

# Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

## Sanwire Corporation

A Nevada Corporation

3210 21<sup>st</sup> Street  
San Francisco, CA 94110

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(805) 465-0818

[www.sanwirecorporation.com](http://www.sanwirecorporation.com)

[ir@sanwirecorporation.com](mailto:ir@sanwirecorporation.com)

SIC Code - 79299906

### **Annual Report**

**For the Period Ending:** December 31, 2021  
(the "Reporting Period")

As of December 31, 2021, the number of shares outstanding of our Common Stock was:

**961,698,067**

As of September 30, 2021, the number of shares outstanding of our Common Stock was:

**738,543,400**

As of December 31, 2020, the number of shares outstanding of our Common Stock was:

**622,513,130**

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

Yes: ☐

No: ☒

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

Yes: ☐

No: ☒

Indicate by check mark whether a Change in Control<sup>1</sup> of the company has occurred over this reporting period:

Yes: ☐

No: ☒

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<sup>5</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 and address(es) of the issuer and its predecessors (if any)**

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

**Sanwire Corp. – March 2013**  
**NT Mining Corp. – November 2008**  
**777 Sports Entertainment Corp. – February 2005**  
**Oasis Information Systems, Inc. – October 2001**  
**1<sup>st</sup> Genx, Inc. – April 2001**  
**1<sup>st</sup> Genx.com, Inc. – August 2000**  
**e-Vegas.com, Inc. – June 1999**  
**e-Casino Gaming Corp. - March 1999**  
**Clear Water Mining, Inc. – February 1997**

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

**The company was incorporated in the state of Nevada on February 10, 1997 as Clear Water Mining, Inc and re-domiciled to the state of Nevada in March of 2018 and is active.**

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:  
**None**

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:  
**None**

The address(es) of the issuer's principal executive office:  
**3210 21<sup>st</sup> Street**  
**San Francisco, CA 94110**

The address(es) of the issuer's principal place of business:  
*Check box if principal executive office and principal place of business are the same address: X*

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

Yes: ☐ No: ☒

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:  
**None**

**2) Security Information**

Trading symbol:	SNWR
Exact title and class of securities outstanding:	Common
CUSIP:	80303U109
Par or stated value:	\$.00001
Total shares authorized:	1,500,000,000 as of date: December 31, 2021

Total shares outstanding:	961,698,067	as of date: December 31, 2021
Number of shares in the Public Float <sup>2</sup> :	143,738,552	as of date: December 31, 2021
Total number of shareholders of record:	220	as of date: December 31, 2021

*Additional class of securities (if any):*

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Preferred, Series C	
CUSIP:	N/A	
Par or stated value:	\$ .001	
Total shares authorized:	40,000,000	as of date: December 31, 2021
Total shares outstanding:	39,086,775	as of date: December 31, 2021

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Preferred, Series D	
CUSIP:	N/A	
Par or stated value:	\$ .001	
Total shares authorized:	1,000,000	as of date: December 31, 2021
Total shares outstanding:	1,000,000	as of date: December 31, 2021

Transfer Agent

Name: New Horizon Transfer  
Phone: (604) 876-5526  
Email: sroberts@newhorizontransfer.com

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

**This disclosure has been amended to properly reflect the value per share upon issuance of stock as shown in the table below.**

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: ☐

Number of Shares outstanding as of January 1, 2020	<u>Opening Balance:</u> Common: 221,053,147 Preferred: 0	
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<sup>6</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.

<sup>7</sup> To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

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?
2/19/2020	Cancellation	(14,500,000)	Common	N/A	N/A	Kanno Group Holdings II – Naiel P. Kanno	Shares cancelled per agreement	N/A	N/A
3/20/2020	New Issuance	19,500,000	Common	\$.0081	Yes	William Dennis Lord	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
3/20/2020	New Issuance	3,900,000	Common	\$.0081	Yes	Miguel Palmero	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
3/20/2020	New Issuance	1,950,000	Common	\$.0081	Yes	James Urie	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
3/20/2020	New Issuance	78,000,000	Common	\$.0081	Yes	Digital Music Universe – Ralph Tashjian	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
3/20/2020	New Issuance	11,700,000	Common	\$.0081	Yes	James Barry	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
3/20/2020	New Issuance	13,650,000	Common	\$.0081	Yes	Fog City Holdings – Ralph Tashjian	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
3/20/2020	New Issuance	7,800,000	Common	\$.0081	Yes	Financial Group – Tod C. Turner	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
3/20/2020	New Issuance	234,000,000	Common	\$.0081	Yes	LiveChime, Inc. – Tod C. Turner	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
3/20/2020	New Issuance	5,850,000	Common	\$.0081	Yes	Tod C. Turner	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
3/20/2020	New Issuance	9,750,000	Common	\$.0081	Yes	Christopher Whitcomb	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption

3/20/2020	New Issuance	1,950,000	Common	\$.0081	Yes	James Craft	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
5/6/2020	Reissuance	15,000,000	Common	\$.0021	Yes	Kanno Group Holdings, Ltd. – Naiel Kanno	Securities reissued after cancellation	Unrestricted	§ 4(a)(2) Exemption
5/14/2020	New Issuance	37,500,000	Common	\$.0021	Yes	Kanno Group Holdings, Ltd. – Naiel Kanno	Conversion of Note	Unrestricted	§ 4(a)(2) Exemption
6/25/2020	New Issuance	13,592,233	Common	\$.0062	No	Lucas Joyner	Asset Purchase	Restricted	§ 4(a)(2) Exemption
7/01/2020	New Issuance	1,000,000	Preferred Series D	\$.31	Yes	Kanno Group Holdings II, Ltd. Naiel Kanno	Note Retirement	Restricted	§ 4(a)(2) Exemption
7/25/2020	New Issuance	11,000,000	Common	\$.00385	Yes	Kanno Group Holdings, Ltd. – Naiel Kanno	Conversion of Note	Unrestricted	§ 4(a)(2) Exemption
10/19/2020	New Issuance	30,000,000	Common	\$.01	Yes	James Barry	Compensation for Services	Restricted	§ 4(a)(2) Exemption
11/12/2020	New Issuance	1,950,000	Preferred Series C	\$.081	Yes	W. Dennis Lord	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
11/12/2020	New Issuance	195,000	Preferred Series C	\$.081	Yes	James Craft	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
11/12/2020	New Issuance	195,000	Preferred Series C	\$.081	Yes	James Urie	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
11/12/2020	New Issuance	975,000	Preferred Series C	\$.081	Yes	Christopher Whitcomb	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
11/12/2020	New Issuance	23,400,000	Preferred Series C	\$.081	Yes	LiveChime, Inc Tod C. Turner	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
11/12/2020	New Issuance	1,170,000	Preferred Series C	\$.081	Yes	James Barry	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
11/12/2020	New Issuance	7,800,000	Preferred Series C	\$.081	Yes	Digital Music Universe, S.A. Ralph Tashjian	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption

11/12/2020	New Issuance	1,365,000	Preferred Series C	\$.081	Yes	Fog City Holdings – Ralph Tashjian	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
11/12/2020	New Issuance	390,000	Preferred Series C	\$.081	Yes	Miguel Palmero	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
11/12/2020	New Issuance	1,365,000	Preferred Series C	\$.081	Yes	Brandon Turner	Securities issued for purchase of Intercept Music	Restricted	§ 4(a)(2) Exemption
12/09/2020	New Issuance	2,817,750	Common	\$.0081	Yes	Kelly M. Hennessey	Conversion of Note	Restricted	§ 4(a)(2) Exemption
12/09/2020	New Issuance	281,775	Preferred Series C	\$.081	Yes	Kelly M. Hennessey	Conversion of Note	Restricted	§ 4(a)(2) Exemption
12/16/2020	Cancellation	(100,000,000)	Common	N/A	N/A	Christopher Whitcomb	Shares Cancelled per Agreement	N/A	N/A
12/16/2020	New Issuance	1,000,000	Preferred Series B	\$.01	Yes	Christopher Whitcomb	Issued per Agreement – Intercept Purchase	Restricted	§ 4(a)(2) Exemption
12/24/2020	New Issuance	18,000,000	Common	\$.0035	Yes	Kanno Group Holdings II, Ltd. Naiel Kanno	Conversion of Note	Unrestricted	§ 4(a)(2) Exemption
1/7/2021	New Issuance	20,000,000	Common	\$.01	Yes	PCG Holdings, Inc. – Jeffrey Ransom	Consulting Agreement	Restricted	§ 4(a)(2) Exemption
1/21/2021	New Issuance	20,000,000	Common	\$.01	Yes	Wellfleet International, Inc. – Charles Harbey	Consulting Agreement	Restricted	§ 4(a)(2) Exemption
1/25/2021	New Issuance	3,000,000	Common	\$.01	Yes	Edwin Winfield	Consulting Agreement	Restricted	§ 4(a)(2) Exemption
1/25/2021	New Issuance	3,000,000	Common	\$.01	Yes	Stuart Booker	Consulting Agreement	Restricted	§ 4(a)(2) Exemption
2/16/2021	New Issuance	19,305,020	Common	\$.0026	Yes	Proactive Capital Partners – Jeffrey Ransom	Conversion of Note	Unrestricted	§ 4(a)(2) Exemption
3/15/2021	Cancellation	(1,000,000)	Preferred Series B	N/A	N/A	Christopher Whitcomb	Per Agreement	N/A	N/A
4/29/2021	New Issuance	16,142,050	Common	\$.0031	Yes	Proactive Capital Partners – Jeffrey Ransom	Conversion of Note	Unrestricted	§ 4(a)(2) Exemption

6/16/2021	New Issuance	2,000,000	Common	\$.01	Yes	Edwin Winfield	Consulting Agreement	Restricted	§ 4(a)(2) Exemption
6/16/2021	New Issuance	2,000,000	Common	\$.01	Yes	Stuart Booker	Consulting Agreement	Restricted	§ 4(a)(2) Exemption
6/17/2021	New Issuance	30,000,000	Common	\$.005	Yes	Christopher Whitcomb	Conversion of consulting fees.	Restricted	§ 4(a)(2) Exemption
6/17/2021	New Issuance	12,583,200	Common	\$.012	Yes	Christopher Whitcomb	Cash investment	Restricted	§ 4(a)(2) Exemption
7/23/2021	Cancellation	(12,000,000)	Common	N/A	N/A	Christopher Whitcomb	Per agreement	N/A	N/A
12/22/2021	New Issuance	21,116,667	Common	\$.005	Yes	Proactive Capital SPV3, LLC – Tod C. Turner	Conversion of Note	Restricted	§ 4(a)(2) Exemption
12/22/2021	New Issuance	14,781,667	Common	\$.005	Yes	Proactive Capital SPV3, LLC – Tod C. Turner	Conversion of Note	Restricted	§ 4(a)(2) Exemption
12/22/2021	New Issuance	14,649,833	Common	\$.005	Yes	Proactive Capital SPV3, LLC – Tod C. Turner	Conversion of Note	Restricted	§ 4(a)(2) Exemption
12/22/2021	New Issuance	18,685,500	Common	\$.005	Yes	Proactive Capital SPV3, LLC – Tod C. Turner	Conversion of Note	Restricted	§ 4(a)(2) Exemption
12/22/2021	New Issuance	21,971,000	Common	\$.005	Yes	Proactive Capital SPV3, LLC – Tod C. Turner	Conversion of Note	Restricted	§ 4(a)(2) Exemption
12/23/2021	New Issuance	12,000,000	Common	\$.005	Yes	Christopher Whitcomb	Conversion of consulting fees	Restricted	§ 4(a)(2) Exemption
12/23/2021	New Issuance	5,000,000	Common	\$.005	Yes	Jonathan p. Clark	Cash investment	Restricted	§ 4(a)(2) Exemption
12/23/2021	New Issuance	5,000,000	Common	\$.005	Yes	Frederick W. Rahr, Jr.	Cash investment	Restricted	§ 4(a)(2) Exemption
12/23/2021	New Issuance	10,000,000	Common	\$.005	Yes	Michael J. Spohn	Cash investment	Restricted	§ 4(a)(2) Exemption
12/23/2021	New Issuance	6,000,000	Common	\$.005	Yes	Barry Donner	Cash investment	Restricted	§ 4(a)(2) Exemption
12/23/2021	New Issuance	15,000,000	Common	\$.005	Yes	Lane 4, LLC – Jonathan Foss	Cash investment	Restricted	§ 4(a)(2) Exemption
12/23/2021	New Issuance	10,000,000	Common	\$.005	Yes	Larry B. Grillo	Cash investment	Restricted	§ 4(a)(2) Exemption

12/28/2021	New Issuance	11,000,000	Common	\$.005	Yes	Christopher Whitcomb	Conversion of consulting fees	Restricted	§ 4(a)(2) Exemption
12/28/2021	New Issuance	19,950,000	Common	\$.005	Yes	Proactive Capital Partners – Jeffrey Ransom	Conversion of note	Restricted	§ 4(a)(2) Exemption
12/28/2021	New Issuance	8,000,000	Common	\$.005	Yes	Proactive Capital Partners – Jeffrey Ransom	Conversion of note	Restricted	§ 4(a)(2) Exemption
12/29/2021	New Issuance	15,000,000	Common	\$.005	Yes	Gerald J. Quave, Jr.	Cash investment	Restricted	§ 4(a)(2) Exemption
12/30/2021	New Issuance	5,000,000	Common	\$.005	Yes	Scott Jasper	Cash investment	Restricted	§ 4(a)(2) Exemption
12/30/2021	New Issuance	10,000,000	Common	\$.005	Yes	Charles Merkel	Cash investment	Restricted	§ 4(a)(2) Exemption
Shares Outstanding on December 31, 2021	<u>Ending Balance:</u> Common: 961,698,067 Preferred: 40,086,775								

## 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 (entities must have individual with voting/investment control disclosed.)	Reason for Issuance (e.g. Loan, Services, etc.)
10/7/2021	\$115,000	\$115,000	\$2,678	7/6/2022	Fixed rate of \$.003	Trillium Partners, L.P. – Steven Hicks	Investment

## 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: **Christopher Whitcomb**  
Title: **Chief Executive Officer**  
Relationship to Issuer: **Chief Executive Officer**

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

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

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

<sup>4</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

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

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

**Financial Statements are provided starting on page 14**

## **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")

**The company is in the entertainment industries with a focus on the distribution and promotion of music for independent artists and labels.**

- 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 has purchased a wholly owned subsidiary by the name of Intercept Music, Inc. It is a music artists service company that offers social media marketing, music distribution, merchandise, and expert coaching to musicians. They also offer label services to independent artists.**

**Tod Turner – President of Intercept Music**  
[tod.turner@interceptmusic.com](mailto:tod.turner@interceptmusic.com)

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

**Principal product or service is focused in and around the entertainment business with a focus on the music industry, specifically promotion and distribution of music for independent artists.**

## 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 issuer does not own any real property and maintains its principal office at 3210 21<sup>st</sup> Street, San Francisco, CA 94110**

## 7) Company Insiders (Officers, Directors, and Control Persons)

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

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

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Christopher Whitcomb	CEO and Chairman	Camarillo, CA	138,333,200	Common	14.4%	
LiveChime, Inc. – Tod C. Turner	President of Intercept Music & Shareholder (Owner of more than 5%)	Enumclaw, WA	247,650,000	Common	25.8%	Tod C. Turner, CEO of LiveChime Enumclaw, WA
Digital Music Universe – Ralph S. Tashjian	Chairman of Intercept Music & Shareholder (Owner of more than 5%)	San Francisco, CA	91,650,000	Common	9.5%	Ralph Tashjian, CEO of Digital Music Universe San Francisco, CA
Proactive Capital Partners – Jeffrey Ransom	Shareholder (Owner of more than 5%)	New York, NY	64,092,050	Common	6.7%	
Proactive Capital Partners SPV3 – Tod C. Turner	Shareholder (Owner of more than 5%)	Enumclaw, WA	91,204,667	Common	9.5%	
LiveChime, Inc. – Tod C. Turner	Shareholder (Owner of more than 5%)	Enumclaw, WA	23,400,000	Preferred Series C	59.87%	Tod C. Turner, CEO of LiveChime Enumclaw, WA

Digital Music Universe – Ralph S. Tashjian	Shareholder (Owner of more than 5%)	San Francisco, CA	7,800,000	Preferred Series C	19.96%	Ralph Tashjian, CEO of Digital Music Universe San Francisco, CA
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## 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**

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

**None.**

## 9) Third Party Providers

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

### Securities Counsel

Name: Anthony L.G., PLLC  
Firm: Anthony L.G., PLLC  
Address 1: 625 N. Flagler Drive, Suite 600  
Address 2: West Palm Beach, FL 33401

### Accountant or Auditor

Name: Noha Sahyoun  
Firm: NS SBC

Address 1: 3435 Ocean Park Blvd., Suite 107-871

Address 2: Santa Monica, CA 90405

Investor Relations Consultant

Other Service Providers

Provide the name of any other service provider(s), including, counsel, advisor(s) or consultant(s) **that assisted, advised, prepared or provided information with respect to this disclosure statement**, or provided assistance or services to the issuer during the reporting period.

**None.**

**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) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Christopher Whitcomb, certify that:

1. I have reviewed this annual disclosure statement of Sanwire Corporation;
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.

March 7, 2022

/s/: Christopher Whitcomb

*Principal Financial Officer:*

I, Christopher Whitcomb, certify that:

1. I have reviewed this annual disclosure statement of Sanwire Corporation;
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.

March 7, 2022

/s/: Christopher Whitcomb

**SANWIRE CORPORATION**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2021  
(Unaudited)

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**Sanwire Corporation**  
**Consolidated Balance Sheet**  
**December 31, 2021**  
**(Unaudited)**

<b><u>Assets</u></b>		
Current Assets		
Cash	\$	84,944
Receivables		205,500
Prepaid Expenses		65,833
Inventory		1,190
Total Current Assets		357,467
Intangible Assets		
Licenses		254,000
Software - Net of amortization of \$232,542		1,162,708
Entertainment Assets		44,500
Total Fixed Assets		1,461,208
Total Assets	\$	1,818,675
<b><u>Liabilities And Equity</u></b>		
Current Liabilities		
Accounts Payable	\$	110,350
Accrued Expenses		819,400
Stock Issuable		156,216
Other Payables - Related party		140,423
Total Current Liabilities		1,226,389
Long Term Liabilities		
Notes Payable		1,465,442
Convertible Notes Payable		147,000
Interest Payable		252,340
Total Long Term Liabilities		1,864,782
Total Liabilities		3,091,171
Equity		
Common Stock:	Authorized 1,500,000,000, par value \$.00001	9,617
	Issued and outstanding: 961,698,067	
Preferred Stock		40,087
Additional Paid in Capital		17,097,202
Stockholders' Deficit		(18,419,402)
Total Equity		(1,272,496)
Total Liabilities and Equity	\$	1,818,675

**Sanwire Corporation**  
**Consolidated Statement Of Operations**  
**For The Year Ended December 31, 2021**  
**(Unaudited)**

Income

Gross Sales	\$ 167,441
Less: Cost of Goods Sold	(114,019)
Gross Profit	<u>53,422</u>

General & Administrative  
Expenses

Outside Services	1,374,567
Dues & Subscriptions	71,474
Sales and Marketing	83,886
Office and Miscellaneous	60,569
Amortization Expense	232,542
Total General & Administrative Expenses	<u>1,823,038</u>

Net Ordinary Loss	<u>(1,769,616)</u>
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Other Income/ Expenses

Loan Forgiveness	209,032
Interest Expense	(279,972)
Net Other Income/ Expenses	<u>(70,940)</u>

Net Income	<u>\$ (1,840,556)</u>
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Net Loss per Share Basic & Diluted	<u>\$ (0.002)</u>
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Weighted Average Number of Shares Outstanding	<u>842,105,599</u>
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**Sanwire Corporation**  
**Consolidated Statement Of Cash Flows**  
**For The Year Ended December 31, 2021**  
**(Unaudited)**

<b>Cash Flows From Operating Activities:</b>	
Net Income/(Loss)	\$ (1,840,556)
<b>Adjustment to reconcile net (loss) to cash used in operations</b>	
Forgiveness of loan	(209,032)
Consulting expense for common stock	632,100
Amortization of software	232,542
<b>Changes in operating assets:</b>	
Receivables	(150,000)
Prepaid expenses	(64,316)
Common stock to be issued	31,471
Accounts payable	32,139
Interest payable	(211,462)
Related party payable	6,000
Accrued liabilities	257,060
Cash flows from operations	(1,284,054)
<b>Cash Flows From Investing Activities:</b>	
Software	(101,250)
Cash flows From investing activities	(101,250)
<b>Cash Flows from Financing Activities:</b>	
Repayment of debt - net	(20,000)
Cancellation of shares	880
Issuance of common stock for cash	539,744
Issuance of common stock for debt	695,773
Preferred stock to be issued - debt cancellation	131,216
Proceeds received for shares not issued	25,000
Payment for common stock not issued	10,000
Net Cash Flows From Financing Activities	1,382,613
Net Decrease in Cash	(2,691)
Cash at Beginning of Period	87,635
Cash at End of Period	\$ 84,944



**Sanwire Corporation**  
**Consolidated Statement of Changes in Shareholders' Equity**  
**For The Year Ended December 31, 2021**  
**(Unaudited)**

	Preferred stock		Common stock		Additional	Accumulated	
	Shares	\$	Shares	\$	Paid-In Capital	Deficit	Total
Balance, January 1, 2021	41,086,775	\$ 41,087	622,513,130	\$ 6,225	\$ 15,232,096	\$ (16,578,846)	\$ 984,345
Cash Investment	-	-	93,583,200	936	538,809	-	539,744
Common stock issued for convertible notes	-	-	154,601,737	1,546	694,227	-	695,773
Common stock issued for consulting fees	-	-	103,000,000	1,030	631,070	-	632,100
Cancellation of shares	(1,000,000)	(1,000)	(12,000,000)	(120)	1,000	-	(1,120)
Net loss, year ended December 31, 2021	-	-	-	-	-	(1,840,556)	(1,840,556)
Balance, December 31, 2021	40,086,775	\$40,087	961,698,067	\$9,617	\$17,097,202	\$(18,419,402)	\$(1,272,496)

**Sanwire Corporation**  
**Consolidated Notes to the Financial Statements**  
**December 31, 2021**

**Note 1—Nature of Operations and Continuance of Business**

Sanwire Corporation (the “Company”) was incorporated in the State of Nevada on February 10, 1997 under the name of. Clear Water Mining, Inc. The Company has been involved in multiple industries over the years, ranging from mining, mining communication, software development, and entertainment. The Company is now focused on the music business and, technology in and around the music business, as well as ancillary and support services within the industry.

Sanwire Corporation, through its wholly owned subsidiary, Intercept Music, Inc. (“Intercept”) is in the music promotion and distribution business with a focus on independent artists and labels. Intercept aims to be a “one-stop-shop” for independent artists and labels by providing everything a musician needs to be successful in the business, from promotion and distribution, to online storefronts to sell their merchandise, to playlisting and expert coaching. Intercept distributes its music through Ingrooves, wholly owned by Universal Music Group, to over 85 retailers (including Spotify, iTunes, Pandora, Amazon, Google) in more than 230 countries, and promotes artists music through social media (including Instagram, Facebook, Twitter Tik Tok), and other marketing services. The software promotes the artists’ entire business, including their music, merchandise and performances in social media, playlists and even online radio. Artists can also track sales, monitor their marketing success, and get state of the art analytics.

These financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, the ability of management to raise additional equity capital through private and public offerings of its common stock, and the attainment of profitable operations. These factors raise substantial doubt regarding the Company’s ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

**Note 2—Summary of Significant Accounting Policies**

Basis of Presentation and Principles of Consolidation

These financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States. These financial statements are expressed in US dollars. The Company’s fiscal year-end is December 31.

Principles of Consolidation

The accompanying consolidated financial statements include all of the accounts of the Company and its wholly owned subsidiary, Intercept Music, Inc. All intercompany balances and transactions have been eliminated on consolidation.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to allowance for doubtful accounts, the estimated useful lives and recoverability of long-lived assets, fair value of convertible debt, stock-based compensation, and deferred income tax asset valuation allowances. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it

believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

### Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents.

### Revenue Recognition

The Company recognized revenue from a subscription-based service with recurring revenue charged monthly to customers' credit cards. The Company recognizes revenue in accordance with FASB ASC 606 "*Recognizing Revenue in Contracts with Customers*." Subscription fees were recognized only when the customers' cards are charged, and price was fixed or determinable, and persuasive evidence of an arrangement existed.

### Accounts Receivable

The Company recognizes allowances for doubtful accounts to ensure accounts receivable are not overstated due to the inability or unwillingness of its customers to make required payments. The allowance is based on the age of receivable and the specific identification of receivables the Company considers at risk.

### Property and Equipment

Property and equipment are stated at cost. The Company depreciates the cost of property and equipment over their estimated useful lives at the following annual rates:

Computer equipment    55% declining balance

### Long-lived Assets

In accordance with ASC 360, "Property, Plant and Equipment", the Company tests long-lived assets or asset groups for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that the asset will more likely than not be sold or disposed significantly before the end of its estimated useful life. Recoverability is assessed based on the carrying amount of the asset and its fair value, which is generally determined based on the sum of the undiscounted cash flows expected to result from the use and the eventual disposal of the asset, as well as specific appraisal in certain instances. An impairment loss is recognized when the carrying amount is not recoverable and exceeds fair value.

### Foreign Currency Translation

The Company's functional and reporting currency is the United States dollar. Monetary assets and liabilities denominated in foreign currencies are translated in accordance with FASB ASC 830 "Foreign Currency Translation." using the exchange rate prevailing at the balance sheet date. Gains and losses arising on settlement of foreign currency denominated transactions or balances are included in the determination of income. The Company has not, to the date of these financial statements, entered into derivative instruments

to offset the impact of foreign currency fluctuations.

### Advertising Cost

The Company expenses advertising costs as incurred. In the case of prepaid advertising expenses, the Company records the prepaid expense and amortizes it over the life of the contract.

### Income Taxes

The Company has adopted FASB ASC 740 “Accounting for Income Taxes” as of its inception wherein the Company is required to compute tax asset benefits for net operating losses carried forward. Potential benefit of net operating losses have not been recognized in these financial statements because the Company cannot be assured it is more likely than not it will utilize the net operating losses carried forward in future years.

### Website Development Costs

The Company recognizes the costs associated with developing a website in accordance with FASB ASC 350-50 “Website Development Costs.” Accordingly, costs associated with the website consist primarily of website development costs paid to a third party. These capitalized costs are amortized based on their estimated useful life over three years upon the website becoming operational. Internal costs related to the development of website content will be charged to operations as incurred. The website became fully operational on July 1, 2021 and the Company began amortizing the website. Total accumulated amortization for the year ended December 31, 2021 was \$232,542.

### Loss Per Share

The Company computes loss per share in accordance with ASC 260, "Earnings per Share" which requires presentation of both basic and diluted earnings per share (“EPS”) on the face of the income statement. Basic EPS is computed by dividing the loss available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive.

### Stock-Based Compensation

The Company records stock-based compensation in accordance with ASC 718, “Compensation – Stock Compensation”, using the fair value method. All transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable. The Company uses the Black-Scholes option pricing model to calculate the fair value of stock-based awards. This model is affected by the Company’s stock price as well as assumptions regarding a number of subjective variables. The value of the portion of the award that is ultimately expected to vest is recognized as an expense in the consolidated statement of operations over the requisite service period.

### Derivative Instruments

The Company follows FASB ASC 815, “*Derivatives and Hedges*.” This standard establishes accounting and reporting requirements for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities in the balance sheet and measure those instruments at fair value. If certain conditions are met, a derivative may be specifically designated as a hedge, the objective of which is to match

the timing of gain or loss recognition on the hedging derivative with the recognition of (i) the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk or (ii) the earnings effect of the hedged forecasted transaction. For a derivative not designated as a hedging instrument, the gain or loss is recognized in income in the period of change. The Company has not entered into derivative contracts to hedge existing risks or for speculative purposes.

#### Recently issued accounting pronouncements

The Company adopts new pronouncements relating to generally accepted accounting principles applicable to the Company as they are issued, which may be in advance of their effective date. Management does not believe that any pronouncement not yet effective but recently issued by the FASB (including its Emerging Issues Task Force), the AICPA or the SEC would, if adopted, have a material effect on the accompanying financial statements.

#### Fair Value Measurements

The Company follows the guidelines in ASC Topic 820 “Fair Value Measurements and Disclosures.” Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities, which are required to be recorded at fair value, the Company considers the principal or most advantageous market in which the Company would transact and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability, such as inherent risk, transfer restrictions and credit risk.

The Company applies the following fair value hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

Level 1 — Quoted prices in active markets for identical assets or liabilities.

Level 2 — Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

Level 3—inputs are generally unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques, including option pricing models and discounted cash flow models.

ASC Topic 820, in and of itself, does not require any fair value measurements. As at December 31, 2021, the Company did not have assets or liabilities subject to fair value measurement.

#### Comprehensive Loss

ASC 220, “Comprehensive Income,” establishes standards for the reporting and display of comprehensive loss and its components in the financial statements. As at December 31, 2021, the Company had no items that represent a comprehensive loss and, therefore, has not included a schedule of comprehensive loss in the consolidated financial statements.

#### **Note 3— Short Term Notes Payable**

As at December 31, 2021, the Company had a short-term note payable to Proactive Capital Partners, LP in the amount of \$140,000. This note is not interest bearing. This note was issued in exchange for a convertible note payable, issued to Proactive Capital Partners

during the first quarter of 2021.

#### **Note 4—Long Term Notes Payable**

At December 31, 2021, the Company had a long term note payable to Digital Music Universe for \$250,000 with a stated interest rate of 8%. Accrued and unpaid interest on December 31, 2021 was \$62,742.

At December 31, 2021, the Company had a long term note payable to LiveChime, Inc. for \$750,000 with a stated interest rate of 8%. Accrued and unpaid interest on December 31, 2021 was \$182,779.

At December 31, 2021, the Company had a promissory note payable to Kanno Group Holdings, for \$340,442 bearing no interest, with regular monthly payments.

#### **Note 5—Convertible Notes Payable**

On March 15, 2018, the Company entered into agreements with three members of the previous management team to address the unpaid debt (the “Debt”) owed to them arising from the deferred compensation and associated interest due them according to their consulting agreements. According to the terms of the agreements, they have agreed to forego all interest due to them and waive the last 24 months of the deferred compensation owed to them. In exchange for them waiving all interest and reducing the consulting fees, the Company agreed to issue them each a convertible note for the remaining balance.

At December 31, 2021, the Company had outstanding convertible notes as follows:

(a) A 12-month convertible note bearing interest at 12% per annum with a principal balance of \$304,442, issued to Kanno Group Holdings II Ltd. The note was convertible into shares of the Company’s common stock at a price equal to a 65% to the lowest closing price within the last 90 trading sessions. This note represented full payment of the Debt for the period of May 1, 2013 to August 30, 2015. During the quarter ended March 31, 2021, Kanno Group Holdings II Ltd sold \$50,000 of its convertible note which was converted immediately to 19.3 million shares of Company stock. During the quarter ended June 30, 2021, Kanno Group Holdings II Ltd sold \$50,000 of its convertible note which was converted immediately to 16.1 million shares of Company stock. During the quarter ended June 30, 2021, Kanno Group Holdings II Ltd sold \$60,000 of its convertible note and \$40,000 of its related accrued interest to Proactive Capital Partners SPV3. As at December 31, 2021 the balance and accrued unpaid interest on this note was \$0, see Note 6 (e)&(f).

(b) A 12-month convertible note bearing interest at 12% per annum with a principal balance of \$196,000 issued to J. Roland Vetter. The note was convertible into shares of the Company’s common stock at a price equal to 65% to the lowest closing price within the last 90 trading sessions. This note represented full payment of the Debt for the period of May 1, 2013 to August 30, 2015. During the quarter ended March 31, 2021, J. Roland Vetter sold the note to Kanno Group Holdings II Ltd. As at December 31, 2021 the balance and accrued unpaid interest on this note was \$0, see to Note 6 (e)&(f).

(c) A 24-month convertible note with a \$120,000 face value, an original issue discount (OID) of \$20,000 and an annual interest rate of 10% was issued to Proactive Capital Partners (“Proactive”). During the quarter ended March 31, 2021, the Company received an 18-month additional note with a \$120,000 face value, an original issue discount (OID) of \$20,000, and an annual interest rate of 10%. During the quarter ended June 30, 2021, the Company received an additional 18 month note with a \$60,000 face value, an original issue discount (OID) of \$10,000, and an annual interest rate of 10%. During the quarter ended December 31, 2021, \$139,750 of convertible notes were converted to 27,950,000 shares of Company common stock. The remaining \$140,000 of convertible notes owed to Proactive was exchanged for a \$140,000 non-convertible promissory note. As at December 31, 2021 the principal balance on these convertible notes was \$0, see Note 6 (d).

(d) During the quarter ended September 30, 2021, the Company received a 18-month convertible note with a \$100,000 face value,

an original issue discount (OID) of \$10,000 and an annual interest rate of 10% issued to Proactive Capital SPV3 (“SPV3”). During the same quarter, the Company received an additional 18-month convertible note with a \$70,000 face value, an original issue discount (OID) of \$7,000 and an annual interest rate of 10%. Later that quarter, the Company received an additional 18-month convertible note with a \$90,000 face value, an original issue discount (OID) of \$9,000 and an annual interest rate of 10%. The notes were convertible at a fixed rate of \$.014, representing a 40% premium to the stock price at the time of issuance. As at December 31, 2021 the balance and accrued unpaid interest on these notes was \$0, see Note (c).

(e) During the quarter ended December 31, 2021, the Company received a 9-month convertible note with a \$115,000 face value, an original issue discount (OID) of \$15,000 and an annual interest rate of 10%, issued to Trillium Partners, L.P. (“Trillium”). The note is convertible at a fixed rate of \$.003. As of December 31, 2021 the outstanding principal balance on this note was \$115,000 with accrued unpaid interest of \$2,678.

(f) The Company’s subsidiary Intercept Music has three convertible notes for a total of \$32,000 bearing interest at 8% per annum. As at December 31, 2021, the combined accrued and unpaid interest on these notes was \$6,820.

#### **Note 6—Conversion of Convertible Notes**

- a) On October 1, 2020, a 12 month convertible note bearing interest at 12% per annum with a principal balance of \$309,000 was converted in full into 1,000,000 Company Series D convertible preferred shares. The total amount converted was \$373,890, representing \$309,000 in principal and \$64,890 in interest.
- b) On December 9, 2020, a convertible note of the Company’s subsidiary Intercept Music was converted in full into 2,817,750 Company Common shares and 281,775 Company Series C convertible preferred shares. The total amount converted was \$58,522, representing \$50,000 in principal and \$8,522 in interest.
- c) On December 22, 2021, the Company and Proactive Capital SPV3, LLC (“SPV”) entered into an agreement in which SPV3 agreed to convert all of their outstanding convertible notes (see Note 5 (d) as well as the \$100,000 note purchased from Kanno Group Holdings II, referenced in Note 5 (a)), principal and interest, into common shares of the Company at a conversion rate of \$.005 per share. The total amount converted was \$456,023, consisting of \$430,000 in principal and \$26,023 of accrued and unpaid interest, with 91,204,667 shares issued.
- d) On December 28, 2021, the Company and Proactive Capital Partners, L.P. (“Proactive”) entered into an agreement in which Proactive agreed to convert \$139,750 in principal into common shares of the Company’s stock at the rate of \$.005 per share, for a total of 27,950,000 shares. The remaining balance of Proactive’s convertible notes, in the amount of \$140,000 was exchanged for a promissory note, bearing no interest, with regular monthly payments.
- e) On December 30, 2021, the Company entered into an agreement with Kanno Group Holdings II, Ltd. (“Kanno”) in which Kanno and the Company agreed to convert the principal balance of the remaining two notes issued to Kanno in the aggregate amount of \$340,442 into a promissory note, bearing no interest, with regular monthly payments.
- f) On December 30, 2021, the Company had a total of \$267,748 in accrued and unpaid interest due to Kanno. The Company entered into an agreement with Kanno Group Holdings II, Ltd. (“Kanno”) in which Kanno forgave \$136,532 of the accrued interest, and the Company agreed to convert the remaining balance of \$131,216 in accrued unpaid interest owed to Kanno, into a newly created class of preferred stock, known as Series E Convertible Preferred Stock. The Series E Preferred Stock shall be designated the same as the Series D Convertible Preferred Stock previously issued to Kanno. Kanno shall be issued 874,774 shares of Series E Preferred Stock.

#### **Note 7—Preferred Stock**

Series C Convertible Preferred Stock – The Company filed a certificate of designation with the Secretary of state of Nevada in November of 2020 to designate a new class of preferred stock. The series C convertible preferred stock was issued for the purchase of Intercept Music, pursuant to the stock purchase agreement. The series holds no voting rights until converted and converts and the

rate of one preferred share to 10 shares of fully paid common stock. The series par value is \$0.001 per share.

**Series D Convertible Preferred Stock** – The Company filed a certificate of designation with the Secretary of state of Nevada in December of 2020 to designate a new class of preferred stock. The series D convertible preferred stock was issued to a shareholder in exchange for the cancellation of a convertible note. The series holds no voting rights until converted and converts and the rate of one preferred share to 30 shares of fully paid common stock. The series par value is \$0.001 per share.

**Series E Convertible Preferred Stock** – The company is obligated to file a certificate of designation with the Secretary of state of Nevada to designate a new class of preferred stock. The series E convertible preferred shall be issued to a shareholder in exchange for the cancellation of accrued unpaid interest. The series holds no voting rights until converted and converts and the rate of one preferred share to 30 shares of fully paid common stock. The series par value is \$0.001 per share. See Note 6 (f).

## **Note 8—Related Party Transactions**

(a) During the quarter ended December 31, 2021, the Company incurred consulting fees of \$45,000 to the CEO and Chairman of the Board of the Company. On December 23, 2021, the CEO and Chairman of the Board of the Company converted \$115,000 of consulting fees to 23 million shares of Company stock. The remaining accrued liability of consulting fees payable at December 31, 2021 was \$208,000.

(b) The Company issued a note, secured by all assets of the Company to the CEO pursuant to that consulting agreement by and between the Company and CEO dated March 1, 2018. The note was issued as a signing bonus in the principal amount of \$50,000 bearing interest at an annual rate of 12%. In the quarter ended December 31, 2021 the CEO forgave the entire principal balance and accrued unpaid interest. As at December 31, 2021 this note had a balance of \$0 and accrued interest of \$0

(c) To date, the CEO and Chairman of the Board of the Company has invested \$134,745 into the Company's subsidiary Intercept Music. On June 17, 2021, the CEO and Chairman of the Board of the Company converted the entire loan amount to 12.5 million shares of Company stock.

(d) At December 31, 2021, the Company has a non-interest bearing loan payable to a shareholder of the Company. The value of the loan payable balance on December 31, 2021 was \$106,061.

(e) Note 3 describes the long term notes of the Company payable to the Digital Music Universe and LiveChime, Inc. The owners of each of those notes are shareholders of the Company as well.

## **Note 9—Commitments**

On June 30, 2018, the Company entered into an agreement with a consultant to become the Chief Executive Officer and Chairman of the Board of the Company. Commencing March 1, 2018, the Company is to pay the Chief Financial Officer \$7,500 per month for the first year, \$10,000 per month for the second year, and \$12,500 per month for the third year. The Chief Executive Officer shall also be issued 35,000,000 shares of the Company's \$.00001 par value common stock as a signing bonus. The original consulting agreement was for a term of 3 years with two automatic one-year extensions.

On November 1, 2019, the consulting agreement was amended by mutual agreement of the parties to pay the Chief Executive Officer and Chairman \$15,000 per month effective immediately. All other terms and conditions remained the same and in full force and effect. On January 1, 2021, the consulting agreement was amended by mutual agreement of the parties to pay the Chief Executive Officer and Chairman \$10,000 per month effective immediately. On July 1, 2021, the consulting agreement was amended by mutual agreement of the parties to pay the Chief Executive Officer and Chairman \$15,000 per month effective immediately.



## **Note 11—Subsequent Events**

Subsequent events have been evaluated by management through March 7, 2022 which is the date the financial statements were available to be reported. On January 6, 2022 the Company filed an amendment to its articles of incorporation with the State of Nevada to increase the authorized shares of the Company from 1,500,000,000 to 2,000,000,000, effective immediately.

The company has filed the certificate of designation of preferred stock for the Series E convertible preferred stock per agreement. See Note 6 (f).