

Green Star Products, Inc.
Balance Sheets
As of September 30, 2021 and December 31, 2020
(Unaudited)

	<u>September 30, 2021</u>	<u>December 31, 2020</u>
Assets		
Current Assets		
Cash and bank deposits	\$ 6,303	\$ 1,193
Total Current assets	<u>6,303</u>	<u>1,193</u>
Other Assets		
Other loan receivable	5,000	-
Loan receivable from related party	615,911	607,645
Total Assets	<u>\$ 627,214</u>	<u>\$ 608,838</u>
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable and accrued expenses	\$ 887,103	886,603
Payroll taxes payable	286,463	286,463
Salaries payable	22,500	-
Income taxes payable	86,000	86,000
Due to related party	726,102	833,659
Common stock to issue liability	87,356	87,356
Current portion of notes and loan payable	36,400	9,400
Total Current liabilities	<u>2,131,924</u>	<u>2,189,481</u>
Total liabilities	<u>2,131,924</u>	<u>2,189,481</u>
Stockholders' Equity (Deficit)		
Common stock: \$0.001 par value, 675,000,000 shares authorized, 670,397,447 shares issued and outstanding as of September 30, 2021 and December 31, 2020, respectively	670,352	670,352
Additional paid-in capital	15,115,282	15,115,282
Accumulated deficit	<u>(17,290,344)</u>	<u>(17,366,277)</u>
Total stockholders' Equity	<u>(1,504,710)</u>	<u>(1,580,643)</u>
Total Liabilities and Stockholders' Equity	<u>\$ 627,214</u>	<u>\$ 608,838</u>

The accompanying notes are an integral part of these financial statements

Green Star Products, Inc.
Statements of Operations
For Three and Nine Months Ended September 30, 2021 and 2020
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Revenue	\$ -	\$ -	\$ 6,940	\$ -
Cost of goods sold	-	-	1,550	-
Gross profit	-	-	5,390	-
Operating expenses				
Officer compensation	15,000	-	30,000	-
General and administrative expenses	15,320	-	37,114	-
Total operating expenses	30,320	-	67,114	-
Operating income	(30,320)	-	(61,724)	-
Other income (loss)				
Other income		-	137,657	-
Net profit (loss) from continuing operations	<u>\$ (30,320)</u>	<u>\$ -</u>	<u>\$ 75,933</u>	<u>\$ -</u>
Basic and Diluted Loss per Share	<u>\$ (0.00)</u>	<u>\$ -</u>	<u>\$ 0.00</u>	<u>\$ -</u>
Weighted Average Number of Shares Outstanding	<u>670,397,447</u>	<u>670,397,447</u>	<u>670,397,447</u>	<u>670,397,447</u>

The accompanying notes are an integral part of these financial statements

Green Star Products, Inc.
Statements of Cash flow
For Nine Months Ended September 30, 2021 and 2020
(Unaudited)

	Nine Months Ended June 30,	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	\$ 75,933	\$ -
Adjustments to reconcile net income (loss) to net cash provided (used) by operation:		
Increase in salaries payable	22,500	
Changes in accounts payable and accrued expenses	500	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	98,933	-
CASH FLOWS FROM INVESTING ACTIVITIES:		
Other loan receivable	(5,000)	
Loan receivable from related parties	(8,266)	760
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(13,266)	760
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from loan from related parties	(107,557)	(730)
Proceeds from loan payable	27,000	-
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(80,557)	(730)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	5,110	30
CASH AND CASH EQUIVALENTS		
Beginning of period	1,193	5
End of period	\$ 6,303	\$ 35
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION;		
Cash paid taxes	\$ -	\$ -
Cash paid for interest	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

Green Star Products, Inc.
Statement of Stockholders' Equity
Quarter Ended September 30, 2021
(unaudited)

	Common Stock		Additional		Total
	Number	\$0.001	Paid-in	Accumulated	stockholders'
	of shares	Par value	capital	deficit	equity
Balance, March 31, 2021	<u>670,397,447</u>	<u>\$ 670,352</u>	<u>\$ 15,115,282</u>	<u>\$ (17,375,507)</u>	<u>\$ (1,589,873)</u>
Shares issued for cash	-	-	-		-
Shares issued for services	-	-	-		-
Shares issued for debt reduction	-	-	-		-
Shares returned to treasury	-	-	-		-
Shares arising from discrepancy of records of transfer agent	45,000				
Net Profit				\$ 115,482	\$ 115,482
Balance, June 30, 2021	<u>670,397,447</u>	<u>\$ 670,352</u>	<u>\$ 15,115,282</u>	<u>\$ (17,260,025)</u>	<u>\$ (1,474,391)</u>
Shares issued for cash	-	-	-		-
Shares issued for services	-	-	-		-
Shares issued for debt reduction	-	-	-		-
Shares returned to treasury	-	-	-		-
Shares arising from discrepancy of records of transfer agent	45,000				
Net Profit				\$30,319	\$30,319
Balance, September 30, 2021	<u>670,397,447</u>	<u>\$ 670,352</u>	<u>\$ 15,115,282</u>	<u>\$ (17,290,344)</u>	<u>\$ (1,504,710)</u>

Green Star Products, Inc.
Notes to Financial Statements
Quarter Ended September 30, 2021
(Unaudited)

Note 1 – Organization and Basis of Preparation

In June of 1992, Green Star Products, Inc. (“GSPI” or the “Company”) formerly known as B.A.T. International, Inc. and subsidiaries entered into a plan of reorganization whereby it was acquired by October Associates, Inc., a Utah public corporation. The name of the Company was changed to B.A.T. International, Inc., and the name was again changed to Green Star Products, Inc. in July of 2002. Operations through 1994 consisted of designing and developing electric retrofitted automobiles. In early 1995, the Company closed its facilities in Salt Lake City, Utah, abandoned its remaining Utah assets and moved to California where it continued to build electric automobiles through 1998.

A) Company Operations from 1992-1998

Mr. Joseph LaStella is the president and founder of Green Star Products, Inc. (GSPI), formerly BAT International Inc. Prior to forming GSPI, Mr. LaStella conducted extensive research on electric vehicles in the mid-1980s. As a result of his research, he was able to attract and recruit some of the best automotive engineering personnel in the electric automobile industry. During the years 1992 through 1998, GSPI built three different models of electric vehicles based on the Ford Ranger design and the General Motors’ Geo Metro design. GSPI only purchased new vehicles directly from these companies and converted them into electric vehicles. The new components removed from new vehicles included: internal combustion engines, radiators, exhaust systems, and many other components which were sold back to OEM Distributors as new replacement parts. Therefore, this strategy significantly reduced the price of base new vehicles and created inexpensive new running gliders. These vehicles were sold to many high-profile individuals, organizations, and investment firms. During this period, Mr. LaStella set many of the world records for electric vehicles, some of them still stand to this day.

Other achievements during this period include: 1) Received Commendation Honors from Governor Levitt of Utah for groundbreaking work accomplished in the electric vehicle industry, presented during the Proclamation of Zero Emissions day in Utah (1994). 2) Received a United States Senate, Commendation plaque from Senator Dianne Feinstein (California Democrat) and two Congressmen, for creating an advanced transportation business in California (1994). 3) First to complete a successful crash test of an electric vehicle in the United States (1995). 4) Successfully completed International offset programs with Lockheed Martin in relation to electric vehicle Battery Technology transfer. 5) Set several world records that were covered by mainstream media, including ABC, CBS, NBC, Fox News, CNN, and many national newspapers, such as USA Today, Washington Post, LA Times, Detroit News, etc.

In the late 1990s, the market for electric vehicles did not develop because in 1998 California dropped its US electric vehicle mandate. Therefore, GSPI went on to develop other technologies for other environmentally-friendly industries.

By 2003 Mr. LaStella had developed the first high-efficiency Continuous Flow biodiesel reactor.

B) The Company’s Primary Focus is in the following areas:

Biodiesel technology. The design and engineering of biodiesel reactors and process control systems. Based on the Company’s broad experience and knowledge, gained from its involvement in biofuel

production, GSPI's President has designed and engineered a state-of-the-art continuous flow, waterless reactor with a capacity more than 10-million gallons of biofuel per year. Combined with its process control module, the advanced technology converts feedstock to biodiesel in minutes (versus one to two hours for the rest of the industry). The system requires minimal maintenance and plant operation staff and reduces energy requirements by more than 30% over industry standards. In the build-out of a new bio-diesel plant, the integration of GSPI's reactor and process control module will reduce capital cost by more than 50%, when compared to the industry average. After eight years of patent pending status (since 2006), Joseph LaStella, President of Green Star Products, was notified that his high-tech loop reactor patent was issued on February 11, 2014 (US Pat. No.864209), "Loop Reactor for Making Biodiesel Fuel." The loop reactor is the backbone of the highly efficient biodiesel plant manufactured by Green Star Products. Most present-day biodiesel production systems require up to three hours and three different processes to convert feedstock oils through a transesterification process to produce crude biodiesel. The loop reactor does all these processes in one step in less than five minutes. From 2003 through 2006, GSPI was considered one of the leaders in the industry and had a representative on the national biodiesel board. Most unfortunately, in 2008 the entire biodiesel industry in the United States virtually shut down due to ever-increasing prices of feedstock to make biodiesel, i.e., high soybean oil prices (in 2006 the price for soybeans was \$5.92 /bushel, in 2008 the price of soybeans increased to \$12.31/ bushel). The fact is it costs more to buy the feedstock to make biodiesel, than you can sell the end product to the diesel fuel industry. Consequently, there are no plans for the company to pursue this market, until industry parameters change.

GSPI Algae production technology. Algae eat (consume) CO₂ gases as a feedstock, the biggest global warming gas. The attractiveness of algae is that it can produce up to 100 times more oil per acre than traditional agricultural crops such as soybeans for biodiesel or corn for ethanol. Additionally, it does not require using valuable agricultural land for food; it can use barren desert lands. Also, as a byproduct of the crushing process, algae can provide a high protein meal, a valuable food source for human consumption. For many years, Green Star Products was recognized as one of the true innovative leaders in the Algae Industry. GSPI successfully built several high production algae facilities based on its proprietary Hybrid Algae Production System (HAPS) technology. In 2015, GSPI continued to move forward and completed a proprietary algae production system for a third-party client, and it was operated successfully for one year. The facility was a premium showcase algae system located near South Las Vegas Boulevard in Las Vegas Nevada. While the system was operating, it proved that even in Las Vegas summer weather, where temperatures reach 115 degrees during the daytime, the HAPS system could successfully produce high quantities of algae. This was the first time anyone provided commercial demonstration that it was possible to provide algae production at these high temperatures. In recent years, both the federal government and industry have lost interest in developing algae for alternative fuel purposes. This is primarily due to low cost of fuel and the high production cost of producing algae for fuel. Therefore, GSPI dismantled the Las Vegas facility in 2016 at the customer's request. There has been no further progress since 2017.

Development and production of anti-friction metal treatment products. Under the name TVT Green, the Company produces advanced anti-friction lubricants and additives that reduce emissions and improve fuel economy in engines and efficiencies of machines. The TVT Green lubricant product line, acquired an excellent reputation as a superior lubricant from years 2002 through 2010. During those years all of our larger orders came from Asian countries including China and Russia. Government officials in China tested our products in several provinces with great success and China was emerging as a good market for our products. However, our largest TVT Green products order came from Russia. The Russian order encompassed fourteen 40-foot containers of our products which included 1100

barrels of TVT Green lubricants. From the years 2009 through 2012 Green Star Products experienced a price increase of 150% for its specialized raw materials required to produce our blended proprietary formula. This increase in raw materials pricing effectively priced us out of the Asian markets and the US market, even though we had a superior product. This only left us a niche market for shops that were willing to spend the extra money because they were handling specialized exotic metals such as titanium. In 2014, GSPI embarked on a test marketing program to introduce our product to 100 machine shops in western United States. Although our products were successful, machine shops owners were not willing to pay almost twice the price for our superior lubricant over the industry general market price. Consequently, sales of the TVT Green product line have been minimal. Servicing our existing customers through Modern Spartan Systems, Inc., has been difficult because we were forced to purchase raw materials below the OEM minimum quantity requirements to maintain our OEM status. In 2017, GSPI was forced to shift our production to a third party. GSPI receives a 2% gross royalty on products, and has retained the exclusive distribution rights to China for five years until 2022, which may be extended for an additional five years based on performance.

C) Change in Company Business Strategy:

A new business strategy was discussed at the Stockholder's Meeting in January 2011. Primarily, without laying out any significant cash, the Company would take advantage of its market position and technology developments to allow other companies to market and sell its products, license agreements, and technology transfers, to generate on-going revenue. This would only be available to other companies who provide “green” and energy-efficient products. In return, the Green Star Products would receive the ability to market their products through GSPI customer base to generate additional revenue.

On January 4, 2011, Stockholder's Meeting the shareholder base of Green Star Products voted to reverse split the Company stock on a 10 for 1 basis. Mr. LaStella and its new Board of Directors believe that the reverse stock split was unnecessary for the Company. Therefore, the new Board requested a Special Shareholder's Meeting to be held on June 4, 2011, to ask for a vote from the shareholder base to cancel the reverse split of the stock because of the improved business outlook of the Company. The cancellation of this reverse split was successful.

From 2011 throughout 2016, Green Star Products entered into the following business arrangements with other companies:

In late 2010, Green Star Products signed a contract with Innovasol LLC for an exclusive licensing arrangement to sell our TVT lubricant products to the railroad industry and highway vehicles exclusively. For 2010, the licensing agreement generated \$50,000 of fee income for the Company and resulted in the sale of \$37,000 of TVT product to Innovasol. There has been no further activity from Innovasol, LLC. In 2011, Green Star Products signed a contract with Innovasol Coatings, Inc., for the sale and installation of SPI Coatings (SPI). In addition, the Company acquired a 19% equity interest in Innovasol Coatings. No income was generated from Innovasol Coatings in 2011. There has been no further activity from Innovasol Coatings.

In 2011, GSPI signed a distribution agreement with SPI Coatings (SPI), which manufactures special industrial coatings. GSPI has pursued the sale of these coatings in the United States, China, and other countries. The Chinese market has been difficult to break into because they do not accept most of the tests work done by laboratories outside of China. As of 2017, GSPI has not been able to generate any income from the sale of SPI products and therefore we have not able to maintain our distribution

license. Fortunately, we still maintain a close friendship with SPI management and can purchase their products at the contractor's price level.

In 2014, GSPI signed a contract to provide Consulting and Engineering services for an electric car company. GSPI management provided these Engineering and Consulting Services until 2016, when the market conditions changed for the electric car company and GSPI Services were no longer required.

In 2014, the Company's algae technology continues to move forward. GSPI signed a contract to build a large proprietary demonstration hybrid algae production system (HAPS) facility for a third party to produce commercial quality algae. This contract was specific for GSPI to build and operate the (HAPS) system. The algae strains to be cultivated were provided by another third-party and the final algae biomass commercial product was to be delivered to the original client for analysis and utilization. The facility was a premium showcase algae production system located near South Las Vegas Boulevard in Las Vegas, Nevada. This demonstration facility operated successfully until 2016, when it was dismantled, at the client's request. While the system was operating it proved that even in Las Vegas summer weather where temperatures reach 115 degrees during the daytime, this system could successfully produce huge quantities of algae. This was the first time anyone provided commercial demonstration that it was possible to provide production at these high temperatures.

Due to changing market conditions concerning the following factors it has become difficult for GSPI to maintain an operating business, these factors include:

The price of diesel fuel versus the price of feedstocks to manufacture alternate fuels such as biodiesel. These feedstocks include soybean oil and algae oil.

Other negative market conditions include changes in legislation and political views in and between the United States and China, which makes it virtually difficult to conduct any business between these countries.

With very little cash flow, and to avoid a possible bankruptcy, GSPI decided to go dormant in 2017 and cease all operations until market conditions change. At the present time the company has no facilities or offices. Its only income is from royalties paid to GSPI for use of its trade name TVT Green. This income requires no physical operations for GSPI. The Board of Directors has resigned as of October 2017. The only officer to remain is Joseph LaStella, president of Company, who has decided to remain, with no compensation, allocating minimal hours to GSPI and waiting for an opportune time to take advantage of market conditions for the Company.

D) Recent Company Events

Viro Spectrum Shield (VSS)

Green Star Products, Inc., signed a Distribution Contract with Biotech Research, LLC, on December 11, 2020 to market/sell their Broad-Spectrum Antiviral Product, called Viro Spectrum Shield (VSS), in several South American countries.

VSS was specifically tested and found to be effective against the *virus* as well as the A/H1N1, A/H2N3, B/H2N3 flu viruses in vitro, which demonstrates its Broad-Spectrum Antiviral Capability. VSS was also tested in vitro. VSS has been tested by a US Federally Accredited Laboratory and has been successfully proven to inhibit SARS-CoV-2 *virus* and found to be non-toxic in vitro.

Highlights from the March 3, 2021 Shareholders Meeting:

- Joseph LaStella was re-elected president

- 30 million shares of a new class of preferred stock was created as follows:

- 1) Each share of preferred stock will have 10 voting rights.
- 2) Each share of preferred stock will have the conversion rights to convert one share of common stock at a price of \$0.10 per share. However, when converted it will lose its 10 voting rights, which would be reduced to one vote like the other shares of common stock in GSPI.
- 3) Conversion rights cannot be exercised before January 2nd, 2022.

- A vote was taken and passed to issue 30 million shares of preferred stock to Biotech Research LLC, for the exclusive rights to distribute its Broad-Spectrum Antiviral Product, known as Viro Spectrum Shield for the three countries of Brazil, Peru and Colombia. As of June 30, 2021 these stocks have not yet been issued.

- A vote was taken and passed to add 200 million shares of common stock to the treasury of Green Star Products Inc.

As of June 30, 2021, no shares have been issued and remain in the company's Treasury.

- Joseph LaStella resigned from GSPI, March 10, 2021, in order for much needed time for further research and development.

- Kristy Hunt was announced as President of GSPI on March 10, 2021. Kristy has years of project experience with which includes Joint Forces Training Base, American Diabetes Association, Rockwell Collins, and Kristy Hunt Homeopathic Research Foundation.

On April 29th, 2021, Green Star Product announced the signing of a distribution contract with A&P distributors LLC, to provide Viro Spectrum Shield through their distribution Network, which encompasses 93 major companies, including military installations, in 23 Pacific Rim countries.

Subsequent Events

1) GSPI received a Cease and Desist Letter from the Federal Trade Commission (FTC) on July 22nd 2021. After several weeks of correspondence, GSPI came to an agreement with the FTC to remove all references to Covid-19, all MRIGlobal successful Covid-19 in vitro testing, all testimonials, etc., from our advertisement, even though we felt that this was an overreach. We are in the process of rebranding our great product as a dietary supplement without any mention of the Covid-19 virus.

2) GSPI is engaged and several other high-tech projects please see A) Press Release dated September 2, 2021, titled "Green Star Products to enter the CBD Oil and Cannabis Markets." B) Press Release dated July 29, 2021, titled "Green Star Products New Business Projects for 2021." C) Press Release dated November 12, 2021, titled "Green Star Products' Cannabis Insect Repellent Spray Passes California Testing."

Note 2 – Loans Receivable from Related Parties and Other Loan Receivable

As of September 30, 2021, the balance of loans receivable from Joseph P. LaStella, President of GSPI, totaled \$615,911 comprised of a due from account balance of \$416,497 and a loan with a principal balance of \$132,000 and accrued interest of \$67,414. The loan is tied to Mr. LaStella's compensation agreement, dated February 17, 2011, for his past and future services (See Note #9). Effective October 1, 2014, an amendment to Mr. LaStella's compensation agreement ended his current salary arrangement and stated that a new compensation agreement would be renegotiated in 2015 or later. Until a new

compensation agreement is renegotiated, the loan is not due and interest of 8.0% per annum is no longer being accrued.

As of September 30, 2021 the balance of loans receivable from Phoenix Logistics is in the amount of \$5,000.

Joseph P. LaStella, President

Joseph P. LaStella is the inventor of technologies which are the subjects of numerous patent applications filed with the U.S. Patent and Trademark Office for the continuous flow method and apparatus for making biodiesel fuel and a system for the removal of methanol from crude biodiesel fuel. Mr. LaStella assigned his patents in 2001 to Bio-Clean Fuels (“BCF”) and under a royalty agreement with BCF is able to personally borrow up to \$100,000 a year from BCF or “downline licenses”, which includes Green Star Products, Inc., against present or future royalties. Under the royalty agreement, Mr. LaStella is to receive a gross royalty of ¼ % of all produced products using his patented technology which will be the source of repayment for any such borrowings. His patented technology was used in the biodiesel refinery line that the Company built and installed for Inland Empire Oilseeds, LLC in Odessa, Washington. As of June 30, 2021, no royalties have been paid (since 2001) and no further action is expected.

Consortium Partners

In 2006, the Company and its consortium partners, Idaho Sustainable Energy and Biotech Research, begin to research algae as an alternative feedstock for the production of biofuel. The research included the testing and selection of algae strains, growth boosters and physical environments most suitable for the optimum production of algae oil. The research was extended to the field by the completion of a 100,000 liter microalgae demonstration facility in Montana in 2007, which was one of the largest built in the US at that time. The demonstration facility tested the ideal physical environment for algae growth and a production system for the harvesting and extraction of algae, known as the Hybrid Algae Production System (HAPS). During the year 2009, the Consortium Associated Partners in conjunction with Green Star Products responded to several requests for proposals from the federal government which included the US Department of Energy (US DOE) and US Department of Agriculture (USDA). These proposals, the largest of which was for \$24 million dollars received excellent reviews by the DOE and advanced significantly during the evaluation proceedings up to the oral presentation level, which is a high level of acceptance by the federal government for issuing final approval for funds. Although the reviews were very positive we did not obtain any funding due to, in the opinion of many experts in the area, low value (trivial) rejection items. The Consortium was encouraged to resubmit the proposals during the next requests from the federal government.

During the first quarter of 2012, Green Star Products in conjunction with its Consortium Partners submitted three proposals to the DOE under the ARPA-E program entitled “DE-FOA-0000670 Open Funding Opportunity Announcement”. This request for proposals addresses technologies which are viewed as cutting edge, next generation technologies. The three proposals totaled \$11.5 million in potential funding and were submitted before the dateline date of April 12, 2012. Green Star Products decided not to proceed and submit a full engineering application because of: a) intellectual property considerations, b) the extensive time and costs required to submit a full engineering application for this project, c) the relative minor funding allotted for these programs.

As of 2017 the Consortium has been dismantled and any loans receivable from the Consortium have been written off.

Note 3 – Accounts Payable and Deferred Compensation

As of September 30, 2021, the balance of Accounts Payable and Deferred Compensation is \$887,103, which is comprised of Accounts Payable for \$137,103 and Deferred Compensation for \$750,000 which is related to a compensation agreement between Joseph P. LaStella and GSPI (See Note #9).

The Company entered a Consulting Contract with Kristy Hunt. Mrs. Hunt agrees to assume the position of President of the Company for six month. She will receive \$30,000 for the period April 1, 2021 through September 30, 2021. Accrued Salaries Payable is \$22,500 owed to Kristy Hunt.

Note 4 – Due to Related Parties

As of September 30, 2021, the total account balance of Due to Related Parties is \$726,102. The balance is comprised of twelve parties that have stock and/or have collaborated with the Company on numerous projects and research over the years. The balance of \$137,657 due to Dolphin and Dolphin Automotive was written off due to the age of the loan. Under their respective agreements, there is neither a maturity date nor an interest rate.

Note 5 – Payroll Taxes Payable

Payroll taxes payable consists of withheld payroll taxes from 1994 (which were not assumed by B.A.T. California, Inc.). The Company attempted to negotiate a settlement with the Internal Revenue Service but has not received any correspondence for the past ten years. To the extent such a settlement cannot be reached, the president of the corporation may become personally liable for a portion of such taxes.

Note 6 – Common Stock to Issue Liability

As of September 30, 2021, the balance of Common Stock to Issue Liability is \$87,356 which represents the cost basis of 55,901,572 shares of GSPI common stock that remains to be issued after approval of additional authorized shares to cover this liability. (See Note #9) This balance is comprised of \$63,600 from stock options exercised in 2011, 2012 and 2013 by Joseph P. LaStella, President of GSPI, for 53,000,000 shares (See Note #9) and \$23,756 for services rendered in 2011 by a consultant for 2,901,572 shares.

Note 7 – Common Stock

As of September 30, 2021, 875,000,000 shares of GSPI common stock are authorized at a par value of \$.001 per share. Total shares issued and outstanding are 670,397,447 as of September 30, 2021. The Company has no preferred stock that has been issued or is outstanding

Note 8 – Notes & Loans Payable

As of September 30, 2021 the ending balance for Notes and Loans Payable is \$36,400. The loans have due dates of 2021 and have not been amended. Cumulatively, the three loans have an outstanding principal balance of \$36,400. Interest rate of 10% will start accruing after the end of 2021.

Note 9 – Executive Compensation Agreement

On February 17, 2011, Joseph P. LaStella, president of the Company since 1992, entered into a compensation agreement with GSPI for his past and future services. Over the past 19 years Mr. LaStella never had a formal compensation agreement in place with the Company.

A summary of the terms of the agreement is as follows:

a) Mr. LaStella's annual salary, beginning 2011, will be \$200,000 and continue through 2015 at which time it will be renegotiated.

b) Mr. LaStella will have a stock option to purchase 110 million shares of GSPI stock at a price equal to one-third (1/3) of the market value as of the closing price on February 11, 2011 (which has been fully exercised by him). In addition, the Company will make available to Mr. LaStella a stock loan for the purchase of the stock.

c) He will receive 5% of the gross revenues produced from any future programs developed by him to increase the Company's revenue, provided the programs remain in effect with GSPI.

d) Future Intellectual Properties (IP) developed by Mr. LaStella will be negotiated on an individual basis if and when the IP proves successful in commercial operations.

In years 2011, 2012, and 2013, Mr. LaStella returned 15,000,000, 23,000,000 and 15,000,000 shares of GSPI stock, respectively, to Treasury for the purpose of providing the Company with a funding source.

As of December 31, 2016, these shares, totaling 53,000,000, have not yet been issued back to Mr. LaStella and remain an obligation of the Company.

Effective October 1, 2014, an amendment to Mr. LaStella's compensation agreement ended his current salary arrangement. The amendment further stated that a new compensation agreement would be renegotiated in 2015 or later, this has not happen.

Risks and Uncertainty – Going Concern

Our business is subject to the effects of general economic conditions, and in particular competition and government regulations.

Management recognizes that the Company must generate additional resources to enable it to continue operations. However, no assurance can be given that the Company will be successful in raising additional capital. If management is unable to raise additional capital or create positive cash flow, the Company will not be able to meet its obligations and will have to cease operations. The accompanying financial statements do not include any adjustments that might result from the outcome of these uncertainties.