

# **Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines**

## **Strategic Asset Leasing Inc.**

1740H Dell Range Blvd.

#166

Cheyenne, WY 82009

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908-312-1014

info@strategicassetleasing.net

7371

**Annual Report**  
**For the Period Ending: 12/31/2018**  
(the "Reporting Period")

As of 12/31/2018, the number of shares outstanding of our Common Stock was:

644,861,360

As of 09/30/2018, the number of shares outstanding of our Common Stock was:

644,861,360

As of 12/31/2017, the number of shares outstanding of our Common Stock was:

644,861,360

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control<sup>4</sup> of the company has occurred over this reporting period:

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<sup>4</sup> "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Yes: ☐ No: ☒

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

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

Strategic Asset Leasing Inc. from 10/02/2014 to present.  
Mommoth Energy Group, Inc. from 05/22/2006 to 10/02/2014.  
Vision Dynamics Inc. from 02/27/2006 to 05/22/2006.  
Technigen Corp. from 08/02/2004 to 02/27/2006.

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable)  
Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

The company was organized in Nevada on 08/02/2004 and re-domiciled to Wyoming on 03/05/2013.  
The company's standing is active in the state of Wyoming.

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

None

## 2) Security Information

Trading symbol:	<u>LEAS</u>	
Exact title and class of securities outstanding:	<u>Common</u>	
CUSIP:	<u>86270P1063</u>	
Par or stated value:	<u>.0001</u>	
Total shares authorized:	<u>800,000,000</u>	as of date: <u>03/07/2016</u>
Total shares outstanding:	<u>644,861,360</u>	as of date: <u>12/31/2018</u>
Number of shares in the Public Float <sup>5</sup> :	<u>639,278,736</u>	as of date: <u>12/31/2018</u>
Total number of shareholders of record:	<u>34</u>	as of date: <u>12/31/2018</u>

*All additional class(es) of publicly traded securities (if any):*

Trading symbol:	<u>LEAS</u>	
Exact title and class of securities outstanding:	<u>Preferred C</u>	
Par or stated value:	<u>.0001</u>	
Total shares authorized:	<u>1,000,000</u>	as of date: <u>04/04/2016</u>
Total shares outstanding:	<u>1,000,000</u>	as of date: <u>12/31/2018</u>

### Transfer Agent

Name: Transfer Online, Inc.  
Phone: (503) 227-2950  
Email: info@transferonline.com

<sup>5</sup> "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

Is the Transfer Agent registered under the Exchange Act?<sup>6</sup> Yes: ☒ No: ☐

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

### 3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

#### A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>01/01/2016</u> Common: <u>644,861,360</u> Preferred: <u>0</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>04/04/2016</u>	<u>New Issuance</u>	<u>1,000,000</u>	<u>Preferred C</u>	<u>.0001</u>	<u>No</u>	<u>William Lieberman</u>	<u>Services as CEO</u>	<u>Restricted</u>	<u>None</u>
Shares Outstanding on Date of This Report: <u>Ending Balance</u> <u>Ending Balance</u> Date <u>12/31/2018</u> Common: <u>644,861,360</u> Preferred: <u>1,000,000</u>									

<sup>6</sup> To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

**Example:** A company with a fiscal year end of December 31<sup>st</sup>, in addressing this item for its quarter ended September 30, 2019, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2017 through September 30, 2019 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

## B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities..

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☐

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)
06/05/2016	25,000	25,000	0	06/05/2017	.0001	UMC Inc. Denis Bolbat	Loan

Use the space below to provide any additional details, including footnotes to the table above:

## 4) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☒ U.S. GAAP  
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)<sup>7</sup>:

Name: Jason Tucker  
Title: President  
Relationship to Issuer: CEO

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

- C. Balance sheet;  
D. Statement of income;  
E. Statement of cash flows;  
F. Statement of Changes in Shareholders' Equity  
G. Financial notes; and  
H. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

<sup>7</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below. Financial Statements must be compiled in one document.

#### **Financial Statements are attached.**

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

#### **5) Issuer's Business, Products and Services**

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Development Stage Company with Limited Operations

- B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of such entity's business, contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

As of 12/31/2018 William Lieberman was the company's sole officer and director.

- C. Describe the issuers' principal products or services, and their markets

Computer Programming Services.

#### **6) 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.

None

#### **7) 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 or beneficial shareholders.

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% or more of any class of the issuer's securities, as well as any officer, and any director of the company, regardless of the number of shares they own. **If any listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.**

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
<u>William Lieberman</u> <u>CEO</u>	<u>Owner of more than 5%</u>	<u>New York, NY</u>	<u>1,000,000</u>	<u>Preferred C</u>	<u>90%</u>	<u>None</u>
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

## 8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

## 9) Third Party Providers

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

OTC Markets Group Inc.

OTC Pink Basic Disclosure Guidelines (v2.1 December 2019)

Page 6 of 8

### Securities Counsel

Name: Vic Devlaeminck  
Firm: Vic Devlaeminck Attorney  
Address 1: 10013 N.E. Hazel Dell Avenue  
Address 2: Suite 317  
Phone: 360-993-0201  
Email: jevic321@aol.com

### Accountant or Auditor

Name:  
Firm:  
Address 1:  
Address 2:  
Phone:  
Email:

## **10) Issuer Certification**

### *Principal Executive Officer:*

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities).

The certifications shall follow the format below:

I, Jason Tucker certify that:

1. I have reviewed this Annual Disclosure of Strategic Asset Leasing 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.

04/21/2020

/s/ Jason Tucker

President/CEO

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

### *Principal Financial Officer:*

I, Jason Tucker certify that:

1. I have reviewed this Annual Disclosure of Strategic Asset Leasing 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.

04/21/2020

/s/ Jason Tucker

CFO

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



**STRATEGIC ASSET LEASING, INC.  
(LEAS)**

**ANNUAL REPORT  
FOR THE YEAR ENDING DECEMBER 31, 2018**

April 21, 2020

1740H Dell Range Blvd, Ste #166  
Cheyenne  
WY 82009

**STRATEGIC ASSET LEASING, INC.**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDING DECEMBER 31, 2018**  
**(Unaudited)**

**Index**

Condensed Consolidated Unaudited Financial Statements	3
Condensed Consolidated Unaudited Balance Sheet as at December 31, 2018 and 2017	3
Condensed Consolidated Unaudited Statement of Operations for Year Ended December 31, 2018 and 2017	4
Condensed Consolidated Unaudited Statement of Cash Flow for Year Ended December 31, 2018 and 2017	5
Condensed Unaudited Statement of Changes in Equity for the Year Ended December 31, 2018 and 2017	6
Notes the Condensed Consolidated Unaudited Financial Statements	7

**STRATEGIC ASSET LEASING, INC.**  
**Condensed Consolidated Unaudited Financial Statements**  
**Balance Sheet**

	Notes	As at December 31, 2018	As at December 31, 2017
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	2	\$ -	\$ -
Accounts receivable	2	-	-
Other current assets		-	-
Total current assets		-	-
Fixed assets			
Furniture and equipment		-	-
Goodwill		-	-
Other long-term assets		25,000	25,000
TOTAL ASSETS		<u>\$ 25,000</u>	<u>\$ 25,000</u>
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY (DEFICIT)</b>			
Current liabilities			
Accounts payable, trade		\$ -	\$ -
Accrued expenses and other current liabilities		-	-
Short-term or current loans and notes payable	4	25,000	25,000
Total current liabilities		25,000	25,000
Long-term debt	4	-	-
TOTAL LIABILITIES		<u>\$ 25,000</u>	<u>\$ 25,000</u>
<b>STOCKHOLDERS' EQUITY (DEFICIT)</b>			
Preferred stock series C: par value \$0.0001, 5,000,000 authorized and 1,000,000 issued and outstanding at December 31, 2018 and December 31, 2017 respectively			
	5	100	-
Common stock: \$0.0001 par value, 800,000,000 authorized and 685,161,360 issued and outstanding as at December 31, 2018 and December 31, 2017 respectively			
	5	64,486	64,486
Additional paid-in capital		15,282,539	15,282,539
Minority interest		-	-
Accumulated comprehensive income (loss)		-	-
Accumulated surplus (deficit)		(15,962,700)	(15,962,700)
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)		-	-
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		<u>\$ 25,000</u>	<u>\$ 25,000</u>

See accompanying notes to these condensed consolidated unaudited financial statements.

**STRATEGIC ASSET LEASING, INC.**  
**Condensed Consolidated Unaudited Financial Statements**  
**Statement of Operations**

	Year Ended December 31,	
	2018	2017
Revenues	\$ -	\$ -
Cost of goods sold	-	-
Gross profit	-	-
Operating expenses		
Selling, general & administration costs	-	-
Depreciation and amortization	-	-
Total operating expenses	-	-
Income (loss) from operations	-	-
Other income (expenses)		
Financing costs	-	-
Other income (expenses)	-	-
Income (loss) before income taxes	\$ -	\$ -
Provision for income taxes	-	-
Net income (loss)	\$ -	\$ -
Net income (loss) per share	\$ (0.00)	\$ (0.00)
Weighted average shares outstanding	644,861,360	644,861,360

See accompanying notes to these condensed consolidated unaudited financial statements.

**STRATEGIC ASSET LEASING, INC.**  
**Condensed Consolidated Unaudited Financial Statements**  
**Statement of Changes in Stockholders' Equity**

	Preferred Stock	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total
Balance b/f as at January 1, 2017	\$ -	\$ 64,486	\$ 15,282,539	\$ (15,962,700)	\$ -
Shares issued for debt conversion/services	-	-	-	-	-
Net loss for year ended December 31, 2018	-	-	-	-	-
Balance b/f as at January 1, 2018	\$ -	\$ 64,486	\$ 15,282,539	\$ (15,962,700)	\$ -
Shares issued for debt conversion/services	100	-	-	-	100
Net income for year ended December 31, 2018	-	-	-	-	-
Balance c/f as at December 31, 2018	<u>\$ 100</u>	<u>\$ 64,486</u>	<u>\$ 15,282,539</u>	<u>\$ (15,962,700)</u>	<u>\$ (0.00)</u>

See accompanying notes to these condensed consolidated unaudited financial statements.

**STRATEGIC ASSET LEASING, INC.**  
**Condensed Consolidated Unaudited Financial Statements**  
**Statement of Cash Flow**

	Year Ended December 31,	
	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income (loss)	\$ -	\$ -
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	-	-
Non-cash items	-	-
Financing costs	-	-
Changes in operating assets and liabilities:		
Accounts receivable (long-term and short-term)	-	-
Accounts payable and other current liabilities	-	-
Other current assets	-	-
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Purchase) sale of intangible assets	-	-
(Purchase) sale of tangible assets	-	-
Cash acquired through acquisition of subsidiary	-	-
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of equity (dividend distributions)	-	-
Proceeds from (repayment of) debt instruments	-	-
Short-term line of credit	-	-
Payment of related-party debt	-	-
Financing costs	-	-
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>EXCHANGE RATE MOVEMENTS</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>-</b>	<b>-</b>
Cash, beginning of period	-	-
Cash, end of period	<u>\$ -</u>	<u>\$ -</u>
<b>SUPPLEMENTAL DISCLOSURES</b>		
Conversion of debt to common stock	<u>\$ -</u>	<u>\$ -</u>
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to these condensed consolidated unaudited financial statements.

**STRATEGIC ASSET LEASING, INC.**  
**Condensed Consolidated Unaudited Financial Statements**  
**Notes For the Year Ending December 31, 2018**

**NOTE 1. NATURE AND BACKGROUND OF BUSINESS**

The accompanying consolidated financial statements include Strategic Asset Leasing, Inc., formerly known as Mammoth Energy Group, Inc. ('LEAS' or the 'Company'), its wholly-owned subsidiaries and any majority controlling interests.

The Company was incorporated on August 2, 2004 under the laws of the State of Nevada with the aim of pursuing lithium mining. Prior to being domiciled in Nevada, the Company was a Canadian corporation known as Technigen Corporation. In March of 2013, management decided to change the domicile of the Company to Wyoming by filing articles of continuance on March 5, 2013, subsequently dissolving the Nevada corporation.

On November 12, 2014, certain corporate actions taken by the board of directors and a majority of shareholders became effective. These actions included a change of name to Strategic Asset Leasing, Inc., a first step in moving the principal activity of the Company to a services oriented business.

In accordance with Accounting Standards Codification ("ASC") 915, Development Stage Entities, the Company is considered to be in the development stage, with limited operations since incorporating in the United States.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying pro forma financial statements have been prepared for Strategic Asset Leasing, Inc. in accordance with accounting principles generally accepted in the United States of America (US GAAP).

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation of the financial statements have been included. The financial statements include acquired subsidiaries, as discussed below, and include all consolidation entries required to include those subsidiaries.

**Use of Estimates**

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

**Cash and Cash Equivalents**

For the Balance Sheet and Statement of Cash Flows, all highly liquid investments with maturity of three months or less are considered to be cash equivalents. The Company had no cash equivalents as of December 31, 2017 or December 31, 2018.

**Income Taxes**

Income taxes are provided in accordance with the FASB Accounting Standards (ASC 740), Accounting for Income Tax. A deferred tax asset or liability is recorded for all temporary differences between financial and tax reporting and net operating loss carry forwards. Any deferred tax expense (benefit) resulting from the net change during the year is shown as deferred tax assets and liabilities. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it was more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

**Basic and Diluted Net Income (Loss) Per Share**

Net income (loss) per unit is calculated in accordance with Codification topic 260, “Earnings per Share” for the periods presented. Basic net loss per share is computed using the weighted average number of common membership units outstanding. Diluted loss per share has not been presented because the shares of common stock equivalents have not been included in the per share calculations as such inclusion would be anti-dilutive. Diluted earnings per share is based on the assumption that all dilutive stock options, warrants and convertible debt are converted or exercised applying the treasury stock method. Under this method, options, warrants and convertible debt are assumed exercised at the beginning of the period (or at the time of issuance, if later), and as if funds obtained thereby were used to purchase shares of common stock at the average market price during the period. Options, warrants and/or convertible debt will have a dilutive effect during periods of net profit only when the average market price of the units during the period exceeds the exercise or conversion price of the items.

### **Stock Based Compensation**

Codification topic 718 “Stock Compensation” requires that the cost resulting from all share-based transactions be recorded in the financial statements and establishes fair value as the measurement objective for share-based payment transactions with employees and acquired goods or services from non-employees. The codification also provides guidance on valuing and expensing these awards, as well as disclosure requirements of these equity arrangements. The Company adopted the codification upon creation of the Company and will expense share-based costs in the period incurred. The Company has not yet adopted a stock option plan and all share-based transactions and share based compensation has been expensed in accordance with the codification guidance.

### **Convertible Instruments**

The Company evaluates and accounts for conversion options embedded in its convertible instruments in accordance with professional standards for “Accounting for Derivative Instruments and Hedging Activities”. Professional standards generally provide three criteria that, if met, require companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments. These three criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instruments are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument. Professional standards also provide an exception to this rule when the host instrument is deemed to be conventional as defined under professional standards as “The Meaning of Conventional Convertible Debt Instrument”.

The Company accounts for convertible instruments when it has determined that the embedded conversion options should not be bifurcated from their host instruments in accordance with professional standards when “Accounting for Convertible Securities with Beneficial Conversion Features,” as those professional standards pertain to “Certain Convertible Instruments.” Accordingly, the Company records, when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying shares of common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt to their earliest date of redemption. The Company also records when necessary deemed dividends for the intrinsic value of conversion options embedded in preferred shares of common stock based upon the differences between the fair value of the underlying shares at the commitment date of the note transaction and the effective conversion price embedded in the note.

ASC 815-40 provides that, among other things, generally, if an event not within the entity’s control could require net cash settlement, then the contract shall be classified as an asset or a liability.

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

We adopted the guidance of ASC-820 for fair value instruments, which clarifies the definition of fair value, prescribes methods for determining fair value, and establishes a fair value hierarchy to classify the inputs used in measuring fair value, as follows:

Level 1	Inputs are unadjusted quoted prices in active markets for identical assets or liabilities available at the measurement date.
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Level 2	Inputs are quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.
Level 3	Inputs are unobservable inputs which reflect the reporting entity's own assumptions on what assumptions the market participants would use in pricing the asset or liability based on the best available information.

The carrying amounts for cash, accounts receivable, accounts payable and accrued expenses, and loans payable approximate their fair value based on the short-term maturity of these instruments. We did not identify any assets or liabilities that are required to be presented on the balance sheet at fair value in accordance with the accounting guidance.

ASC 825-10 "Financial Instruments" allows entities to voluntarily choose to measure certain financial assets and liabilities at fair value (fair value option). The fair value option may be elected on an instrument-by-instrument basis and is irrevocable, unless a new election date occurs. If the fair value option is elected for an instrument, unrealized gains and losses for that instrument should be reported in earnings at each subsequent reporting date. We did not elect to apply the fair value option to any outstanding instruments.

### **Derivative Liabilities**

Derivative financial instruments consist of convertible instruments and rights to shares of the Company's common membership units. The Company assessed that it had no derivative financial instruments as of December 31, 2018 and December 31, 2017.

ASC 815 generally provides three criteria that, if met, require companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments. These three criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument subject to the requirement of ASC 815. ASC 815 also provides an exception to this rule when the host instrument is deemed to be conventional, as described.

### **Impact of New Accounting Standards**

The Company does not expect the adoption of recently issued accounting pronouncements to have a significant impact on the Company's results of operations, financial position, or cash flow.

### **NOTE 3. GOING CONCERN**

The Company's financial statements are prepared in accordance with generally accepted accounting principles applicable to a going concern. This contemplates the realization of assets and the liquidation of liabilities in the normal course of business. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Currently, the Company does not have significant cash or other material assets, nor does it have operations or a source of revenue sufficient to cover its operation costs and allow it to continue as a going concern.

The Company has a limited operating history and had a cumulative net loss from inception to December 31, 2018 of \$15,962,700. The Company has a working capital deficit of \$25,000 as at December 31, 2018.

These financial statements for the year ended December 31, 2018 have been prepared assuming the Company will continue as a going concern, which is dependent upon the Company's ability to generate future profits and/or obtain necessary financing to meet its obligations as they come due.

The management has committed to an aggressive growth plan for the Company. The Company's future operations are dependent upon external funding and its ability to execute its business plan, realize sales and control expenses. Management believes that sufficient funding will be available from additional borrowings and private placements to meet its business objectives including anticipated cash needs for working capital, for a reasonable period of time. However, there can be no assurance that the Company will be able to obtain sufficient funds to continue the development of its business operation, or if obtained, upon terms favorable to the Company.

#### NOTE 4. LOANS AND NOTES PAYABLE

The Company had a note payable as at December 31, 2018 and December 31, 2017, totaling \$25,000 respectively, as follows:

Description	Date of Loan Note	December 31, 2018	December 31, 2017
12-month convertible loan note with U.M.C., Inc.; convertible into shares of common stock at par value	6/5/2016	\$ 25,000	\$ 25,000
Total		\$ 25,000	\$ 25,000
Long-term total		\$ -	\$ -
Short-term total		\$ 25,000	\$ 25,000
<b>Loans and Notes Amortization</b>		<b>Amount Due</b>	
Due within 12 months		\$ 25,000	
Due within 24 months		-	
Due within 36 months		-	
Due within 48 months		-	
Due after 48 months		-	
Total		\$ 25,000	

#### NOTE 5. CAPITAL STOCK

The Company is a C Corp with shares of preferred stock and common stock authorized and issued respectively.

##### Preferred Stock

As at December 31, 2018 the Company had authorized preferred stock of 5,000,000 in one designation, Series C:

Preferred Stock Series C      The Company is authorized to issue 5,000,000 shares of Series C, with a par value of \$0.0001 per share. As at January 1, 2018, the Company had 1,000,000 shares of Series C preferred stock issued and outstanding to William Lieberman as remuneration.

As at December 31, 2018, the Company had a total of 1,000,000 shares of preferred stock issued and outstanding.

##### Common Stock

As at December 31, 2018, the Company is authorized to issue 800,000,000 shares of common stock with par value \$0.0001.

As at December 31, 2017 and December 31, 2018 the Company had issued 644,861,360 shares of common stock.

**NOTE 6. STOCK OPTIONS AND WARRANTS**

The Company does not have any stock options or warrants outstanding.

**NOTE 7. INCOME TAXES**

The Company uses the assets and liability method of accounting for income taxes pursuant to SFAS No. 109 "Accounting for Income Taxes". Under the assets and liability method of SFAS No. 109, deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

In June 2006, the FASB issued FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes." Specifically, the pronouncement prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken from year ended December 31, 2015 tax return onwards. The interpretation also provides guidance on the related derecognition, classification, interest and penalties, accounting for interim periods, disclosure and transition of uncertain tax positions. The Company adopted this interpretation effective January 1, 2007. The adoption of FIN 48 did not have a material impact on the Company's financial position, results of operations or cash flows.

The Company has made significant losses since inception and has a carry forward tax loss balance of several million dollars. The Company believes that no income tax is due to be paid. A full reconciliation of the Company's tax position will be conducted in due course.

**NOTE 8. COMMITMENTS AND CONTINGENCIES**

The Company is not aware of or involved in any pending or actual legal action.

**NOTE 9. SUBSEQUENT EVENTS**

On February 2, 2019 William Lieberman resigned and Denis Bolbat was appointed as the company's sole Director and CEO.