

# Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines



## **Global Entertainment Holdings, Inc.**

**2375 E. Tropicana Avenue, Suite 8-259**

**Las Vegas, Nevada 89119**

**Tel: (877) 807-8880**

**Websites: [www.Global-GBHL.com](http://www.Global-GBHL.com) and [www.GlobalUniversal.com](http://www.GlobalUniversal.com)**

**Email: [info@Global-GBHL.com](mailto:info@Global-GBHL.com)**

**SIC Code: 7812**

## **QUARTERLY REPORT FOR THE 9 MONTHS ENDED SEPTEMBER 30, 2021**

**As of the date of this Filing the number of issued and outstanding Common Shares is 1,211,515,152.**

**As of September 30, 2021 (this current period reporting date) the number of issued and outstanding Common Shares is 1,208,515,152**

**As of June 30, 2021 (the prior semi-annual reporting date) the number of issued and outstanding Common Shares is 1,107,617,630**

**As of December 31, 2020 (the most recent fiscal year end date) the number of issued and outstanding Common Shares was 843,946,581**

**As of December 31, 2019 (the second most recent fiscal year end date) the number of issued and outstanding Common Shares was 517,604,200**

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: ☒ (Double-click and select "Default Value" to check)

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>1</sup> of the company has occurred over this reporting period:

Yes: ☐ No: ☒

<sup>1</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.

- 1) **Name of the issuer and its predecessors (if any)**  
Name of Issuer: **Global Entertainment Holdings Inc. (from December 17, 2007 to date)**  
**2375 E. Tropicana Avenue, Suite 8-259**  
**Las Vegas, Nevada 89119**  
Predecessor Names: **LitFunding Corp. (from March 2003 – December 2007)**  
**RP Entertainment Inc. (from July 11, 1996 – March, 2003)**

We were incorporated in the **State of Nevada on July 11, 1996**. The Issuer is in active status currently.

We have had no trading suspension orders issued by the SEC concerning the Issuer or its predecessors since inception.

We have had no stock split, stock dividend, recapitalization, merger, acquisition, spin-off or reorganization either currently anticipated or that have occurred within the past 12 months.

Address of Issuer's principal executive office and principal place of business:

**2375 E. Tropicana Avenue, Suite 8-259**  
**Las Vegas, Nevada 89119**

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

Yes: ☐

No: ☒

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## 2) Security Information

Trading symbol: **GBHL**  
Exact title and class of securities outstanding: **Common Shares**  
CUSIP: **378987 10 1**  
Par or stated value: **\$0.0001\***

### **Common Shares:**

Total shares authorized: **1,950,000,000\*** as of date: September 30, 2021  
Total shares outstanding: **1,208,515,152** as of date: September, 2021  
Number of shares in the Public Float<sup>2</sup>: **924,857,001** as of date: September 30, 2021  
Total number of shareholders of record: **267** as of date: September 30, 2021

*Additional class of securities (if any):*

### **Preferred shares: Total authorized 50,000,000\***

Preferred shares designated and issued to date:

Trading symbol: **N/A**  
Exact title and class of securities outstanding: **Convertible Series B Preferred shares**  
CUSIP: **N/A**  
Par or stated value: **\$ 0.0001\***  
Total shares authorized: **4,000,000** as of date: September 30, 2021  
Total shares outstanding: **3,990,314** as of date: September 30, 2021

Trading symbol: **N/A**  
Exact title and class of securities outstanding: **Convertible Series C Preferred shares**  
CUSIP: **N/A**  
Par or stated value: **\$0.0001\***  
Total shares authorized: **6,500,000** as of date: September 30, 2021  
Total shares outstanding: **6,200,000** as of date: September 30, 2021

Trading symbol: **N/A**  
Exact title and class of securities outstanding: **Convertible Series D Preferred shares**  
CUSIP: **N/A**  
Par or stated value: **\$0.0001\***  
Total shares authorized: **10,000** as of date: September 30, 2021  
Total shares outstanding: **None** as of date: September 30, 2021

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<sup>2</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.

**Note\*** Effective August 5, 2019 the Company's authorized capital stock was increased to 2 billion, of which 1,950,000,000 shares were designated as Common stock and 50,000,000 shares were designated as Preferred stock. In addition, the par value of both classes of stock was reduced from \$ 0.001 to \$ 0.0001 per share.

### **Transfer Agent**

Name: Colonial Stock Transfer Co., Inc.  
Phone: 1-801-355-5740  
Email: [www.colonialstock.com](http://www.colonialstock.com)  
Address: 66 Exchange Place, 1st floor  
Salt Lake City, UT 84111

Is the Transfer Agent registered under the Exchange Act?<sup>3</sup> Yes: ☒ No: ☐

### **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: ☐

<div> <b>Shares outstanding as of January 1, 2019, the opening balance of the Second Most Recent Fiscal Year</b>  Common:  <b><u>251,280,133</u></b>  Preferred B &amp; C: <b><u>10,490,314</u></b> </div>									
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 (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
January 25, 2019	New Issuance	3,000,000	Common	\$0.0028	No	Thomas Amon	Legal Fees	Restricted	
March 31, 2019	New Issuance	500,000	Common	\$0.001	No	Alan Bailey	CFO services	Restricted	
April 25, 2019	New Issuance	2,000,000	Common	\$0.00132	No	Auctus, LLC/Louis Posner	Interest payment	Unrestricted	144

<sup>3</sup> To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

May 6, 2019	New Issuance	8,000,000	Common	\$0.00126	No	Auctus, LLC/Louis Posner	Interest payment	Unrestricted	144
July 16, 2019	New Issuance	8,000,000	Common	\$0.00120	No	Auctus, LLC/Louis Posner	Interest payment	Unrestricted	144
July 30, 2019	New Issuance	13,000,000	Common	\$0.00075	No	Auctus, LLC/Louis Posner	Interest payment	Unrestricted	144
August 20, 2019	New Issuance	14,260,400	Common	\$0.0006	No	Auctus, LLC/Louis Posner	Interest payment	Unrestricted	144
August 29, 2019	New Issuance	14,972,000	Common	\$0.0006	No	Auctus, LLC/Louis Posner	Interest Payment	Unrestricted	144
September 11, 2019	New Issuance	14,972,000	Common	\$0.00055	No	Auctus, LLC/Louis Posner	Interest Payment	Unrestricted	144
September 23, 2019	New Issuance	15,000,000	Common	\$0.00045	No	Auctus, LLC/Louis Posner	Interest Payment	Unrestricted	144
September 26, 2019	New Issuance	6,000,000	Common	\$0.001	No	Gary Rasmussen	CEO Services	Restricted	
September 26, 2019	New Issuance	5,000,000	Common	\$0.001	No	Jackelyn Giroux	Services as Pres., Global Univ. Film Grp.	Restricted	
September 26, 2019	New issuance	4,000,000	Common	\$0.001	No	Alan Bailey	CFO Services	Restricted	
September 26, 2019	New Issuance	2,000,000	Common	\$0.001	No	Terry Gabby	Controller's Services	Restricted	
September 26, 2019	New Issuance	2,000,000	Common	\$0.001	No	Virginia Perfilli	Director's Services	Restricted	
September 26, 2019	New Issuance	2,000,000	Common	\$0.001	No	Stanley Weiner	Director's Services	Restricted	
September 26, 2019	New Issuance	6,000,000	Common	\$0.001	No	Rochester Capital Partners/ Gary .Rasmussen	Financial Services	Restricted	
October 8, 2019	New Issuance	34,000,000	Common	\$0.00045	No	GPL Ventures LLC/ Cosmin Panait	Note repayment	Unrestricted	144
November 5, 2019	New Issuance	40,000,000	Common	\$0.000295	No	GPL Ventures LLC/ Cosmin Panait	Note repayment	Unrestricted	144
November 18, 2019	New Issuance	22,254,600	Common	\$0.00025	No	Auctus, LLC/Louis Posner	Interest Payment	Unrestricted	144
December 19, 2019	New Issuance	26,000,000	Common	\$0.0002	No	GPL Ventures LLC/ Cosmin Panait	Note repayment	Unrestricted	144
December 31, 2019	New Issuance	23,365,067	Common	\$0.00015	No	Auctus, LLC/Louis Posner	Interest Payment	Unrestricted	144

<b>Shares outstanding as of December 31, 2019, the ending balance of the Second Most Recent Fiscal Year</b>  Common: <b><u>517,604,200</u></b>  Preferred B & C: <b><u>10,490,314</u></b>									
January 27,2020	New Issuance	25,828,400	Common	\$0.00015	No	Auctus, LLC/Louis Posner	Interest payment	Unrestricted	144
March 11,2020	New Issuance	27,100,000	Common	\$0.00015	No	Auctus, LLC/Louis Posner	Interest payment	Unrestricted	144
April 6,2020	New Issuance	28,469,000	Common	\$0.0001	No	Auctus, LLC/Louis Posner	Interest payment	Unrestricted	144
August 11,2020	New Issuance	29,890,100	Common	\$0.0001	No	Auctus, LLC/Louis Posner	Interest payment	Unrestricted	144
September 11,2020	New Issuance	31,381,600	Common	\$0.0001	No	Auctus, LLC/Louis Posner	Interest payment	Unrestricted	144
October 5,2020	New Issuance	32,947,600	Common	\$0.0003	No	Auctus, LLC/Louis Posner	Interest payment	Unrestricted	144
October 16,2020	New Issuance	34,591,681	Common	\$0.00025	No	Auctus, LLC/Louis Posner	Interest payment	Unrestricted	144
October 28, 2020	New issuance	1,500,000	Common	\$0.0001	No	Alan Bailey	CFO Services	Restricted	
November 2,2020	New Issuance	36,317,800	Common	\$0.00025	No	Auctus, LLC/Louis Posner	Interest and principal payment	Unrestricted	144
December 4,2020	New Issuance	38,204,900	Common	\$0.0003	No	Auctus, LLC/Louis Posner	Interest and principal payment	Unrestricted	144
December 30, 2020	New Issuance	40,111,300	Common	\$0.0003	No	Auctus, LLC/Louis Posner	Interest and principal payment	Unrestricted	144
<b>Shares Outstanding as of December 31,2020 (the end of the most recent fiscal year)</b>  Common: <b><u>843,946,581</u></b> Preferred B & C: <b><u>10,490,314</u></b>									

January 26, 2021	New Issuance	42,112,900	Common	\$0.0003	No	Auctus, LLC/Louis Posner	Interest and principal payment	Unrestricted	144
March 4, 2021	New Issuance	44,214,292	Common	\$0.00065	No	Auctus, LLC/Louis Posner	Interest and principal payment	Unrestricted	144
April 15, 2021	New Issuance	46,420,598	Common	\$0.00102	No	Auctus, LLC/Louis Posner	Interest and principal payment	Unrestricted	144
May 5, 2021	New Issuance	48,737,000	Common	\$0.00102	No	Auctus, LLC/Louis Posner	Interest and principal payment	Unrestricted	144
May 26, 2021	New Issuance	51,169,000	Common	\$0.00108	No	Auctus, LLC/Louis Posner	Interest and principal payment	Unrestricted	144
June 22, 2021	New Issuance	31,017,259	Common	\$0.00108	No	Auctus, LLC/Louis Posner	Interest and principal payment	Unrestricted	144
July 30, 2021	New Issuance	63,292,463	Common	Not applicable	No	Gary Rasmussen (CEO)	Conversion of Series C Preferred	Restricted	Conversion
July 30, 2021	Cancellation on Conversion to Common (see above)	(200,000)	Series C Preferred	Not applicable	No	Gary Rasmussen (CEO)	Conversion to Common (see above)	Restricted	Conversion
August 2, 2021	New Issuance	3,000,000	Common	\$0.0001	No	Alan Bailey(CFO)	Payment for services	Restricted	
August 4, 2021	New Issuance	34,605,059	Common	Not applicable	No	Jacqueline Giroux	Conversion of Series C Preferred	Restricted	Conversion
August 4, 2021	Cancellation on Conversion to Common (see above)	(100,000)	Series C Preferred	Not applicable	No	Jacqueline Giroux	Conversion to Common (see above)	Restricted	Conversion
<b>Shares Outstanding as of September 30, 2021</b> <b>Common:</b> <b><u>1,208,515,152</u></b> Preferred B & C: <b><u>10,190,314</u></b>									
October 18, 2021	New Issuance	3,000,000	Common	\$0.0001	No	Thomas Amon	Payment for legal services	Restricted	
<b>Shares Outstanding as of September 30, 2021</b> <b>Common:</b> <b><u>1,211,515,152</u></b> Preferred B & C: <b><u>10,190,314</u></b>									

**Common** shares were designated as Common stock and 50,000,000 shares were designated as Preferred stock. In addition, the par value of both classes of stock was reduced from \$ 0.001 to \$ 0.0001 per share.

**Example:** A company with a fiscal year end of December 31<sup>st</sup>, in addressing this item for its quarter ended September 30, 2018, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2016 through September 30, 2018 pursuant to the tabular format 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.)
November 7/2011	\$50,600	\$50,600	\$31,882	On demand	None. 6%per annum interest	Eric Leffler	Loan
June 2/15	\$6,200	\$6,200	\$5,306	On demand	None. 12% per annum interest.	Douglas Fleck	Loan
Feb 6 /17	\$4,500	\$4,500	\$2,521	February 6/18	Convertible at 50% of market value of GBHL common shares.12% per annum interest	Penn Lux LLC/ Jerry Polis	Loan
Jan 3/18	\$6,955	\$6,955	\$0	On demand	Convertible to common shares at 50% of lowest trading price 5 trading days prior to conversion.	Jacqueline Giroux	Loan
Jan 3/18 Debt consolidation	\$79,757	\$79,757	\$23,878	April 16,2018	Convertible to common shares at 50% of lowest trading price 5 trading days prior to conversion. 8% per annum interest	Rochester Capital Partners LP/Gary Rasmussen	Loan
January 3,2020 Debt consolidation	\$31,790	\$31,790	\$ 4,417	June 30,2020	Convertible to common shares at 50% of lowest trading price 5 trading days prior to conversion. 8% per annum interest.	Rochester Capital Partners LP/Gary Rasmussen	Loan
May 27,2020 Debt consolidation	\$ 9,500	\$ 9,500	\$1,024	Nov. 30,2020	Convertible to common shares at 50% of lowest trading price 5 trading days prior to conversion. 8% per annum interest.	Rochester Capital Partners LP/Gary Rasmussen	Loan
July 9,2020	\$3,000	\$3,000	None	Commencing July 9,2021	SBA loan carries interest at 3.75% per annum and repayment begins July 9,2021 over 30 years	Small Business Administration Disaster Loan	Loan
September 30,2020	\$2,200	\$2,200	\$176	Sept.30, 2021	Convertible to common shares at 50% of lowest trading price 5 trading days prior to conversion. 8% per annum interest.	Rochester Capital Partners LP/Gary Rasmussen	Loan
December 31,2020	\$2,800	\$2,800	\$168	Dec. 31,2021	Convertible to common shares at 50% of lowest trading price 5 trading days prior to conversion. 8% per annum interest.	Rochester Capital Partners LP/Gary Rasmussen	Loan
March 31,2021	\$2,800	\$2,800	\$112	March 31, 2022	Convertible to common shares at 50% of lowest trading price 5 trading days prior to conversion. 8% per annum interest.	Rochester Capital Partners LP/Gary Rasmussen	Loan

June 30, 2021	\$7,250	\$7,250	\$146	June. 30, 2022	Convertible to common shares at 50% of lowest trading price 5 trading days prior to conversion. 8% per annum interest.	Rochester Capital Partners LP/Gary Rasmussen	Loan
September 30, 2021	\$3,700	\$3,700	\$0	Sept 30, 2022	Convertible to common shares at 50% of lowest trading price 5 trading days prior to conversion. 8% per annum interest.	Rochester Capital Partners LP/Gary Rasmussen	Loan
Debt and interest payable at September 30, 2021 and at the date of this filing	<u>\$211,052</u>	<u>\$211,052</u>	<u>\$69,630</u>				

#### 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>4</sup>:

Name: **Alan Bailey**  
Title: **CFO**  
Relationship to Issuer: **CFO**

Provide the financial statements described below for the most recent fiscal year or quarter.

- C. Balance Sheet;  
D. Statement of Income;  
E. Statement of Shareholders' Equity  
F. Statement of Cash Flows;  
G. Financial Notes; and  
H. Audit letter (not applicable)

**Attached to this disclosure statement is the Quarterly Unaudited Consolidated Financial Statements for the 9 months ended September 30, 2021 (see Pages 15-25).**

<sup>1</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.

#### 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")

**Global Entertainment Holdings, Inc., including its consolidated subsidiaries (the "Company"), is an independent global entertainment content production and distribution company that connects with audiences through compelling motion picture content and social media websites. The Company's website is: [www.Global-GBHL.com](http://www.Global-GBHL.com). Our management team has about 100 years collective experience primarily in film production and studio operations and has developed extensive long-term relationships in the 'Hollywood' film community with**



agents, professionals, talent and third party distributors for U.S. and international distribution. We also take advantage of beneficial production tax incentives offered by state and foreign governments (such as Canada) to both lower its production cost and mitigate its production investment risk. Subject to raising sufficient new capital, the Company has also developed and plans to use to launch its “You’ve Got the Part” web platform and mobile App. We also distribute a Library with approximately 2,000 titles of iconic Hollywood classic movies, TV shows, shorts and vintage cartoons ([www.GlobalEntClassics.com](http://www.GlobalEntClassics.com)) through our *Global Entertainment Classics* brand.

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

The Company’s primary focus is the production, financing and sales of motion pictures and other entertainment related content, conducted through its wholly-owned subsidiaries, Global Universal Film Group, Inc. and Global Entertainment Film Fund, LLC., and its 30% owned, Canadian affiliate, Global Universal Pictures; and other secondary entertainment related businesses through its wholly-owned subsidiaries Global Entertainment Media, Inc., You’ve Got the Part, Inc., WW Digital Marketing Group, Inc., and California LitFunding, Inc.

Effective June 15, 2021 Global Universal Film Group Inc. changed its domicile from the state of Nevada to the state of Wyoming, which will provide the company with greater opportunities for expansion.

You’ve Got The Part, Inc. is developing “*You’ve Got The Part*” (YGTP), a new social media web platform that will allow anyone, anywhere and at anytime, the opportunity to audition for a “walk-on” role in a real Hollywood movie or TV program via the Internet using their SmartPhone or web cam. Development of the YGTP platform is substantially complete, with the next step being the planned launch of a beta site, followed (subject to raising sufficient new capital) by a full-scale release. Our current working site is: [www.YGTP.Net](http://www.YGTP.Net). Additionally, a promotional video for You’ve Got the Part can be viewed at: <https://vimeo.com/manage/videos/604033222>

In May 2015, the Company acquired WW Digital Marketing Group, Inc., a Delaware corporation, which owns “*WeedWeb.com*”, a formative new web portal that is planned to display relevant information on businesses, professionals, service providers and others engaged in the legal cannabis industry in the U.S.

Our team of officers and directors (who can be contacted through [info@globaluniversal.com](mailto:info@globaluniversal.com)) include:

Gary Rasmussen, Co-Founder, CEO & Director (Chairman)  
Alan Bailey, CFO  
Terry Gabby, Controller & Secretary  
Stanley Weiner, Director (independent)  
Virginia Perfili, Director (independent)  
Jackelyn Giroux, Co-Founder & President of Global Universal Film Group and You’ve Got The Part

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

As referenced in Section B, above, the Company’s primary focus is the production, financing and sales of motion pictures and other entertainment related content.

On June 23, 2015 the Company announced that its subsidiary, Global Universal Film Group, commenced development on two motion picture projects. The first project, “*Rockland Boulevard*”, is a fast paced boxing movie that takes place in the nitty-gritty world of prize fighting and is a heartwarming and ultimately redemptive story of two downtrodden souls brought together by fate. Both are “punch drunk”; one from too many hits to the head, the other from too many hits to the heart. The second project, “*Mavericks In Toyland*”, is a wicked, dramedy/biopic detailing the lives of two of the toy industry’s most competitive lions. Events in the story are true and the world of toy invention is undeniably fascinating. The story is anchored in an easily digestible character drama between two rival toymakers, but is essentially about the friendship of the two.

On July 18, 2016 Global Universal Film Group, Inc., a wholly-owned subsidiary of Global Entertainment Holdings announced the acquisition of the rights to J. Costa's psychological horror/thriller "*Purgatory*" for production as a feature length motion picture. J. Costa's "*Purgatory*" features "Dave", a serial killer with heart, whose dispensation to discuss his nature while reflecting upon his sins, seems to relish in the beauty of his control over life and death. Adding to this chilling scenario is the sheer horror experienced by his still living captives, who bear witness to his confession. "*Purgatory*" was an Official Selection at the Cannes International Film Festival; won Best Horror Short at the New York International Film Festival; and Best Short Film, Audience Choice Awards.

On November 16, 2015, the Company announced the acquisition of an extensive library of approximately 1,900 classic motion pictures, television series, vintage films, short form content and cartoons for worldwide distribution. The Company is marketing this digital content library through Global Universal Film Group, a wholly-owned subsidiary. The library is comprised primarily of digitized, vintage Hollywood classics that are now in the public domain. In fourth quarter 2018, the Company began marketing selected classic series included in this library in DVD format to major retail chain stores and plans to continue this method of selective DVD distribution during 2019.

In addition to motion picture development and production, the Company is actively developing "*You've Got The Part*" (YGTP) a new social media web platform that will allow anyone, anywhere and at anytime, the opportunity to audition for a "walk-on" role in a real Hollywood movie or TV program via the Internet using their SmartPhone or web cam. Development of the YGTP platform has been substantially completed, with the next step being the launch of a beta site, followed by a full-scale launch (subject to securing new financing). Our current working site is: [www.YGTP.Net](http://www.YGTP.Net). Additionally, a promotional video for You've Got the Part can be viewed at: <https://vimeo.com/111288376?from=outro-local>.

On October 16, 2019, Global Universal Film Group, Inc. (GUFG), a wholly-owned subsidiary of Global Entertainment Holdings announced their new feature-length film "*MYSTIQUE*," starring Lalesha Railsback (daughter of Steve Railsback), which made its debut on November 5, 2019, at the American Film Market, Santa Monica, CA, on a screening site entitled "Screen On Demand." "*MYSTIQUE*" is a Horror genre, feature-length film that deals with the supernatural and what transpires when a young boy is murdered. Jacqueline Giroux, president of Global Universal Film Group, is the Producer, Writer and 2nd Unit Director of "*MYSTIQUE*." A trailer for the upcoming film "*MYSTIQUE*," can be viewed at: <https://vimeo.com/rodneylives>.

In late December of 2019, GUFG commenced work on a new feature-length film called "*FAKE NEWS*." More information will be forthcoming. On March 6, 2020, the Company's film subsidiary, Global Universal Film Group, finished its production of "*FAKE NEWS*" and submitted the film to the Festival de Cannes Selection Committee for competition in the 2020 Cannes International Film Festival. Unfortunately, the Cannes festival was cancelled delayed until this Summer, due to the Coronavirus pandemic. A description of "*FAKE NEWS*" and a preview trailer can be viewed at: <https://www.fakenewsthefilm.com/>

As a consequence of the general disruption caused by the Covid-19 pandemic, including but not limited to "stay-at-home" orders and other restrictions to normal business operations, there has been a slowdown in obtaining and closing financing deals and related arrangements. The Company's is reliant on new sources of financing for its continued development and the near-term completion of its business objectives. Accordingly, with respect to the above projects, the Company's own operations have been disrupted and completion/launch temporarily pushed back and/or delayed until normal business conditions resume.

**Summary of Operating Results for the 9 Months Ended September 30, 2021 compared with the 9 Months Ended September 30, 2020 is as follows:**

Revenue for the 3 months and 9 months ended September 30, 2021 totaled \$3,299 and \$3,610 respectively, compared with no revenue for the 3 and 9 months ended September 30, 2020. Revenue in 2021 related primarily from licensing revenue derived from the distribution of the Company's movie title "Blue Seduction".

General and administrative expense totaled \$5,831 and \$15,602 for the 3 and 9 months ended September 30, 2021 respectively, compared with general and administrative expense of \$7,653 and \$18,374 for the 3 and 9 months ended September 30, 2020. After financing expense of \$3,833 and \$41,500 for the 3 and 9 months ended September 30, 2021 respectively, the net loss for the 3 and 9 months ended September 30, 2021 totaled \$(6,365) and \$(53,492) respectively, compared with a net loss for the 3 and 9 months ended September 30, 2020 of \$(30,702) and \$(67,299) respectively.

Financing expense for the 9 months ended September 30, 2021 includes a one-time financing charge of \$15,000 assessed by the convertible noteholder, Auctus LLC, as a penalty for the momentary decline during the period of the outstanding convertible note on the closing trading price of GBHL common stock falling below \$0.001 per share.

Cash used in operations for the 9 months ended September 30, 2021 totaled \$(11,709) compared with cash used in operations of \$ (17,100) for the 9 months ended September 30, 2020. There was no new investing. For financing activities, Rochester Capital Partners LLC provided additional financing of \$13,750 during the 9 months ended September 30, 2021, compared with providing \$17,700 during the 9 months ended September 30, 2020.

The consolidated cash balance as of September 30, 2021 totaled \$3,103, compared with a consolidated cash balance of \$1,062 at December 31, 2020.

## 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.

**The Company presently primarily operates from its office located at 2375 E. Tropicana Avenue, Suite 8-259, Las Vegas, Nevada 89119. Tel: (877) 807-8880 on a month-to-month lease. However, when projects are placed into pre-production, production and/or post-production, the Company may lease additional production suitable space, including production offices and stages on an as needed short term basis to support such production activities.**

## 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 regarding any person or entity owning 5% or more of the issuer, 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.**

**Direct ownership by Corporate Directors, Officers and Persons owning more than 5% of any class of stock outstanding of Global Entertainment Holdings, Inc. at September 30, 2021:**

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Gary Rasmussen	CEO and Director	Palm Bay, Florida	58,405,983*	Common shares	4.83%	
Gary Rasmussen	CEO and Director	Palm Bay, Florida	1,093,227	Series B Preferred	27.40%	

Gary Rasmussen	CEO and Director	Palm Bay, Florida	3,300,000*	Series C Preferred	53.23%	
Alan Bailey	CFO	Palos Verdes, California	14,260,000	Common Shares	1.22%	
Terry Gabby	Controller & Secretary	Las Vegas, Nevada	6,315,000	Common Shares	0.52%	
Stanley Weiner	Director	Lancaster, California	4,112,384	Common Shares	0.34%	
Virginia Perfili	Director	Castaic, California	4,214,450	Common Shares	0.35%	
Jacqueline Giroux	Owner of more than 5%	Studio City, California	2,255,682	Series B Preferred	56.53%	
Jacqueline Giroux	Owner of more than 5%	Studio City, California	2,900,000*	Series C Preferred	46.77%	
Jacqueline Giroux	Owner of more than 5%	Studio City, California	14,768,914*	Common shares	1.22%	

\*On July 30, 2021, Mr. Rasmussen converted 200,000 Series C Preferred stock to 63,292,463 common shares, and on August 4, 2021, Ms. Giroux converted 100,000 Series C Preferred stock to 34,605,059 common shares. On August 9, 2021, Ms. Giroux gifted 32 million shares and Mr. Rasmussen gifted 24 million shares to relatives.

At September 30, 2021, we had a total of **1,208,515,152** shares of common stock issued and outstanding; **3,990,134** shares of our Series B Convertible Preferred Stock ("Series B") outstanding; and **6,200,000** shares of our Series C Convertible Preferred Stock ("Series C") outstanding. Each share of Series B Preferred Stock is presently convertible into one share of common stock and is not affected by any forward or reverse stock splits. The 6,200,000 shares of Series C Preferred Stock outstanding are, in the aggregate, convertible into 65% of the current issued and outstanding shares of common stock, calculated immediately following such conversion. In addition, each share of Series C Preferred Stock carries voting rights equal to that number of shares of common stock that would result from the instant conversion of each share of Series C Preferred Stock into common stock.

Assuming that all Series B Preferred stock was to be converted into 3,990,134 shares of common stock, the Company would have a total of **1,212,505,286** shares of common stock issued and outstanding at September 30, 2021. Assuming that all 6,200,000 Series C Preferred stock were subsequently converted, the Series C Preferred stock would convert into an aggregate total of **1,978,298,098** shares of common stock outstanding, resulting in a fully diluted total of approximately **3.2 billion** shares of common stock issued and outstanding at September 30, 2021

## 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:

**None**

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## 9) Third Party Providers

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

### Securities Counsel

Name: **Thomas G. Amon Esq**  
**Law Offices of Thomas G. Amon**  
**420 Lexington Avenue, Rm 1402**  
**New York, NY 10170**  
**Tel: (212) 810-2430**

### Accountant or Auditor

Name: **None**

### Investor Relations Consultant

Name: **None**

### Other Service Providers

Name: **None**

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## 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, Gary Rasmussen, Chief Executive Officer, certify that:

1. I have reviewed this Quarterly Disclosure Statement of Global Entertainment Holdings, Inc., for the 9 months ended September 30, 2021
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.

October 26, 2021

/s/ Gary Rasmussen

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

### ***Principal Financial Officer:***

I, Alan Bailey, Chief Financial Officer certify that:

1. I have reviewed this Quarterly Disclosure Statement of Global Entertainment Holdings, Inc., for the 9 months ended September 30, 2021;
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.

October 26, 2021

/s/ Alan Bailey

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

**FOLLOWING ARE THE QUARTERLY UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF GLOBAL ENTERTAINMENT HOLDINGS, INC. FOR THE 9 MONTHS ENDED SEPTEMBER 30, 2021**



**QUARTERLY FINANCIAL STATEMENTS  
GLOBAL ENTERTAINMENT HOLDINGS, INC.  
for the 9 Months Ending  
SEPTEMBER 30, 2021**

**INDEX**

Consolidated Balance Sheets as of September 30, 2021 and December 31, 2020 (unaudited)	Page 16
Consolidated Statements of Operations for the 3 and 9 Months Ended September 30, 2021 and September 30, 2020 (unaudited)	Page 17
Statement of Stockholders' Equity for the Period Ended September 30, 2021	Page 18
Consolidated Statements of Cash Flows for the 9 Months Ended September 30, 2021 and September 30, 2020 (unaudited)	Page 19
Notes to the Consolidated Financial Statements (unaudited)	Pages 20 - 25



**GLOBAL ENTERTAINMENT HOLDINGS, INC**

**CONSOLIDATED BALANCE SHEETS**

(Unaudited)

	September 30, <u>2021</u>	December 31, <u>2020</u>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 3,103	\$ 1,062
Prepaid expense	<u>3,208</u>	<u>2,292</u>
<b>Total current assets</b>	<u>6,311</u>	<u>3,354</u>
 <b>Fixed assets</b> , net of depreciation	 <u>-</u>	 <u>-</u>
 <b>Other assets:</b>		
Movie inventory and other rights, at cost	839,148	839,148
Other intellectual property rights	75,450	75,450
App development	<u>152,805</u>	<u>152,805</u>
	<u>1,067,403</u>	<u>1,067,403</u>
 <b>TOTAL ASSETS</b>	 <b><u>\$ 1,073,714</u></b>	 <b><u>\$ 1,070,757</u></b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 222	\$ 322
Accrued interest and other expenses	96,630	84,599
Notes and debentures payable	<u>211,053</u>	<u>394,029</u>
<b>Total current liabilities</b>	<u>307,905</u>	<u>478,950</u>
 <b>Deferred revenue</b>	 <u>469,685</u>	 <u>469,685</u>
 <b>Stockholders' equity</b>		
<b>Share Capital</b> , \$ 0.0001 par value		
<b>Preferred shares:</b>		
Total preferred shares authorized: <b>50,000,000</b>		
(at par value \$ 0.0001) allocated to date as follows:		
Convertible Series B: <b>4,000,000</b> authorized; <b>3,990,314</b>		
issued and outstanding	399	399
Convertible Series C: <b>6,500,000</b> authorized; <b>6,200,000</b>		
and <b>6,500,000</b> issued and outstanding, respectively	620	650
Convertible Series D: <b>10,000</b> authorized; <b>None</b>		
issued and outstanding	-	-
 <b>Common shares:</b>		
<b>1,950,000,000</b> authorized (at par value \$0.0001)		
<b>1,208,515,152</b> issued and outstanding as of		
September 30, 2021 and <b>843,946,581</b> issued and		
outstanding as of <b>December 31, 2020</b>	120,851	84,395
<b>Additional paid-in capital</b>	<u>13,518,475</u>	<u>13,327,407</u>
<b>Accumulated deficit</b>	<u>(13,344,221)</u>	<u>(13,290,729)</u>
 <b>Total stockholders' equity</b>	 <u>296,124</u>	 <u>122,122</u>
 <b>TOTAL LIABILITIES, DEFERRED REVENUE AND STOCKHOLDERS' EQUITY</b>	 <b><u>\$ 1,073,714</u></b>	 <b><u>\$ 1,070,757</u></b>

*The accompanying notes are an integral part of these financial statements*



**GLOBAL ENTERTAINMENT HOLDINGS, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)

	For the 3 Months Ended September 30,		For the 9 Months Ended September 30,	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Revenue</b>	<u>\$ 3,299</u>	<u>\$ 0</u>	<u>\$ 3,610</u>	<u>\$ 0</u>
<b>Expense</b>				
General and administrative	<u>5,831</u>	<u>7,653</u>	<u>15,602</u>	<u>18,374</u>
<b>Net operating loss</b>	<u>(2,532)</u>	<u>( 7,653)</u>	<u>(11,992)</u>	<u>(18,374)</u>
<b>Other income (expense)</b>				
Interest and finance cost	<u>(3,833)</u>	<u>( 23,049)</u>	<u>(41,500)</u>	<u>(48,925)</u>
<b>Other expense (net)</b>	<u>(3,833)</u>	<u>(23,049)</u>	<u>(41,500)</u>	<u>(48,925)</u>
<b>Net loss</b>	<u><b>\$ (6,365)</b></u>	<u><b>\$ (30,702)</b></u>	<u><b>\$ (53,492)</b></u>	<u><b>\$ (67,299)</b></u>
<b>Loss per Share - Basic and</b>				
<b>Diluted</b>	<u><b>\$(0.000005)</b></u>	<u><b>\$(0.00005)</b></u>	<u><b>\$(0.00005)</b></u>	<u><b>\$(0.00011)</b></u>
<b>Weighted Average Common</b>				
<b>Shares Outstanding</b>	<u><b>1,170,887,360</b></u>	<u><b>622,393,140</b></u>	<u><b>1,015,299,035</b></u>	<u><b>602,872,270</b></u>

*The accompanying notes are an integral part of these financial statements.*

**GLOBAL ENTERTAINMENT HOLDINGS, INC.**  
**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2021**  
**(Unaudited)**

	SHARE CAPITAL				ADDITIONAL PAID IN		ACCUMULATED	STOCKHOLDERS'	
	Convertible		Convertible		Common Shares		CAPITAL	DEFICIT	EQUITY
	Series B Preferred		Series C Preferred						
	#	\$	#	\$	#	\$			
January 1, 2019	3,990,314	\$399*	6,500,000	\$650*	251,280,133	\$ 25,128 *	\$13,216,894*	\$(13,180,794)	\$ 62,277
Summary of stock issuances:									
January 1-December 31,2019									
-Stock issued to repay Note and accrued interest thereon	-	-	-	-	135,824,067	13,582	46,325	-	59,907
-Stock conversions to repay outstanding Note principal					100,000,000	10,000	22,525	-	32,525
-Stock issued for services	-	-	-	-	30,500,000	3,050	-	-	3,050
Prior period adjustments	-	-	-	-	-	-	-	94,450	94,450
Loss for the 12 Months ended Dec. 31,2019	-	-	-	-	-	-	-	(115,115)	(115,115)
Dec 31,2019	3,990,314	\$399	6,500,000	\$ 650	517,604,200	\$ 51,760	\$13,285,744	\$(13,201,459)	\$137,094
Summary of stock issuances:									
January 1-December 31,2020									
-Stock issued to repay Note and accrued interest and thereon			-	-	324,842,381	32,485	41,663	-	74,148
Stock used for services	-	-	-	-	1,500,000	150	-	-	150
Loss for 12 months ended Dec. 31,2020	-	-	-	-	-	-	-	(89,270)	(89,270)
Dec. 31,2020	3,990,314	\$399	6,500,000	\$650	843,946,581	\$84,395	\$13,327,407	\$ (13,290,729)	\$ 122,122
Summary of stock issuances:									
9 Months Ended September 30,2021									
Stock issued to repay Note and accrued interest thereon	-	-	-	-	263,671,049	26,367	200,827	-	227,194
Conversion of Series C Preferred to Common Shares	-		(300,000)	(30)	97,897,522	9,789	(9,759)	-	-
Stock issued for services	-	-	-	-	3,000,000	300	-	-	300
Loss for 9 months ended Sept. 30,2021	-	-	-	-	-	-	-	(53,492)	(53,492)
Sept.30,2021	3,990,314	\$399	6,200,000	\$620	1,208,515,152	\$120,851	\$13,518,475	\$ (13,344,221)	\$ 296,124

**NOTE:** \* Effective August 5, 2019, the Company's authorized capital stock was increased to 2 billion, of which 1,950,000,000 shares were designated as Common stock and 50,000,000 shares were designated as Preferred stock. In addition, the par value of both classes of stock was reduced from \$ 0.001 to \$ 0.0001 per share. The decrease in par value has been reflected retroactively, with the reduction in carrying value of Share Capital offset with an equal increase to Additional Paid In Capital.

*The accompanying notes are an integral part of these financial statements*

**GLOBAL ENTERTAINMENT HOLDINGS, INC**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Unaudited)

	<u>9 Months Ended</u>	
	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
<b>Cash flows from (used in) operating activities:</b>		
Net loss for period	\$ (53,492)	\$ (67,299)
<i>Adjustments to reconcile net loss to net cash for non-cash items:</i>		
Stock used to pay financing expense	30,468	23,041
Stock used to pay services	300	-
<i>Net change in current assets and liabilities:</i>		
Increase in prepaid expense	(916)	(3,667)
(Decrease) in accounts payable	(100)	(21,110)
Increase in accrued interest and other expense	<u>12,031</u>	<u>51,935</u>
<b>Net cash from (used in) operating activities</b>	<u>(11,709)</u>	<u>(17,100)</u>
<b>Cash flows used in used in investing activities:</b>	<u>-</u>	<u>-</u>
<b>Cash flows from financing activities:</b>		
Increase in notes payable	<u>13,750</u>	<u>17,700</u>
<b>Net cash from financing activities</b>	<u>13,750</u>	<u>17,700</u>
<b>Increase (decrease) in cash</b>	2,041	600
<b>Cash - beginning of period</b>	<u>1,062</u>	<u>1,449</u>
<b>Cash - end of period</b>	<u>\$ 3,103</u>	<u>\$ 2,049</u>

Supplemental information of transactions not involving cash:

Repayment of convertible notes payable	\$(196,727)	\$ -
Issuance of common stock	\$ 196,727	\$ -

*The accompanying notes are an integral part of these financial statements*

**GLOBAL ENTERTAINMENT HOLDINGS, INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the 9 Months Ended September 30, 2021**  
**(Unaudited)**

**NOTE 1 - DESCRIPTION OF THE BUSINESS**

The Company was formed on July 11, 1996, in the State of Nevada.

Global Entertainment Holdings, Inc., including its consolidated subsidiaries (the "Company"), is an independent global entertainment content production and distribution company that connects with audiences through compelling motion picture content and social media websites ([www.Global-GBHL.com](http://www.Global-GBHL.com)). The Company's primary focus is the production, financing and sales of motion pictures and other entertainment related content, conducted through its subsidiary, Global Universal Film Group, Inc. ([www.GlobalUniversal.com](http://www.GlobalUniversal.com)), which also manages the Company's **Global Entertainment Classics** Library with approximately 1,900 titles of iconic Hollywood classic movies, TV shows, shorts and vintage cartoons ([www.GlobalEntClassics.com](http://www.GlobalEntClassics.com)). Management has long-term relationships with third party distributors for U.S. and for international distribution, primarily on a pre-sale basis. The Company also takes advantage of beneficial production tax incentives offered by state and foreign governments to both lower its production cost and mitigate investment risk.

***Principles of Consolidation***

The condensed consolidated financial statements of the Company include the accounts of Global Entertainment Holdings, Inc., its subsidiaries and variable interest entities ("VIE's") where the Company is considered the primary beneficiary, after elimination of intercompany accounts and transactions. Investments in business entities in which the Company lacks control but does have the ability to exercise significant influence over operating and financial policies are accounted for using the equity method. Accordingly, the Company's condensed consolidated financial statements include the accounts of the Company, and its Subsidiaries: Global Entertainment Media, Inc., Global Universal Film Group, Inc., You've Got the Part, Inc., WW Digital Marketing Group, Inc., California LitFunding, Inc., and its LLC: Global Entertainment Film Fund, LLC.

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

***Use of estimates in the preparation of financial statements***

Preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

***Cash and cash equivalents***

For purposes of the consolidated statements of cash flows, cash includes demand deposits. At September 30, 2021, and December 31, 2020, none of the Company's cash balances were in excess of federally insured limits.

***Prepaid expense***

Prepaid expense at September 30, 2021 represents the balance of the prepaid annual subscription fee to OTC Markets through May 31, 2022.

***Securities and Related Debt Financing***

In connection with an agreement between the Company and a third party investor, dated February 28, 2017, the Company was provided with a firm financing commitment. Pursuant to such agreement, the Company acquired from the third party 3 million common shares of Apcentive Inc., a private company, in exchange for 3 million common shares of GBHL common stock having a market value of \$ 7,500 at the date of issuance. On August 4, 2017, the Company received a stock certificate representing 3,424,550 shares of Airborne Wireless Network ("ABWN") restricted common stock, dated July 19, 2017, in exchange for its 3 million shares of Apcentive in connection with Apcentive's pro-rata distribution of 40 million shares of ABWN it held. The Company pledged a portion of its ABWN holdings as collateral for \$215,000 in debt

financing from Auctus Fund LLC that was used primarily to fund the development of the web platform and mobile App for “You’ve Got The Part”. However, immediately after the date the Company was legally able to sell the ABWN shares, the value of the shares collapsed rapidly to almost zero in a massive dilution scheme beginning in May, 2018, followed by a one for 30,000 reverse split sixty days later. As a result, the Company now owns only 114 shares of ABWN, which is currently trading at a price of \$0.0004 per share (so that the ABWN shares held have a gross value of only approximately 4.5 cents.) As a result, the Company was unable to repay the Auctus, LLC loan when it matured, and the lender began converting the note to common stock in repayment of principal and payment of accrued interest on the loan at the penalty rate of 22% per annum. Management recognized that the ABWN stock asset was significantly impaired and has fully reserved against the decline in value accordingly.

### ***Impairment***

The Company periodically reviews for the impairment of its assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be realizable. An impairment loss would be recognized when estimated future cash flows expected to result from the use of the asset and its eventual disposition is less than carrying amount. At September 30, 2021 and December 31, 2020, except for the impairment in its Securities referred to above, Company has not identified any other impairment losses.

### ***Fixed Assets***

Fixed assets are stated at cost less accumulated depreciation. Depreciation is recorded on a straight-line basis over a period of the shorter of the related applicable lease term or the estimated useful lives of the assets ranging from 3 to 5 years. At September 30, 2021, and December 31, 2020, the Company’s fixed assets were fully depreciated.

### ***Fair value of financial instruments***

The carrying amounts of the Company’s accounts payable, accrued expenses, and notes payable approximate fair value due to their short-term nature.

### ***Income taxes***

Under ASC Topic 740, “Income Taxes”, the Company is required to account for its income taxes through the establishment of a deferred tax asset or liability for the recognition of future deductible or taxable amounts and operating loss and tax credit carry forwards. Deferred tax expense or benefit is recognized as a result of timing differences between the recognition of assets and liabilities for book and tax purposes during the year. 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. Deferred tax assets are recognized for deductible temporary differences and operating losses, and tax credit carry forwards. A valuation allowance is established to reduce that deferred tax asset if it is “more likely than not” that the related tax benefits will not be realized. At this time, no provision for the payment of income taxes is required on the results of the Company’s operations through September 30, 2021. Accumulated net losses, on a consolidated basis, through September 30, 2021, totaled approximately \$ 13.3 million.

### ***Inventory of Movie and Other Rights***

The Inventory of movie and other rights consist of Book Rights, TV Game/Reality Show Rights, Film Rights and Movie costs. These are recorded as assets as required by the AICPA Statement of Position 00-2. These costs will be amortized using the individual film forecast computation method. Expenditures that are related to specific Film, TV or Book projects are capitalized as a long-term asset. The capitalized costs will be amortized using the individual film forecast computation method as film revenues are obtained. Other IP Rights of \$ 75,450 relate to the acquisition of 10,000,000 shares of WW Digital Marketing Group, Inc., whose primary asset is a web portal known as “WeedWeb.com” and \$ 152,805 relating to the development of the “You’ve Got the Part” App.

***Deferred Revenue*** of \$ 469,685 at September 30, 2021, and December 31, 2020, relates to the following motion pictures

“Blue Seduction”	\$ 19,685
“American Sunset”	150,000
“Plaster Rock”	150,000
“The Night”	<u>150,000</u>
	<u>\$ 469,685</u>

## **Revenue recognition**

Film revenue from licensing agreements is recognized when the license period begins and the licensee and the Company become contractually obligated under a non-cancellable agreement. All revenue recognition for license agreements is in compliance with the AICPA's Statement of Position 00-2, Accounting by Producers or Distributors of Films. We recognize revenue when all of the following conditions are met:

- Persuasive evidence of an arrangement exists;
- The products or services have been delivered; for feature film content products (VOD, DVDs, etc.) released or sold by our Global Universal Film Group subsidiary, we believe this condition is met when the film product is complete and, in accordance with the terms of our contractual arrangement, has been delivered or is available for immediate and unconditional sales and/or delivery;
- The license or sales period has begun; and
- Collection of the arrangement fee or selling commission is fixed or determinable and reasonably assured.

Effective March 30, 2021 the Company entered into a renewable 12-month non-exclusive Content License Agreement with a third-party educational and entertainment company whereby the Company has agreed to license certain of its digital content library, including its still images, in return for a license of \$0.05 per subscriber accessing the third-party's website to view such digital content. The start date of the license was April 1, 2021. In addition to the license fee, the third-party has also agreed to upgrade the Company's content to an enhanced digital version and to provide the Company with a copy of such enhanced versions at no cost to Company. Revenue recognized for the 9 months ended September 30, 2021 related to this agreement totaled \$600.

## **Net Loss per Share**

Net loss per share is calculated using the weighted average number of shares of common stock outstanding during the year. The Company has adopted the provisions of SFAS No. 128, Earnings per Share.

## **Notes and Debentures Payable, and Accrued Interest Thereon**

At September 30, 2021 the following amounts were due and payable within the next 12 months or on demand:

Due to:	<u>Principal</u>	<u>Accrued Interest</u>	<u>Combined</u>
Rochester Capital Partners, LLC	139,797	29,920	169,717
Eric Leffner	50,600	31,883	82,483
Jacqueline Giroux	6,956	-	6,956
Douglas Fleck	6,200	5,306	11,506
Penn Lux LLC	4,500	2,521	7,021
SBA Disaster Recovery Loan	<u>3,000</u>	<u>-</u>	<u>3,000</u>
	<u>\$211,053</u>	<u>\$ 69,630</u>	<u>\$280,683</u>

The Auctus Fund, LLC outstanding principal and interest was fully repaid during the 3 months ended June 30, 2021 through conversion to the Company's common stock, and the previously held share reserve has been fully released.

The Rochester Capital Partners, LLC ("RCP") outstanding principal and interest is convertible to GBHL common shares at 50% of lowest trading price 5 trading days prior to conversion and accrues 8% per annum interest. Gary Rasmussen, CEO of the Company, is the General Partner of RCP and owns a majority equity interest therein. The limited partners are members of Mr. Rasmussen's immediate family. As General Partner, Mr. Rasmussen has voting, investment and dispositive power over the shares of stock owned by the partnership.

The Penn Lux LLC outstanding principal and interest is convertible at 50% of market value of GBHL common shares and accrues 12% per annum interest.

The Jacqueline Giroux outstanding principal is convertible to GBHL common shares at 50% of lowest trading price 5 trading days prior to conversion and does not carry interest.

All of the other outstanding loans are not convertible and are payable on demand at interest rates ranging from 0% to 12%.

### ***Recent Accounting Pronouncements***

There have been no new accounting pronouncements issued by the FASB applicable to the Company's operations in either the 3 and 9 months ended September 30, 2021 or 12 months ended December 31, 2020. Any FASB pronouncements, as applicable, has been or will be adopted by the Company accordingly.

## **NOTE 3 – SHARE CAPITAL**

### **Increase in Authorized Share Capital and Reduction in Par Value Per Share**

Effective August 5, 2019 the Company's authorized capital stock was increased to 2 billion, of which 1,950,000,000 shares were designated as Common stock and 50,000,000 shares were designated as Preferred stock. In addition, the par value of both classes of stock was reduced from \$ 0.001 to \$ 0.0001 per share.

### **Series “B” Convertible Preferred Stock**

Pursuant to the reverse tri-party merger with Global Universal Film Group, Inc. (GUFG), we issued a total of 1,500,000 shares of Series B Convertible Preferred Stock to the stockholder's of GUFG. Mr. Rasmussen, our current CEO, owned 50% of the shares of GUFG and also received 750,000 Series B Shares in the merger. Ms. Jacqueline Giroux, President of GUFG, received the balance of 750,000 shares. In December 2007, we issued an additional 2,490,134 shares of Series B Preferred stock in exchange for the cancellation of \$273,915 in debt of GUFG. Mr. Rasmussen received 343,227 shares directly in his name; Rochester Capital Partners received 641,225 shares in its name; and Ms. Giroux received 1,505,682 shares directly in her name.

At September 30, 2021 and December 31, 2020, the Company had a total of **3,990,314** shares of Series B Preferred stock outstanding, which are convertible into **3,990,134** shares of common stock at any time.

### ***The rights and preferences of the Series B shares are as follows:***

**Dividend Provisions.** The holders of the Series B Convertible Preferred Stock will not be entitled to any dividends on the Preferred Stock.

**Liquidation Preference.** In the event of any liquidation, dissolution or winding up of the Company, either voluntary or involuntary, subject to the rights of series of preferred stock that may from time to time come into existence, the holders of Series B Convertible Preferred Stock shall be entitled to receive, prior to and in preference to any distribution of any of the assets of the Company to the holders of Common Stock by reason of their ownership thereof, an amount per share equal to the sum of (i) \$0.001 for each outstanding share of Series B Preferred Stock (“Original Series B Issue Price”) and (ii) an amount equal to the Original Series B Issue Price for each twelve (12) months that has passed since the date of issuance of any Series B Preferred Stock.

**Spin-off Rights.** At the election of a majority in interest of the Series B Preferred Stock, GUFG shall be spun off to the holders of the Series B Preferred Stock, with 90% of such shares in GUFG being issued, pro rata to the holders of the Series B Preferred Stock, and 10% being issued and distributed to the shareholders of the Company in common stock on a pro-rata basis. This provision was eliminated entirely with the filing of an amendment to the designation of rights and preferences of our Series B Preferred with the State of Nevada on December 6, 2007.

**Conversion.** Each share of Series B Convertible Preferred Stock is convertible, at the election of the holder, into one (1) share of the Company's common stock on such date as the majority shareholders of all Series B have elected to effect the Spin-Off transaction; however, the Series B Convertible Preferred Stock shall automatically convert into shares of Common Stock of the Company after twelve (12) months from the date of LitFunding's acquisition of Film Group, regardless of whether or not an election has been made to spin-off Film Group. This provision was amended with the filing of an amendment to the designation of rights and preferences of our Series B Preferred with the State of Nevada on December 6, 2007. Currently, the conversion into common stock may be made at any time, without conditions, by the



holders of the Series B Preferred stock. The Series B Preferred stock is not affected or adjusted for any forward or reverse stock splits.

**Voting Rights.** The shares of the Series B Preferred Stock do not have any voting rights except as to issues affecting the rights and preferences of the entire class of the Series B Preferred.

### **Series “C” Convertible Preferred Stock**

In January, 2008, in keeping with the restructuring efforts of the new management team, the Board authorized the issuance of 6,000,000 shares of a non-dilutive, convertible preferred stock entitled, Series C Convertible Preferred Stock (“Series C Stock”). The Series C Stock is non-dilutive and, the initial 6,000,000 shares authorized, will convert into 60% of the Company’s outstanding common stock as calculated immediately after such conversion. On April 4, 2008, the Company filed a Certificate of Designation relating to its Series C Convertible Preferred Stock with the Nevada Secretary of State. On November 8, 2008, the Board approved an amendment to the Certificate of Designation of the Series C, which provided for 6,500,000 shares authorized, converting into 65% of the outstanding common stock at the time of conversion, to correct an error in the original filing. A full description of the terms and conditions of the Series C Preferred Stock is provided in Exhibit 3.3, as filed with our quarterly report with the SEC on Form 10-QSB on August 14, 2008.

**At September 30, 2021 and December 31, 2020 the Company had 6,300,000 and 6,500,000 Series “C” Stock issued and outstanding, respectively.**

**Voting Rights.** The shares of the Series C Preferred Stock carry voting rights equal to the number of shares of common stock into which they are convertible. As of September 30, 2021 the entire class of Series C Preferred Stock could convert into approximately **1,978,298,098** shares of common stock and carry an equal amount in voting rights.

### **Series “D” Convertible, Participating Preferred Stock**

The Board of Directors had previously authorized the issuance of up to 10,000 shares of Series D Convertible, Participating Preferred Stock with a Stated Liquidation Value of \$100 per share (the “Series D Preferred”), to be offered to investors pursuant to the terms of a private offering document designed to raise capital for You’ve Got The Part. To date, no shares have been issued. Upon receipt of proceeds from the private offering, the Company plans to file a Certificate of Amendment with the Nevada Secretary of State to modify the terms of the original Certificate of Designation to comport to the offering.

**At September 30, 2021 and December 31, 2020, the Company had no shares of Series “D” Preferred Stock issued and outstanding.**

## **NOTE 4 – GOING CONCERN**

The Company has historically incurred losses since inception. There can be no assurance that the Company can reach or will continue to operate profitably. Unless significant additional cash flows are raised by the Company, the Company could be in jeopardy of continuing operations. The Company seeks to generate needed funds to continue ongoing operations from the sale of film rights, for which it acts as a selling agent or receives a participation in profits, joint ventures, the sale of Company stock through a Private Placement, Regulation A+ and/or a Crowdfunding offering, loans from affiliate shareholders, or by entering into financing arrangements with third-parties including, but not limited to, possible off-balance sheet financing arrangement in connection with its movie production activities. No provision for loss has been made in these Financial Statements in the event that the Company is unable to continue operations.

## **NOTE 5 – COMMITMENTS AND CONTINGENCIES**

### **Contingent asset and corresponding liability**

Effective November 11, 2015 the Company acquired the rights to approximately 1,900 digital masters to motion pictures, television series, vintage films and short form content and cartoons for worldwide distribution. In this regard, the Company is presently entertaining several output deals for distribution of the library, as well as negotiating for transcoding and closed captioning services of the digital content. These rights entitle the Company to distribute this digital content on a variety of platforms, including but not limited to traditional broadcast TV, electronic sell-through, video-on-demand, online subscription and advertising supported channels, over-the-top IP channels, mobile and multi-screen devices and legacy set-top boxes and game consoles. Payment for the acquisition of the library will be handled on a revenue share basis, with the Company agreeing to remit 50% of the net proceeds from exploitation of the digital content with the rights seller up to an initial contingent payable cap to the seller of \$480,000. As an added inducement to the seller, the Company



agreed to issue one million restricted common shares within 30 days from the execution of the Purchase Agreement. At September 30, 2021 no revenue share liability was due or had accrued to the seller.

#### **NOTE 6 - SUPPLEMENTAL INFORMATION REPORTS**

The Company previously filed a series of three Supplemental Information reports on September 18th, October 14th and October 30, 2019, which describe the fraudulent filing of a merger report between the Company and PAO Group (OTC: PAOG), another public entity, for the purpose of manipulating the market price of PAO Group and allowing the sale of massive amounts of their stock in the open market by a PAOG insider. However, the Company's market was also affected with a rise in price followed by a precipitous drop. Adding to this malicious fraud was the Nevada Secretary of State's (NV-SOS) refusal to reverse or delete the fraudulent filing after being notified by both companies' that the filing of the merger was false. Further, the NV-SOS posted the Company's status as "Dissolved" in the fraudulent merger that they knew was reported by both entities as false. The actions of the NV-SOS precipitated a lack of confidence by several large shareholders, as well as Auctus Fund LLC, our major lender. Auctus Fund LLC then proceeded to rapidly liquidate portions of its loan by converting their note to common stock. This, in turn, caused significant downward pressure on our market price to the current levels. More troubling was the fact that the NV-SOS has harbored the identity of this criminal filer, which prevented our management from taking any action directly against the individuals responsible for this fraud. As noted in the Supplemental Information Reports, our management filed and faxed several reports to the SEC, as well as the State of Nevada. Lacking any response from the SEC, our management had two conversions with SEC personnel in Washington, DC, and in New York City, NY; all without any results.

On July 20, 2020, the Company petitioned the Attorney General Aaron Ford for the State of Nevada to investigate suspected complicity by the NV-SOS in this matter and urged the Attorney General to also investigate the potentially criminal actions of the "Unknown Filer" who had falsely published the damaging "merger filing", which is a Category C Felony under Nevada Law. On January 4, 2021, the Company received notice that a criminal investigation into the fraudulent filing of a merger with the Nevada Secretary of State, allegedly by individuals affiliated with PAO Group (OTC: PAOG), was being conducted by the State of Nevada. However, on June 18, 2021 the Attorney General for the State of Nevada issued a letter stating that its office "could not take further action" because it acts as a legal counsel for other state agencies and could not therefore act as a "private attorney" for the Company.