



On4 Communications, Inc.
44 West 44th Street
New York, NY 11710
(516) 637- 4061

Company website: The Company is presently redesigning its website, in the interim information may be obtained through the Company's Twitter site: @On4company.

Company Email: On4company@gmail.com

SIC Code: 4899

QUARTERLY REPORT FOR THE 3 MONTHS ENDED JANUARY 31, 2022

As of January 31, 2022 (the current quarterly reporting period) the number of issued and outstanding Common Stock was 6,416,459,861

As of October 31, 2021 (the most recent fiscal year end date) the number of issued and outstanding Common Stock was 6,416,459,861

As of July 31, 2021 (the prior third quarter reporting date) the number of issued and outstanding of our Common Stock was 4,937,409,898

As of October 31, 2020 (the second most recent fiscal year) the number of issued and outstanding of our Common Stock was 4,458,216.016

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 Control¹ of the company has occurred over this reporting period:

Yes: ☐

No: ☒

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

Name of Issuer: On4 Communications, Inc. (from October 2, 2009 to date)

Predecessor Name: Sound Revolution Inc. (from June 4, 2001 – October 2, 2009)

- State of Incorporation of issuer and predecessors:
Incorporated in the State of Delaware on June 4, 2001. The Issuer is in active status currently.
- There have been no trading suspension orders issued by the SEC since incorporation.
- There have not been any stock splits, stock dividends, recapitalization, merger, acquisition, spin-off or reorganization either currently anticipated or that has occurred within the past 12 months.

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

44 West 44th Street, New York, NY 11710

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

Yes: ☐

No: ☒

2) Security Information

Trading symbol: ONCI
Exact title and class of securities outstanding: Common Shares
CUSIP: 6822203 203
Par or stated value: \$0.0001

Total shares authorized: 7,500,000,000 as of date: January 31, 2022*
Total shares outstanding: 6,416,459,861 as of date: January 31, 2022
Number of shares in the Public Float²: 6,339,677,582 as of date: January 31, 2022
Total number of shareholders of record: 82 as of date: January 31, 2022

(* on July 21, 2021 the Company increased its authorized common shares from 5,000,000,000 to 7,500,000,000)

Additional class of securities (if any):

Trading symbol: N/A
Exact title and class of securities outstanding: Series A" Preferred shares
CUSIP: N/A
Par or stated value: No par value
Total shares authorized: 30,000,000 as of date: January 31, 2022
Total shares outstanding: 25,000,000 as of date: January 31, 2022

Transfer Agent

Name: Pacific Stock Transfer
Phone: 1-800-785-7782
Email: luke@pacificstocktransfer.com
Address: 6725 Via Austi Pkwy, Suite 300, Las Vegas, NV 89119

Is the Transfer Agent registered under the Exchange Act?³ Yes: ☒ No: ☐

3) Issuance History

A. Changes to the Number of Outstanding Shares

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

Shares outstanding as of Beginning of the Second Most Recent Fiscal Year End: Fiscal year beginning November 1 2019	<u>Opening Balance:</u> <u>November 1, 2019</u> Common: <u>4,023,875,860</u> Preferred: <u>30,000,000</u>		*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance ? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
<u>11/8/2019</u>	<u>New issuance</u>	<u>152,467,390</u>	<u>Common</u>	<u>\$0.0001</u>	<u>Yes</u>	JP Carey Enterprises Inc. See Note (B)	Debt conversion	Unrestricted	144 Exemption
<u>2/3/2020</u>	<u>New issuance</u>	<u>115,515,729</u>	<u>Common</u>	<u>\$0.0001</u>	<u>Yes</u>	JP Carey Enterprises Inc. See Note (B)	Debt conversion	Unrestricted	144 Exemption
<u>7/17/2020</u>	<u>New issuance</u>	<u>166,357,037</u>	<u>Common</u>	<u>\$0.00005</u>	<u>Yes</u>	JP Carey Enterprises Inc. See Note (B)	Debt conversion	Unrestricted	144 Exemption
Shares outstanding as of End of the Most Recent Fiscal Year End: Fiscal year ending October 31, 2020	<u>Closing Balance:</u> <u>October 31, 2020</u> Common: <u>4,458,216,016</u> Preferred: <u>25,000,000</u>								

<u>12/30/2020</u>	<u>New issuance</u>	<u>278,363,805</u>	<u>Common</u>	<u>\$0.0001</u>	<u>Yes</u>	JP Carey Enterprises Inc. See Note (B)	Debt conversion	Unrestricted	144 Exemption
<u>2/16/2021</u>	<u>New issuance</u>	<u>45,000,000</u>	<u>Common</u>	<u>\$0.0001</u>	<u>Yes</u>	Steve Berman	Exercise of employee stock options	Restricted	
<u>3/12/2021</u>	<u>New issuance</u>	<u>56,000,000</u>	<u>Common</u>	<u>\$0.0001</u>	<u>Yes</u>	Steve Berman	Exercise of employee stock options	Restricted	
<u>6/7/2021</u>	<u>New issuance</u>	<u>137,893,668</u>	<u>Common</u>	<u>\$0.00045</u>	<u>Yes</u>	Carpathia LLC See Note (A)	Debt conversion	Unrestricted	144 Exemption
<u>6/14/2021</u>	<u>Cancellation</u>	<u>(54,190,739)</u>	<u>Common</u>	<u>\$0.0001</u>	<u>Yes</u>	Steve Berman	Return for cancellation common shares previously issued to Steve Berman	Restricted	
<u>6/18/2021</u>	<u>Cancellation</u>	<u>(47,871,000)</u>	<u>Common</u>	<u>\$0.0001</u>	<u>Yes</u>	Steve Berman	Return for cancellation common shares previously issued to Steve Berman	Restricted	
<u>7/19/2021</u>	<u>New issuance</u>	<u>63,998,148</u>	<u>Common</u>	<u>\$0.00054</u>	<u>Yes</u>	J.P.Carey Limited Partners LP See Note (C)	Conversion of assumed Donald Berman Convertible note of \$25,000 and accrued interest \$9,589	Unrestricted	144 Exemption
August 18, 2021	<u>New issuance</u>	<u>39,597,909</u>	<u>Common</u>	<u>\$0.00054</u>	<u>Yes</u>	J.P.Carey Limited Partners LP See Note (C)	Conversion of assumed Donald Berman Convertible note of \$16,000 and accrued interest \$5,677	Unrestricted	144 Exemption
August 18, 2021	<u>New issuance</u>	<u>219,726,027</u>	<u>Common</u>	<u>\$0.00054</u>	<u>Yes</u>	Trillium Partners LP. See Note (D)	Conversion of 50% of assumed Donald Berman Convertible note of \$ 90,000 and accrued interest \$28,652	Unrestricted	144 Exemption
August 20, 2021	<u>New issuance</u>	<u>219,726,027</u>	<u>Common</u>	<u>\$0.00054</u>	<u>Yes</u>	J.P.Carey Limited Partners LP See Note (C)	Conversion of 50% of assumed Donald Berman Convertible note of \$90,000	Unrestricted	144 Exemption

							and accrued interest \$28,652		
October 5, 2021	<u>New issuance</u>	<u>500,000,000</u>	<u>Common</u>	<u>\$0.0005</u>	<u>Yes</u>	Trillium Partners LP See Note (D)	Regulation A subscription	Unrestricted	Regulation A
October 11, 2021	<u>New issuance</u>	<u>200,000,000</u>	<u>Common</u>	<u>\$0.0005</u>	<u>Yes</u>	J.P.Carey Limited Partners LP See Note (C)	Regulation A Subscription	Unrestricted	Regulation A
October 19, 2021	<u>New issuance</u>	<u>300,000,000</u>	<u>Common</u>	<u>\$0.0005</u>	<u>Yes</u>	J.P.Carey Limited Partners LP See Note (C)	Regulation A Subscription	Unrestricted	Regulation A
Shares Outstanding as of October 31, 2021 (end of the most recent fiscal year)	<u>Common</u> <u>6,416,459,861</u> <u>Preferred Series "A"</u> <u>25,000,000</u>								
Shares Outstanding as of January 31, 2022	<u>Common</u> <u>6,416,459,861</u> <u>Preferred Series "A"</u> <u>25,000,000</u>								

Notes:

- (A) Carpathia LLC is controlled by Joseph C. Canouse
- (B) JP Carey Enterprises Inc is controlled by Joseph C. Canouse
- (C) JP Carey Limited Partners LP is controlled by Joseph C. Canouse
- (D) Trillium Partners LP is controlled by Steve Hicks

B. Debt Securities, Including Promissory and Convertible Notes

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)
<u>1/2/2018</u>	<u>\$206,473</u>	<u>\$206,473</u>	<u>\$42,200</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Convertible loan</u>
<u>2/27/2018</u>	<u>\$50,000</u>	<u>\$50,000</u>	<u>\$10,164</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Loan</u>
<u>4/3/2018</u>	<u>\$20,000</u>	<u>\$20,000</u>	<u>\$ 3,833</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Loan</u>
<u>6/15/2018</u>	<u>\$115,000</u>	<u>\$115,000</u>	<u>\$20,889</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Loan</u>

<u>10/31/2018</u>	<u>\$104,400</u>	<u>\$104,400</u>	<u>\$16,976</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Loan</u>
<u>4/3/2018</u>	<u>\$46,175</u>	<u>\$46,175</u>	<u>\$7,508</u>	<u>Demand</u>	5% loan. Convertible at 40% of the average market price 15 days prior to conversion	<u>Brandon Berman</u>	<u>Convertible Loan</u>
<u>12/27/2018</u>	<u>\$15,000</u>	<u>\$15,000</u>	<u>\$7,678</u>	<u>12/27/2019</u>	Convertible at 50% of the average market price 10 days prior to conversion	<u>J.P. Carey Enterprises, Inc (Note C)</u>	<u>Convertible loan</u>
<u>1/31/2019</u>	<u>\$125,000</u>	<u>\$125,000</u>	<u>\$18,750</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Loan</u>
<u>3/1/2019</u>	<u>\$30,000</u>	<u>\$30,000</u>	<u>\$4,385</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Loan</u>
<u>3/27/2019</u>	<u>\$20,000</u>	<u>\$20,000</u>	<u>\$9,906</u>	<u>3/27/2020</u>	Convertible at 50% of the average market price 10 days prior to conversion	<u>J.P. Carey Enterprises, Inc (Note C)</u>	<u>Convertible loan</u>
<u>4/16/2019</u>	<u>\$15,000</u>	<u>\$15,000</u>	<u>\$6,814</u>	<u>4/16/2020</u>	Convertible at 50% of the average market price 10 days prior to conversion	<u>Carpathia LLC (Note B)</u>	<u>Convertible loan</u>
<u>7/1/2019</u>	<u>\$36,095</u>	<u>\$36,095</u>	<u>\$4,678</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Loan</u>
<u>8/6/2019</u>	<u>\$10,000</u>	<u>\$10,000</u>	<u>\$4,009</u>	<u>8/6/2020</u>	Convertible at 50% of the average market price 10 days prior to conversion	<u>Carpathia LLC (Note B)</u>	<u>Convertible loan</u>
<u>10/1/2019</u>	<u>\$45,000</u>	<u>\$45,000</u>	<u>\$5,264</u>	<u>Demand</u>	5% loan5% loan. Convertible at 40% of the average market price 15 days prior to conversion.	<u>Donald Berman</u>	<u>Convertible Loan</u>
<u>1/1/2020</u>	<u>\$40,000</u>	<u>\$40,000</u>	<u>\$4,175</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Loan</u>
<u>3/1/2020</u>	<u>\$58,015</u>	<u>\$58,015</u>	<u>\$5,579</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Loan</u>
<u>3/1/2020</u>	<u>\$16,985</u>	<u>16,985</u>	<u>\$1,987</u>	<u>Demand</u>	5% loan5% loan. Convertible at 40% of the average market price 15 days prior to conversion.	<u>Donald Berman</u>	<u>Convertible Loan</u>
<u>6/1/2020</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$8,356</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Loan</u>
<u>10/31/2020</u>	<u>\$25,000</u>	<u>\$ 25,000</u>	<u>\$1,565</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Loan</u>
<u>1/8/2021</u>	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$3,255</u>	<u>1/8/2022</u>	Convertible at 50% of the average market price 10 days prior to conversion	<u>J.P. Carey Enterprises, Inc (Note C)</u>	<u>Convertible loan</u>
<u>1/22/2021</u>	<u>\$16,000</u>	<u>\$16,000</u>	<u>\$1,973</u>	<u>1/22/2022</u>	Convertible at 50% of the average market price 10 days prior to conversion	<u>J.P. Carey Enterprises, Inc (Note C)</u>	<u>Convertible loan</u>
<u>1/31/2021</u>	<u>\$25,000</u>	<u>\$ 25,000</u>	<u>\$1,250</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Loan</u>
<u>4/30/2021</u>	<u>\$80,000</u>	<u>\$ 80,000</u>	<u>\$3,025</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Loan</u>
<u>7/31/2021</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$2,521</u>	<u>Demand</u>	5% loan	<u>Steve Berman (CEO)</u>	<u>Loan</u>
<u>TOTALS at January 31, 2022</u>	<u>\$1,114,983</u> <u>And</u> <u>\$209,160</u>	<u>\$1,114,983</u> <u>\$209,160</u>	<u>\$148,345</u> <u>\$48,394</u>	<u>Demand</u> <u>Various</u>	5% loans All others	<u>Steve Berman (CEO)</u> <u>Various</u>	<u>Loans</u>

<u>COMBINED TOTALS</u>	<u>\$1,324,143</u>	<u>\$1,324,143</u>	<u>\$196,739</u>				<u>Convertible Loans</u>
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Notes (B) & (C) Carpathia LLC and J.P. Carey Enterprises, Inc are both controlled by Joseph C. Canouse.

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)⁴:

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

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

- C. Balance sheet;
D. Statement of income;
E. Statement of cash flows;
F. Statement of Changes in Stockholders' Equity
G. Financial notes; and
H. Audit letter, if audited (not applicable)

Attached to this disclosure statement are the Quarterly Unaudited Financial Statements for the 3 Months ended January 31, 2022.

5) Issuer's Business, Products and Services

A. The Issuer has been primarily involved in the design, creation and manufacture of software Apps for installation in motor vehicles to automatically restrict the driver from accessing a smart phone or other social media communication while the vehicle wheels are in motion.

B. On November 4, 2016 the Company acquired a 49% equity/ownership stake in Family Mobil Safety ("FMS") Marketing, the distributor of a safe driving App. Under terms of the deal, FMS and their global distribution network of the drive safe app remains fully operational and continues as a standalone brand following the close of the acquisition. The FMS safe driving app is intended to do a number of functions to keep attention on the road while you're driving and not on your smart phone. As soon as the FMS app detects that the vehicles wheels are in motion the App will be programmed to automatically shut down all voice and social media for safe, distraction-free driving.

On December 9, 2016 the Company acquired a Forty-Nine Percent (49%) Joint-Venture equity/ownership stake in Digital Media Management & Consulting ("DMCC") a digital signage privately-held company headquartered in New York, NY. The DMCC platform supports advanced implementation of electronic sell-through and content advertising supported networks.

On September 1, 2017 the Company acquired, from the Company's CEO, the remaining 51% share of the FMS Safe Driving App. business and IP. The acquisition price was \$2 million, payable in cash, convertible promissory note and/or in stock. The cash portion is expected to be financed against the Company's accounts receivable.

On August 17, 2017 the Company entered into a non-binding Letter of Intent to invest in CogoSense Technology, Inc. a Canadian company, which has developed an enterprise software solution for smart phones and tablets that detects the driving state of an entire on-the-road vehicle fleet and automatically places those devices into safe mode while driving occurs, to prevent distractions. CogoSense has also developed an individual consumer App version, which is a fleet vehicle tracking system to monitor vehicle locations at any time. January 31, 2022 the Company had cumulatively invested \$ 1,875,000 in CogoSense.

On September 14, 2018 the Company announced that it has signed a letter of intent to purchase 75% of a craft Cannabis company called Sifthouse BC for a total consideration of \$1 million contingent upon Sifthouse BC obtaining a license to distribute Cannabis related product in Canada. Sifthouse is a craft Cannabis company and a new business based in Vancouver. Their plan is to grow highly profitable, specialty blends of cannabis. Terms of financing are being worked out. The Company's investment to date is \$300,000.

Summary of Operating Results for the 3 Months Ended January 31, 2022:

Sales for the 3 months ended January 31, 2022 totaled \$101,535 compared with Sales for the 3 months ended January 31, 2021 of \$107,500. Gross margin (after deducting cost of sales and sales commission) for the 3 months ended January 31, 2022 totaled \$63,843 compared with \$44,063 for the 3 months ended January 31, 2021.

After operating expenses of \$215,110 and \$206,268 for the 3 months ended January 31, 2022 and ended January 31, 2021, respectively, the Company had a net loss from operations for the 3 months ended January 31, 2022 of \$151,267 compared with a net loss of \$162,205 for the 3 months ended January 31, 2021.

Including interest expense of \$20,499, the overall loss for the 3 months ended January 31, 2022 was \$ 171,766, compared with a net loss of \$ 465,574, for the 3 months ended January 31, 2021 after deducting interest expense of \$23,369 and deducting an additional reserve against accounts receivable (net) of \$ 280,000.

Net cash flow from operating activities totaled \$14,000 for the year ended October 31, 2021 compared with cash flow used in operating activities of \$41,786 for the 3 months ended January 31, 2021. The ending cash balance at January 31, 2022 increased by \$14,000 to \$97,000, compared with a cash balance of \$83,000 at October 31, 2021.

C. Issuers' principal products or services, and their markets

The Company's principal products, described in B. above, are distributed and sold to automotive dealers and operators nationwide throughout the United States as well as in Europe (particularly in Turkey).

6) Issuer's Facilities

The Issuer rents a business office on a month-to-month basis at 44 West 44 Street, New York, NY 11710 at the rate of \$ 3,500 per month (inclusive of furniture).

7) Officers, Directors, and Control Persons

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*	
<u>Steve Berman</u>	<u>CEO & Director</u>	<u>Roslyn, New York</u>	<u>None*</u>	<u>Common shares</u>	<u>0</u>	
<u>Steve Berman</u>	<u>CEO & Director</u>	<u>Roslyn, New York</u>	<u>25,000,000</u>	<u>Class "A" Preferred shares</u>	<u>100.0%</u>	

(* Note: in June, 2021 the CEO returned his entire holding of 102,061,739 common shares back to the Company for cancellation.

8) Legal/Disciplinary History

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

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

None

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

None

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

None

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

None

B. Describe briefly any material pending legal proceedings:

- (1) On December 15, 2016 LG Capital Funding, LLC (one of the Company's convertible note holders) commenced an action against the Company claiming that it had been prevented from converting a remaining principal balance of \$1,500 and accrued interest thereon of \$ 1,013 into common shares of the Company at the then contracted 50% discount to market stock price. A judgement in favor of LG Capital was issued by the Eastern District Court of New York on September 25, 2018. However, this order was appealed and the Company was granted a stay, pending the outcome of a similar case submitted to the Second Circuit of Appeals which pleads that these types of convertible debt contracts are usurious under New York law. In April 2019 the New York Court of Appeals declined to hear the question certified of it – whether loans with terms such as the Note in the Company's case are void for being usurious. As a result, the Federal Court of Appeals lifted the stay in our matter and requested the Company's appellate brief by May 31, 2019. The Company's brief was filed May 20, 2019. LG Capital submitted their opposing brief August 9, 2019 and the Company's reply brief was submitted at the end of August, 2019. In early January, 2020 the LG Capital case was submitted to a panel of three judges in the Court of Appeals for review. On March 6, 2020 a Summary Order was issued by the appellant court affirming the original judgement of the District Court and declining the Company's appeal. The Company has included in its Accounts Payable at January 31, 2022 and at October 31, 2021 the sum of \$54,543 believed, by management, to be the potential liability payable by the Company to LG Capital pursuant to this action. However, the Company believes that LG Capital is no longer in business and that collection of their judgement is now unlikely to occur.

9) Third Party Providers

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

Securities Counsel

Name: Jonathan D. Leinwand, P.A.
18851 NE 29th Avenue, Suite 1101
Aventura, FL 33180

Accountant or Auditor

Name: None

Investor Relations Consultant

Name: None

Other Service Providers

Name: None

10) Issuer Certification

Principal Executive Officer:

:

I, Steve Berman, Chief Executive Officer, certify that:

1. I have reviewed this Quarterly Disclosure Statement of On4 Communications, Inc for the 3 Months Ended January 31, 2022;
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
5. 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 17, 2022

/s/ Steve Berman

Principal Financial Officer:

I, Alan Bailey, Chief Financial Officer certify that:

1. I have reviewed this Quarterly Disclosure Statement of On4 Communications, Inc for the 3 Months Ended January 31, 2022;
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 17, 2022

/s/ Alan Bailey

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



QUARTERLY FINANCIAL STATEMENTS

ON4 COMMUNICATIONS, INC.

for the 3 Months Ending

JANUARY 31, 2022

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ON4 COMMUNICATIONS, INC.**Balance Sheets**

(Unaudited)

	January 31, 2022	October 31, 2021
ASSETS		
Current assets		
Cash	\$ 97,000	\$ 83,000
Accounts receivable, less reserves	80,146	108,536
Prepaid expense	<u>1,750</u>	<u>3,500</u>
	<u>178,896</u>	<u>195,036</u>
 Fixed assets, net of accumulated depreciation	 <u>-</u>	 <u>-</u>
 Other assets, at cost		
Investment in Family Mobile Safety ("FMS")	2,000,000	2,000,000
Investment in Cogosense Technology Inc.	1,875,000	1,875,000
Investment in Sifthouse BC	<u>300,000</u>	<u>300,000</u>
	<u>4,175,000</u>	<u>4,175,000</u>
 Total Assets	 <u>\$ 4,353,896</u>	 <u>\$ 4,370,036</u>
 LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued expenses	\$ 77,383	\$ 80,633
Accrued note interest	48,394	41,749
Convertible notes payable	<u>209,160</u>	<u>209,160</u>
	<u>334,937</u>	<u>331,542</u>
 Non-current liabilities		
Loans and accrued interest due related party	1,263,328	1,249,474
Other amounts due related party	<u>4,830,516</u>	<u>4,692,139</u>
	<u>6,093,844</u>	<u>5,941,613</u>
 Total liabilities	 <u>6,428,781</u>	 <u>6,273,155</u>
 Stockholders' Deficit		
Preferred stock:		
30,000,000 shares authorized, no par value		
25,000,000 and 30,000,000 shares issued and outstanding		
at January 31, 2022 and October 31, 2021 respectively	\$ -	\$ -
Common stock:		
7,500,000,000 shares authorized of \$ 0.0001 par value each		
6,416,459,861 issued and outstanding at January 31, 2022		
and October 31, 2021	641,646	641,646
Additional paid-in capital	18,590,107	18,590,107
Treasury stock	210,000	210,000
Accumulated deficit	<u>(21,516,638)</u>	<u>(21,344,872)</u>
	<u>(2,074,885)</u>	<u>(1,903,119)</u>
 Total Liabilities and Stockholders' Deficit	 <u>\$ 4,353,896</u>	 <u>\$ 4,370,036</u>

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

ON4 COMMUNICATIONS, INC.
Statements of Income
(Unaudited)

	3 Months Ended	
	<u>January 31, 2022</u>	<u>January 31, 2021</u>
Sales	\$ 101,535	\$ 107,500
Less: Cost of sales	(25,000)	(50,000)
Sales commission	<u>(12,692)</u>	<u>(13,437)</u>
Gross Margin	<u>63,843</u>	<u>44,063</u>
 Operating expenses		
General and administrative	40,110	29,768
Staff compensation	85,000	85,000
Marketing and promotion	30,000	31,500
Management compensation	<u>60,000</u>	<u>60,000</u>
	<u>215,110</u>	<u>206,268</u>
 Operating loss	 <u>(151,267)</u>	 <u>(162,205)</u>
 Other expense		
Interest expense	(20,499)	(23,369)
Reserve against accounts receivable, less sales commissions thereon	 - <u>(20,499)</u>	 <u>(280,000)</u> <u>(303,369)</u>
 Net loss	 <u>\$ (171,766)</u>	 <u>\$(465,574)</u>
 Weighted average shares outstanding	 <u>6,416,459,861</u>	 <u>4,555,038,191</u>
 Loss per share outstanding	 <u>(\$0.00003)</u>	 <u>\$(0.0001)</u>

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

ON4 COMMUNICATIONS, INC.
Statement of Changes In Stockholders' Equity (Deficit)
(Unaudited)

	<u>Preferred Stock</u>		<u>Common Stock</u>		<u>Additional</u>	<u>Treasury</u>	<u>Accumulated</u>	<u>Stockholders'</u>
	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>	<u>Paid-In Capital</u>	<u>Stock</u>	<u>Deficit</u>	<u>Equity (Deficit)</u>
Balance:								
October 31, 2019	25,000,000	-	4,023,875,860	\$402,387	\$ 17,901,089	210,000	\$ (13,020,133)	\$ 5,493,343
12 Months Ended October 31, 2020								
Stock issued to redeem convertible note and interest	-		434,340,156	43,435	(8,716)	-	-	34,719
Net loss for year	-	-	-	-	-	-	(7,122,343)	(7,122,343)
Balance:								
October 31, 2020	25,000,000	-	4,458,216,016	\$445,822	\$ 17,892,373	\$210,000	\$ (20,142,476)	\$(1,594,281)
12 Months Ended October 31, 2021								
Stock issued to redeem convertible notes and interest	-		959,305,584	95,930	287,528	-	-	383,458
Stock issued to CEO on exercise of stock options	-		101,000,000	10,100	-	-	-	10,100
Stock returned to Treasury by CEO for cancellation	-		(102,061,739)	(10,206)	10,206	-	-	-
Stock issued pursuant to Regulation A offering	-		1,000,000,000	100,000	400,000	-	-	500,000
Net loss for year	-	-	-	-	-	-	(1,202,396)	(1,202,396)
Balance:								
October 31, 2021	25,000,000	-	6,416,459,861	\$641,646	\$ 18,590,107	\$210,000	\$ (21,344,872)	(1,903,119)
Net loss for 3 Months Ended January 31, 2022								
	-		-	-	-	-	(171,766)	(171,766)
Balance:								
January 31, 2022	25,000,000	-	6,416,459,861	\$641,646	\$ 18,590,107	\$210,000	\$ (21,516,638)	\$(2,074,885)

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

ON4 COMMUNICATIONS, INC.
Statements of Cash Flows
(Unaudited)

	<u>3 Months Ended</u> <u>January 31, 2022</u>	<u>3 Months Ended</u> <u>January 31, 2021</u>
Net cash from (used in) operating activities:		
Net loss for period	\$ (171,766)	\$ (465,574)
Adjustments to reconcile net income to net cash:-		
Reserve against accounts receivable, net of sales commission thereon	_____ -	_____ 280,000
	_____ -	_____ 280,000
Net changes in operating assets and liabilities		
Decrease in prepaid expense	1,750	-
Decrease in accounts receivable	28,390	1,164
Increase (decrease) in accounts payable and accrued interest	3,395	(23,553)
Increase in amounts due related party	152,231	166,177
	185,766	143,788
Net cash from (used in) operating activities	14,000	(41,786)
Net cash used in investing activities:	_____ -	_____ -
Net cash from financing activities:		
Increase in loans from related party	_____ -	_____ 25,000
	_____ -	_____ 25,000
Increase(decrease) in cash	14,000	(16,786)
Cash – beginning of period	83,000	93,736
Cash – end of period	\$ 97,000	\$ 77,000
Supplemental information:		
Transactions not involving cash flows:		
Repayment of convertible notes and interest	-	27,836
(Increase) in issued common stock	-	(27,836)
	\$ _____ -	\$ _____ -

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

ON4 COMMUNICATIONS, INC.
NOTES TO THE FINANCIAL STATEMENTS
For the 3 Months Ended January 31, 2022
(Unaudited)

1. The Company's Organization, History, and Current Operations

The Company was originally incorporated on **June 4, 2001** under the laws of the State of Delaware as Sound Revolution Inc. Our common stock is quoted on the Pink Sheets Quotation system under the symbol "ONCI.PK" and on the Berlin Stock Exchange under the symbol "O4C:GR".

On **March 12, 2009**, Sound Revolution Inc. entered into a merger agreement with On4 Communications, Inc., a private Arizona company incorporated on June 5, 2006 ("On4"). On May 1, 2009 we completed the merger with On4, with Sound Revolutions Inc as the surviving entity. On October 2, 2009 the Company then changed its name to On4 Communications, Inc. On **April 29, 2010**, we sold certain specific assets to On4 Communications Inc.(a private Canadian company) and to a shareholder ("On4 Canada") pursuant to an asset purchase agreement in exchange for On4 Canada returning 2,000,000 shares of our common stock to our treasury for cancellation. On **March 16, 2011**, we sold our interest in the Sound Revolution business to Empire Success, LLC in exchange for \$15,000 and 6,300 shares of Empire's common stock.

On **November 3, 2011**, we entered into a binding letter of intent ("LOI") to acquire 100% of the issued and outstanding shares of NetCents Systems Ltd. ("NetCents"), a private Alberta corporation engaged in the development and implementation of a then unique and secure electronic payment system for online merchants and consumers. The LOI provided for a period of due diligence which was intended to lead to a formal agreement whereby the Company would acquire 100% of the issued and outstanding capital of NetCents. On **December 15, 2011**, we entered into a share exchange agreement with NetCents and the selling shareholders of NetCents ("Share Exchange Agreement"). Pursuant to the terms of the Share Exchange Agreement, our Company and NetCents agreed to engage in a share exchange which, if completed, would result in NetCents becoming a wholly owned subsidiary of our Company. However, this transaction never in fact closed and on **November 12, 2014** the Company announced that the proposed merger agreement between On4 Communications, Inc. and NetCents Systems Ltd. had been officially rescinded. Effective July 23, 2012, Tom Locke resigned as chief financial officer, secretary, treasurer and as a director of our Company.

On **June 4, 2015** the Company filed with the State of Delaware to increase its authorized capital to 5,030,000,000 shares, comprising 5,000,000,000 common shares of \$ 0.0001 par value each and 30,000,000 preferred stock of no par value.

On **March 9, 2016** Mr. Steve Berman was appointed Chief Executive Officer and Director of the Company (Mr. Berman also holds those positions today). With his appointment, the Company totally changed its previous business plan and began to aggressively pursue business opportunities to produce a profitable business model going forward.

On **November 4, 2016** the Company acquired a 49% equity/ownership stake in Family Mobil Safety ("FMS") Marketing, the distributor of a safe driving App. Under terms of the deal, FMS and their global distribution network of the drive safe app remains fully operational and continues as a standalone brand following the close of the acquisition. The FMS safe driving app is intended to do a number of things to keep attention on the road while you're driving and not on your smart phone. As soon as the FMS app detects that the vehicles wheels are in motion the App will be programmed to automatically shut down all voice and social media for safe, distraction-free driving. On **December 9, 2016** the Company acquired a Forty-Nine Percent (49%) Joint-Venture equity/ownership stake in Digital Media Management & Consulting ("DMCC") a fast-rising digital signage privately-held company headquartered in New York, NY. The DMCC platform supports advanced implementation of electronic sell-through and content advertising supported networks. On **September 1, 2017** the Company acquired, from the Company's CEO, the remaining 51% share of the FMS Safe Driving App. business and IP. The acquisition price was \$2 million, payable in cash, convertible promissory note and/or in stock. The cash portion is expected to be financed against the Company's accounts receivable.

On **September 7, 2017**, the Company entered into a Settlement Agreement with Livingston Asset Management LLC, a Florida limited liability company ("LAM"), pursuant to which the Company agreed to issue certain common stock to LAM, in tranches, as necessary, in exchange for the settlement of certain past-due obligations and accounts payable of the Company acquired by LAM (the "LAM Assigned Accounts"). Such past-due obligations and accounts payable contained in the Settlement Amount covered approximately \$1.6 million of the Company's obligations, which LAM had settled with the Company's creditors at an overall discount of approximately 45%, resulting in a net settlement of approximately \$ 886,000. On **September 26, 2017**, the Circuit Court of Baltimore

County, Maryland (the “Court”), entered an Order Granting Approval Of Settlement Agreement And Stipulation (the “LAM Order”) approving, among other things, the fairness of the terms and conditions of an exchange of the Company’s common stock to settle the LAM Acquired Accounts, pursuant to Section 3(a)(10) of the Securities Act of 1933, as amended (the “Securities Act”), in the matter entitled Livingston Asset Management LLC v. On4 Communications, Inc. (the “LAM Action”). The LAM Order provided for the full and final settlement of the LAM Action. The Settlement Agreement became effective and binding upon the Company and LAM upon execution of the LAM Order by the Court on September 26, 2017.

Pursuant to the terms of the Settlement Agreement approved under the LAM Order, the Company agreed to issue to LAM shares (the “LAM Settlement Shares”) of the Company’s common stock, \$0.0001 par value (the “Common Stock”) at a forty five percent (45%) discount. The Settlement Agreement provided that the LAM Settlement Shares could be issued in one or more tranches, as necessary, sufficient to satisfy the LAM Settlement Agreement through the issuance of freely trading securities, exempt from registration, issued pursuant to Section 3(a)(10) of the Securities Act. A total of 610 million common shares were issued in various tranches by the Company, which LAM realized total proceeds, net of direct selling costs, of approximately \$1.61 million, at an overall average sales price of \$ 0.002641 per share. LAM retained 45% of these net proceeds (\$ 724,893) as its administrative, legal and handling fees, and the balance of \$885,980 was used in settlement with outstanding creditors participating in the program.

During the **12 months ended October 31, 2018** the Company began to invest in CogoSense Technology, Inc., a Canadian company, which has developed and is selling an enterprise software solution for smart phones and tablets that detects the driving state of an entire on-the-road vehicle fleet and automatically places those devices into safe mode while driving occurs, to prevent distractions. CogoSense has also developed an individual consumer App. Version , which is a fleet vehicle tracking system to monitor vehicle locations at any time. The Company’s cumulative investment at January 31, 2022 amounts to **\$1,875, 000**.

On **September 14 2018** the Company announced that it has signed a letter of intent to purchase 75% of a craft Cannabis company called Sifthouse BC for a total consideration of \$ 1 million contingent upon Sifthouse BC obtaining a license to distribute Cannabis related product in Canada. Sifthouse is a craft Cannabis company and a new business based in Vancouver. Their plan is to grow highly profitable, specialty blends of cannabis. Terms of financing are being worked out. The Company’s investment to date is **\$300,000**.

On July 7, 2021 the Company filed a Form 1-A with the SEC to raise capital pursuant to Regulation A. The filing called for the issuance of 1,000,000,000 free trading common shares at an offering price of \$ 0.0005 per share, for a gross capital raise of \$500,000. The offering was reviewed and qualified by the SEC as of August 5, 2021. During October, 2021 the offering was fully subscribed and the Company issued 1,000,000,000 common shares upon receipt of proceeds of \$500,000 and filed Form 1-Z accordingly on October 14, 2021. On December 8, 2021 the Company filed a new Form 1-A/Regulation A to seek SEC approval to offer an additional 1,000,000,000 free trading common shares at the offering price of \$0.00035 per share to raise an additional \$350,000 for working capital. At the date of this filing, the SEC has not yet qualified this offering.

2: Summary of Significant Accounting Policies

Basis of Presentation

These annual unaudited financial statements of On4 Communications, Inc. (the “Company”) have been prepared in accordance with accounting principles generally accepted in the United States and contain all normal recurring accruals and adjustments that, in the opinion of management, are necessary to present fairly the Company’s financial position at January 31, 2022 and at October 31, 2021, and the results of its operations and cash flows for the 3 months ended January 31, 2022 and January 31, 2021 respectively.

Cash

At January 31, 2022 the Company had a cash balance of \$97,000 compared with a cash balance of \$83,000 at October 31, 2021.

Accounts Receivable

Accounts receivable arise from the Company’s sales of the safe driving Apps, less payments received to date, and supported by executed sales contracts with customers. However, management believes that because of the depressed economic situation during 2020 for car sales as a direct result of the damaging effects of Covid-19, it was prudent to establish a substantial reserve against its accounts receivable, such that the Company’s accounts receivable balances at January 31, 2022 and at October 31, 2021 only represent those amounts subsequently collected and/or which management believes are collectible. Accordingly, a reserve of \$ 7,315,080 was established against customer accounts receivable balances as of October 31, 2020, which was further increased during the 12 months ended January 31, 2021 by a further reserve of \$320,000.

Investment in Family Mobile Safety (“FMS”)

On **September 1, 2017** the Company acquired, from the Company’s CEO, the remaining 51% share of the FMS Safe Driving App. business and IP. The acquisition price was \$2 million, payable in cash, convertible promissory note and/or in stock. The cash portion is expected to be financed against the Company’s accounts receivable. At January 31, 2022 and October 31, 2021 the Company reflected an equal non-current liability to the Company’s CEO of \$ 2 million.

Investment in CogoSense Technology, Inc.

On **August 17, 2017** the Company entered into an investment agreement with CogoSense Technology, Inc., a Canadian company that had developed an enterprise software solution for smart phones and tablets that detects the driving state of an entire on-the-road vehicle fleet and automatically places those devices into safe mode while driving occurs, to prevent distractions. CogoSense has also developed an individual consumer App version, which is a fleet vehicle tracking system to monitor vehicle locations at any time. Cumulatively through January 31, 2022 the Company has invested a total of \$ **1,875,000**.

Investment in Sifthouse BC

On **September 14, 2018** the Company signed a letter of intent to purchase 75% of a craft Cannabis company called Sifthouse BC for a total consideration of \$ 1 million contingent upon Sifthouse BC obtaining a license to distribute Cannabis related product in Canada. Sifthouse is a craft Cannabis company and a new business based in Vancouver. Their plan is to grow highly profitable, specialty blends of cannabis. Terms of financing are being worked out. The Company's investment through January 31, 2022 totals **\$300,000**.

Fixed Assets

The Company has fully depreciated its fixed assets.

Revenue Recognition

The Company recorded sales of \$101,535 for the 3 months ended January 31, 2022 compares with sales of \$107,500 for the 3 months ended January 31, 2021 from the sale of the safe driving Apps. Sales are recorded as revenue based on sales contracts and sales invoices when sales are made.

Use of Estimates

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

Impairment Reserve

Management believed that because of the continuing depressed economic outlook for car sales it was prudent to establish a substantial reserve against its accounts receivable, such that the Company's accounts receivable balances at January 31, 2022 of \$ 80,146 and at October 31, 2021 of \$108,536 equaled only the amount of cash actually collected from customers subsequent to January 31, 2022 and October 31, 2021 respectively, and/or amounts management believes are collectible. Accordingly, a reserve of \$ 7,315,080 was established against customer accounts receivable balances, less \$ 914,385 in sales commission thereon, for a net negative impact on net income of \$6,400,695 for the year ended October 31, 2020 and a net negative impact of \$280,000 on net income for the 3 Months ended January 31, 2021.

Provision for Income Taxes

At this time, no provision for the payment of income taxes is required on the results of the Company's operations through January 31, 2022. The Company has approximately \$ 21.5 million of net operating losses carried forward to potentially offset taxable income in future years, which expire commencing in calendar 2026.

Current Liabilities

The Company's liabilities at January 31, 2022 and October 31, 2021 are as follows:

Accounts payable and accrued expenses totaled \$77,383 and \$ 80,633 at January 31, 2022 and October 31, 2021, respectively. Accrued interest expense on third party debt payable totaled \$48,394 and \$ 41,749 at January 31, 2022 and October 31, 2021, respectively.

Convertible notes payable amounted to \$209,160 both at January 31, 2022 and October 31, 2021..

Convertible notes payable and accrued interest thereon at January 31, 2022 are as follows:

<u>Note Date</u>	<u>Noteholder</u>	<u>Principal</u>	<u>Accrued Interest</u>	<u>Total</u>
10/31/2018	Brandon Berman	\$46,175	\$7,508	\$53,683
12/27/2018	JP Carey Enterprises	15,000	7,678	22,678
3/27/2019	JP Carey Enterprises	20,000	9,906	29,906
4/16/2019	Carpathia LLC	15,000	6,814	21,814
8/6/2019	Carpathia LLC	10,000	4,009	14,009
10/1/2019	Donald Berman	45,000	5,264	50,264
3/1/2020	Donald Berman	16,985	1,987	18,972

1/8/2021	JP Carey Enterprises	25,000	3,255	28,255
1/22/2021	JP Carey Enterprises	<u>16,000</u>	<u>1,973</u>	<u>17,973</u>
TOTAL as of January 31, 2022		<u>\$209,160</u>	<u>\$ 48,394</u>	<u>\$257,554</u>

Convertible Notes payable to Carpathia LLC and to J.P. Carey Enterprises, Inc., carry interest at the rate of 12% annum for the first 9 months and 18% per annum thereafter, and are convertible at a rate of 50% of the Company's common stock based on the lowest closing bid price quoted by OTCMarkets during the 30 day trading period prior to conversion. Carpathia LLC and JP Carey Enterprises are both controlled by Joseph C. Canouse.

Convertible Notes payable to Donald Berman and Brandon Berman are convertible at a rate of 50% of the Company's common stock based on the lowest closing bid price quoted by OTCMarkets during the 15 day trading period prior to conversion.

3.Amounts Due Related Party

The amounts due related party represent amounts due to the Company's CEO, Steve Berman, as follows:

	<u>At January 31,2022</u>	<u>At October 31,2021</u>
5% loans to the Company	\$ 1,114,983	\$ 1,114,983
Accrued interest thereon	<u>148,345</u>	<u>134,491</u>
	<u>\$ 1,263,328</u>	<u>\$ 1,249,474</u>
Other amounts due related party:		
Accrued but unpaid compensation	\$ 770,763	\$ 710,763
Unreimbursed business expenses paid by the CEO	1,118,923	1,053,238
Accrued but unpaid sales commissions	940,830	928,138
Consideration due to acquire 51% interest in FMS	<u>2,000,000</u>	<u>2,000,000</u>
	<u>4,830,516</u>	<u>4,692,139</u>
Total due related party	<u>\$ 6,093,844</u>	<u>\$ 5,941,613</u>

4. Contingent Obligations/Liabilities

- (2) The Company entered into an Employment Agreement with Mr. Berman as of March 9, 2016 which provides compensation to Mr. Berman at the rate of \$10,000 per month and which grants Mr. Berman the right to acquire up to 50,000,000 of the Company's restricted common shares at a price of \$0.0001 per share, plus the grant of 70,000,000 stock options exercisable at the rate of 2,500,000 common shares per calendar quarter over 7 years at a price equal to the lowest daily trading price in the previous quarter. Through July 31,2017 he was also entitled to receive a profit incentive bonus by way of sales commissions equal to 25% of the value of all new executed contracts, net of any payments to outside services, derived by the Company from such new contracts. Mr. Berman voluntarily agreed to reduce his commission rate commencing August 1, 2017 to 12.5% and his monthly compensation rate was increased to \$ 20,000. The Company has the right to terminate Mr. Berman's Employment Agreement at any time upon payment of 6 months' salary payable in 16 monthly installments following termination.
- (3) On December 15,2016 LG Capital Funding, LLC (one of the Company's convertible note holders) commenced an action against the Company claiming that it had been prevented from converting a remaining principal balance of \$1,500 and accrued interest thereon of \$ 1,013 into common shares of the Company at the then contracted 50% discount to market stock price. A judgement in favor of LG Capital was issued by the Eastern District Court of New York on September 25, 2018. However, this order was appealed and the Company was granted a stay, pending the outcome of a similar case submitted to the Second Circuit of Appeals which pleads that these types of convertible debt contracts are usurious under New York law. In April 2019 the New York Court of Appeals declined to hear the question certified of it – whether loans with terms such as the Note in the Company's case are void for being usurious. As a result, the federal Court of Appeals lifted the stay in our matter and requested the Company's appellate brief by May, 2019. The Company's brief was filed May 20, 2019. LG Capital submitted their opposing brief August 9 2019 and the Company's reply brief was submitted at the end of August, 2019. In early January, 2020

the LG Capital case was submitted to a panel of three judges in the Court of Appeals for review. On March 6, 2020 a Summary Order was issued by the appellate court affirming the original judgement of the District Court and declining the Company's appeal. The Company has included in its Accounts Payable at January 31, 2022 and at October 31, 2021 the sum of \$54,543 believed, by management, to be the full liability payable by the Company to LG Capital pursuant to this action, although management believes that this judgement will not in fact be ultimately enforced.

5. Covid -19 disclosure

The coronavirus pandemic has adversely affected the Company's business in the 12 months ended October 31, 2021 and may continue to adversely affect our revenue coupled with supply chain delays in the automotive industry. This impact on our operations and distribution systems may also impair our ability to raise capital. There is uncertainty around the duration and breadth of these issues on the ultimate impact on our business. Such impact on the Company's financial condition and operating results cannot be reasonably estimated at this time, since the extent of such impact is dependent on future developments, which are highly uncertain and cannot be predicted.

6. Going Concern

The accompanying unaudited consolidated financial statements have been prepared assuming the Company will continue as a going concern, which implies that the Company would continue to realize its assets and discharge its liabilities in the normal course of business. As of January 31, 2022, the Company has a working capital deficiency of \$156,041, an accumulated deficit of \$21,516,638 and has a stockholder's deficit of \$2,074,885. The Company's operations continue to be funded primarily from direct and indirect financing from its CEO. During the 3 months ended January 31, 2022 the Company had a net operating loss of \$171,766. These factors raise substantial doubt about the Company's ability to continue as a going concern for a period of twelve months from the issuance of this report. The ability of the Company to continue as a going concern is dependent on the Company's ability to obtain the necessary financing through the additional issuance of convertible notes and/or additional issuance of equity instruments, the continued financial support from the Company's CEO, and the Company's ability to obtain substantial sales contracts for its product. Management is actively working to obtain such substantial sales contracts, but there is no guarantee that the Company will be successful in its efforts. These unaudited consolidated 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.

7 Subsequent Event

On February 16, 2022 the Company received a notice of conversion from JPCarey Enterprises Inc to convert its Convertible Note dated March 27, 2019 in the principal amount of \$ 20,000 plus accrued interest thereon through that date of \$ 10,218.42. The combined amount called for the conversion to 302,184,245 common shares of the Company at the conversion rate of \$0.0001 per share. The conversion request was approved by a board of directors resolution dated March 6, 2022 and was processed through the stock issuance shortly thereafter, which fully settled the Note.