificed the audio quality for convenience.

MAX-D DELIVERY & IMPLEMENTATION

The MAX-D process is the ONLY true dynamic process with the ability to deliver Pure HD Audio on existing hardware in real time. MAX-D consumers have the ability to "customize" their playback - as everyone wants to hear their audio differently.

The MAX-D process is available in four different versions, they are:

1. **MAX-D Cloud Player**
2. **MAX-D Smart Phone App**
3. **API (Application Program Interface)**
4. **MAX-D Software Program**

MAX-D Cloud Player - The MAX-D Cloud Player is a full featured version of the MAX-D Technology that can be implemented on any streaming service, or online platform in a very short amount of time, with very little coding or development required. This allows MAX-D partners to quickly adopt MAX-D HD Audio with no hassle.

MAX-D Smart Phone App - The MAX-D APP is used on a Smartphone with a least a 1 GHz processor. Android and iOS versions will be available in the very near future. The APP is a full-featured player with all the controls you would expect. Included are: genre settings for the consumer to choose the type of audio, a bypass for on/off functionality so the consumer can hear and feel the MAX-D difference and a harmonic tone control with three dynamic ranges for further customization.

API (Application Program Interface) - Devices (Original Equipment Manufacturer). The API allows the OEM developers to design their own custom interface. NOTE: The genre presets can be customized by MAX SOUND if necessary for specific types or applications.

MAX-D Software Program - The MAX-D Software program is a able to process audio in a fully dynamic fashion. The MAX-D program has the ability to simply restore or significantly change any audio, especially compressed formats. Now any user can experience clean, clear, dynamically enhanced audio, without the need to encode/decode or use proprietary formats. Existing hardware is able to play HD Audio using any one of our products

Bringing Global Innovation and New Technologies to the *MAX*

MAX-D IS NOT JUST ABOUT AUDIO

Max Sound Corporation is a technology company that works to bring the best innovations of small business to the global stage. From HD-Video transmission codecs, to Perpetual Energy Inventions, everything does better when it's taken to the MAX.

MAX-D Partnerships –

The Movie Studio (OTTC – MVES)

1. The Movie Studio is focused on the independent motion picture content sector as a disruptor of the Hollywood model and operates as a vertically integrated motion picture and reality show production and distribution company, as well as a movie streaming service and a first-mover digital disruptor operating an over-the-top ("OTT") platform and blockchain platform for foreign licensing of content for distribution.

2. MAX-D will be implemented into The Movie Studio's platform and streaming services via the MAX-D Cloud Player and will provide HD audio for all of their content.

3. MAX-D's Partnership with The Movie Studio Opens up the movie streaming market for MAX-D HD Audio. This will open the gates to future partnerships in the industry (ie. Netflix, Hulu, Peacock etc.)

Song Secure

1. SongSecure is the first ever decentralized software platform designed to enable musicians and music producers with the ability to streamline the process of protecting their original content in the quickest, easiest, most secure, and most affordable way.

2. MAX-D will be implemented into Song Secures online platform and streaming services via the MAX-D Cloud Player and will provide HD audio for all of their content.

3. Trusted by thousands of musicians worldwide, securing over 50,000 songs which included Grammy award winners. This is MAX-D’s foot in the door to the entire music industry.

ViBelt

1. ViBelt is the developer and owner of a patented HAPTIC FEEDBACK technology which provides users with vibrational and force feedback that responds to the media source. This brings users deeper into their media experience, providing a “4th Dimension” of sensory experience.

2. MAX-D will acquire these patents and bring them into their other deals such as ESTV, where haptic feedback in addition to HD Audio will bring the ULTIMATE content consumer experience.

Hende Moto

1. Hende Moto is creating ultra-advanced electric and hybrid super cars, one for daily institutional use and one for exotic sporting world use. This E-car manufacturer is bringing innovations to Zimbabwe and the Rest of the world. HENDE MOTO, will be the cutting-edge car making technology company based in USA and Africa, has developed global strategic partners that facilitate taking the big the 5, redesigning the cars to be in sync with slickness and nature, developing within culture realms of innovation in all continents and fight against digital colonization. Engage locals to be involved in the design process from the onset, protecting the environment.

2. MAX-D HD Audio will be built into every model of Hende Moto's vehicles, bringing the best audio experience to their users available in the world.

Formula 4 Protocol

1. Formula 4 Protocol is an online life mastery and meditation course utilizing an ultra-advanced hybrid of digital and analog stimuli, incorporating cybernetics, the blended hypnosis principles of Milton Erickson and Delores Cannon (QHHT), as well as health producing sonic frequencies and multi-layered visualizers, that are sequenced to consistently energize and rapidly retrain the living ecosystem to the highest form of our positive capabilities, the net-effect of which is to give each Formula 4 practitioner amazing (yet often outrageous sounding results) that manifest daily improvements in health, happiness, abundance, gratitude, love and celebration.

2. MAX-D HD-Audio will be built into the Formula 4 Protocol Course material, offering audio that enhances the effects of their out of this world meditations.

Tip Solutions

1. ABOUT TIP SOLUTIONS, INC. (TIP)

TIP Solutions is a transformative market innovator providing cutting edge applications now becoming accessible by Android Smartphone users worldwide. TIP is committed to change the way the world uses, manages and answers billions of mobile devices by providing unique phone functionality enabling rapid responses, improved productivity, with refined and effective communication, that match today's constantly accelerating technological advances.

2. Partnering with TIP opens MAX-D up to the worldwide smartphone market and deeper collaboration with Qualcomm through the development of the Snapdragon 800 Series Chip.

Plan of Operation

We began our operations on October 8, 2008, when we purchased the Form 10 Company from the previous owners. Since that date, we have conducted financings to raise initial start-up money for the building of our internet search engine and social networking website and to start our operations. In 2011, the Company shifted the focus of its business operations from their social networking website to the marketing of the Max Sound HD Audio Technology and in 2014 the Company began litigations against Google and others for infringement of its technologies and associated legal rights to the various proprietary technologies.

The Company believes that Max Sound HD Audio Technology is a game changer for several vertical markets whose demand will create revenue opportunities in 2021.

On March 4, 2021, the Company signed a 10-year exclusive licensing agreement with TIP Solutions (Licensee) to implement the MAXD HD Audio Source Code into their mobile phone app and platforms. The Licensee was granted an exclusive license of MAX-D HD audio technology for an annual payment of $100,000 or $25,000 paid quarterly for up to 10 years.

The agreement also calls for a license fee split in the event the following occurs:

- If Licensor is TIP – 20% of total license revenue received by TIP will be paid to Max Sound within 30 days of such receipts.
- If the Licensor is Max Sound and combined with TIP Solutions Smart Call Assistant, 20% of total license revenue received by Max Sound will be paid to TIP within 30 days.

On March 9, 2021, the Company received a $100,000 payment from the Licensee.

On March 23, 2021, the Company signed a 10-year exclusive licensing agreement with Formula 4 Protocol (Licensee) to implement the MAXD HD Audio Source Code into their mobile phone app and platforms. The Licensee was granted an exclusive license of MAX-D HD audio technology for an annual payment of $100,000 or $25,000 paid quarterly for up to 10 years.

The agreement also calls for a license fee split in the event the following occurs:

- If Licensor is Formula 4 Protocol – 20% of total license revenue received by Formula 4 Protocol will be paid to Max Sound within 30 days of such receipts.

- If the Licensor is Max Sound and combined with Formula 4 Protocol, 20% of total license revenue received by Max Sound will be paid to Formula 4 Protocol within 30 days.

On March 23, 2021, the Company received a $150,000 payment from the Licensee.

We expect our financial requirements to increase with the additional expenses needed to market and promote the MAX-D HD Audio Technology. We plan to fund these additional expenses through financings and through loans from our stockholders and/or officers based on existing lines of credit and we are also considering various private funding opportunities until such time that our revenue stream is adequate enough to provide the necessary funds.

Results of Operations

For the three months ended June 30, 2022 and 2021.

Revenues: During the three months ended June 30, 2022 , we realized $0 of revenues from our business. During the three months ended June 30, 2021, we realized $0 of revenues from our business. The change in revenues between the quarter ended June 30, 2022 and 2021 was a decrease of $0 or 0% as a result of the licensing agreements entered into during the three months ended June 30, 2021.

General and Administrative Expenses: Our general and administrative expenses were $8,077 for the three months ended June 30, 2022 and $213,649 for the three months ended June 30, 2021, representing a decrease of $205,572 or approximately 96%, as a result of an decrease in the general operation of the Company.

Professional Fees: Our professional fees were $8,500 for the three months ended June 30, 2022 and $38,334 for the three months ended June 30, 2021, representing a decrease of $29,834 or approximately 78%, a decrease in professional fees was mostly attributable to fees attributable in connection with filings with the Securities and Exchange Commission.

Compensation: Our compensation expenses were $72,000 for the three months ended June 30, 2022 and $72,000 for the three months ended June 30, 2021, representing change of $0, or approximately 0%, as a result of our expensing of monthly compensation to our management and employees.

Net Loss: The Company's net loss from operations was $339,554 during the three months ended June 30, 2022 as compared to $577,433 for the three months ended June 30, 2021. The increase was primarily due to decrease in licensing revenue during the three months ended June 30, 2022, and a decrease in operating expenses.

For the six months ended June 30, 2022 and 2021.

Revenues: During the six months ended June 30, 2022 , we realized $0 of revenues from our business. During the six months ended June 30, 2021, we realized $251,000 of revenues from our business. The change in revenues between the quarter ended June 30, 2022 and 2021 was a decrease of $251,000 or 100% as a result of the licensing agreements entered into during the six months ended June 30, 2021.

General and Administrative Expenses: Our general and administrative expenses were $47,620 for the six months ended June 30, 2022 and $231,810 for the six months ended June 30, 2021, representing a decrease of $184,190 or approximately 79%, as a result of an decrease in the general operation of the Company.

Professional Fees: Our professional fees were $27,200 for the six months ended June 30, 2022 and $42,334 for the six months ended June 30, 2021, representing a decrease of $15,134 or approximately 36%, a decrease in professional fees was mostly attributable to fees attributable in connection with filings with the Securities and Exchange Commission.

Compensation: Our compensation expenses were $144,000 for the six months ended June 30, 2022 and $144,000 for the six months ended June 30, 2021, representing change of $0, or approximately 0%, as a result of our expensing of monthly compensation to our management and employees.

Net Loss: The Company's net loss from operations was 720,558 during the six months ended June 30, 2022 as compared to $674,314 for the six months ended June 30, 2021. The increase was primarily due to decrease in licensing revenue during the six months ended June 30, 2022, and a decrease in operating expenses

Liquidity and Capital Resources

Revenues for the six months ended June 30, 2022 and 2021, were $0 and $251,000 respectively. We have an accumulated deficit of $85,087,855 for the period from December 9, 2005 (inception) to June 30, 2022 and cash used in operations of $36,377 for the six months ended June 30, 2022.

Our financial statements have been presented on the basis that it is a going concern, which contemplates the realization of revenues from our subscriber base and the satisfaction of liabilities in the normal course of business. We have incurred losses from inception. These factors raise substantial doubt about our ability to continue as a going concern.

From our inception through June 30, 2022, our primary source of funds has been the proceeds of private offerings of our common stock, private financing, and loans from stockholders. Our need to obtain capital from outside investors is expected to continue until we are able to achieve profitable operations, if ever. There is no assurance that management will be successful in fulfilling all or any elements of its plans.

The convertible notes in the amount of $5,792,429 outstanding as of June 30, 2022 and $5,940,429 for the year ended December 31, 2021, consist of the debt holders who are entitled, at their option, to convert all or part of the principal and accrued interest into shares of the Company's common stock at fixed conversion price.

Loans and Advances – Related Party

During the six months ended June 30, 2022, the principal stockholder has advanced $8,334 and accrued $3,586 in interest and was repaid $29,590.

The line of credit balance and accrued interest as of June 30, 2022 is $391,682.

Recent Accounting Pronouncements

All other newly issued accounting pronouncements but not yet effective have been deemed either immaterial or not applicable.

Critical Accounting Policies and Estimates

Our financial statements and related public financial information are based on the application of accounting principles generally accepted in the United States ("GAAP"). GAAP requires the use of estimates; assumptions, judgments and subjective interpretations of accounting principles that have an impact on the assets, liabilities, revenues and expense amounts reported. These estimates can also affect supplemental information contained in our external disclosures including information regarding contingencies, risk and financial condition. We believe our use of estimates and underlying accounting assumptions adhere to GAAP and are consistently and conservatively applied. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ materially from these estimates under different assumptions or conditions. We continue to monitor significant estimates made during the preparation of our financial statements.

Use of Estimates:

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates.

Revenue Recognition:

Effective January 1, 2018, the Company adopted ASC 606 — Revenue from Contracts with Customers. Under ASC 606, the Company recognizes revenue from the commercial sales of products, licensing agreements and contracts by applying the following steps: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to each performance obligation in the contract; and (5) recognize revenue when each performance obligation is satisfied. For the comparative periods, revenue has not been adjusted and continues to be reported under ASC 605 — Revenue Recognition. Under ASC 605, revenue is recognized when the following criteria are met: (1) persuasive evidence of an arrangement exists;(2) the performance of service has been rendered to a customer or delivery has occurred; (3) the amount of fee to be paid by a customer is fixed and determinable; and (4) the collectability of the fee is reasonably assured.

We had $0 and $0 in revenue for the three months ended June 30, 2022 and 2021, respectively.

We had $0 and $251,000 in revenue for the six months ended June 30, 2022 and 2021, respectively.

Stock-Based Compensation:

In December 2004, the FASB issued FASB Accounting Standards Codification No. 718, Compensation – Stock Compensation. Under FASB Accounting Standards Codification No. 718, companies are required to measure the compensation costs of share-based compensation arrangements based on the grant-date fair value and recognize the costs in the financial statements over the period during which employees are required to provide services. Share-based compensation arrangements include stock options, restricted share plans, performance-based awards, share appreciation rights and employee share purchase plans. As such, compensation cost is measured on the date of grant at their fair value. Such compensation amounts, if any, are amortized over the respective vesting periods of the option grant. The Company applies this statement prospectively.

Equity instruments ("instruments") issued to other than employees are recorded on the basis of the fair value of the instruments, as required by FASB Accounting Standards Codification No. 718. FASB Accounting Standards Codification No. 505, Equity Based Payments to Non-Employees defines the measurement date and recognition period for such instruments. In general, the measurement date is when either a (a) performance commitment, as defined, is reached or (b) the earlier of (i) the non-employee performance is complete or (ii) the instruments are vested. The measured value related to the instruments is recognized over a period based on the facts and circumstances of each particular grant as defined in the FASB Accounting Standards Codification.

Derivative Financial Instruments

Fair value accounting requires bifurcation of embedded derivative instruments such as conversion features in convertible debt or equity instruments, and measurement of their fair value for accounting purposes. In determining the appropriate fair value, the Company uses the Black-Scholes option-pricing model. In assessing the convertible debt instruments, management determines if the convertible debt host instrument is conventional convertible debt and further if there is a beneficial conversion feature requiring measurement. If the instrument is not considered conventional convertible debt, the Company will continue its evaluation process of these instruments as derivative financial instruments.

Once determined, derivative liabilities are adjusted to reflect fair value at each reporting period end, with any increase or decrease in the fair value being recorded in results of operations as an adjustment to fair value of derivatives. In addition, the fair value of freestanding derivative instruments such as warrants, are also valued using the Black-Scholes option-pricing model.

Impairment of Long-Lived Assets

The Company accounts for its long-lived assets in accordance with ASC Topic 360-10-05, Accounting for the Impairment or Disposal of Long-Lived Assets." ASC Topic 360-10-05 requires that long-lived assets, such as technology rights, be reviewed for impairment annually, or whenever events or changes in circumstances indicate that the historical cost carrying value of an asset may no longer be appropriate. The Company assesses recoverability of the carrying value of an asset by estimating the future net cash flows expected to result from the asset, including the eventual disposition. If the future net cash flows are less than the carrying value of an asset, an impairment loss is recorded equal to the difference between the asset's carrying value and fair value or disposable value.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, financings, or other relationships with unconsolidated entities or other persons, also known as "special purpose entities".

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are subject to certain market risks, including changes in interest rates and currency exchange rates. We have not undertaken any specific actions to limit those exposures.

Item 4. Controls and Procedures

Disclosure controls and procedures. Pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934 ("Exchange Act"), the Company carried out an evaluation, with the participation of the Company's management, including the Company's principal executive officer and principal financial officer, of the effectiveness of the Company's disclosure controls and procedures (as defined under Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this report. Based upon that evaluation, the Company's principal executive officer and principal financial officer concluded that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in the reports that the Company files or submits under the Exchange Act, is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including the Company's principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in internal control over financial reporting. There have been no changes in our internal control over financial reporting that occurred during the quarter covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

See NOTE 6 titled LITIGATION for information on Legal Proceedings.

Item 1A. Risk Factors.

Not required for smaller reporting companies.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits

All 10 Form exhibits previously exhibited associated with all Company 10 Form filings are incorporated herein.

Exhibit Number	Description
31.1	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Chief Executive Officer and Chief Financial Officer
32.1	Certifications Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MAX SOUND CORPORATION
(Registrant)

Date: August 31, 2022

By: */s/ Greg Halpern*
Greg Halpern
Chief Executive Officer and Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 31.1

CERTIFICATION

Pursuant to 18 U.S.C. Section 1350
As adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Greg Halpern, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Max Sound Corporation (the "registrant");

2. Based on my knowledge, this report 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 31, 2022

By: */s/ Greg Halpern*
Greg Halpern
Chief Executive Officer
and Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 32.1

CERTIFICATION

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), the undersigned officer of Max Sound Corporation, a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 31, 2022

By: */s/ Greg Halpern*
Greg Halpern
Chief Executive Officer
and Chief Financial Officer
(Principal Financial and Accounting Officer)

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and is not being filed as part of Form 10-K or as a separate disclosure document.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.