

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Redwood Scientific Technologies, Inc.

810 North Mountain Ave. Suite 100, Upland, CA 91786

310-693-5401

www.redwoodsci.co

info@redwoodsci.com

2834

Quarterly Report

For the period ending March 31, 2021(the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

177,927,134 as of March 31, 2021, our current Reporting Period.

177,927,134 as of December 31, 2020, our most recently completed Fiscal Year.

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 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: ☒

Change in Control

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: ☐ No: ☒

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

¹ "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.

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.

The exact name of the issuer is Redwood Scientific Technologies, Inc. (the "Company"). We were incorporated in the State of Delaware on December 4, 1986, under the name Prescription Corporation of America. Since inception we have had numerous names, including CCG Capital Corporation (changed February 12, 1997), Managed Care Development Corporation (changed September 4, 2004), Interaxx Technologies, Inc. (changed May 22, 2007), ITX SunSpots, Inc. (changed June 13, 2005), Stassi Interaxx, Inc. (changed August 12, 2008), VoiceNetworkx, Inc. (changed February 23, 2010) and Greenway Design Group, Inc. We changed our name to the current name on or about December 13, 2017 as part of a merger with Redwood Scientific Technologies, Inc. ("RST"), a Nevada corporation (the "Merger") wherein we acquired all of the issues and outstanding securities of RST in exchange for the issuance of 150 million shares of our Common Stock (post reverse split).

The previous entities' address is 1418 N Scottsdale Rd #315, Scottsdale, AZ 85257.

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):

Delaware, inactive.

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

N/A

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

N/A

The address(es) of the issuer's principal executive office:

810 North Mountain Ave. Suite 100, Upland, CA 91786

The address(es) of the issuer's principal place of business:

☒ *Check if principal executive office and principal place of business are the same address:*

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

No: ☐ Yes: ☒ If Yes, provide additional details below:

The Issuer was in receivership during the Reporting Period due to ongoing litigation with the Federal Trade Commission.

2) Security Information

Transfer Agent

Name: ClearTrust, LLC

Phone: 813-235-4490
Email: inbox@cleartrusttransfer.com
Address: 16540 Pointe Village Dr. Suite 205
Lutz, FL 33558

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	<u>RSCI</u>	
Exact title and class of securities outstanding:	<u>Common Stock</u>	
CUSIP:	<u>758072102</u>	
Par or stated value:	<u>\$0.0001</u>	
Total shares authorized:	<u>250,000,000</u>	as of date: <u>March 31, 2021</u>
Total shares outstanding:	<u>177,927,134</u>	as of date: <u>March 31, 2021</u>
Total number of shareholders of record:	<u>288</u>	as of date: <u>March 31, 2021</u>

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

N/A

Other classes of authorized or outstanding equity securities:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g. preferred shares). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security:	<u>Preferred Stock</u>	
CUSIP (if applicable):	<u>758072102</u>	
Par or stated value:	<u>\$0.0001</u>	
Total shares authorized:	<u>25,000,000</u>	as of date: <u>March 31, 2021</u>
Total shares outstanding (if applicable):	<u>5,000,000</u>	as of date: <u>March 31, 2021</u>
Total number of shareholders of record (if applicable):	<u>8</u>	as of date: <u>March 31, 2021</u>

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

Each common share includes 500 votes per share, is not entitled to receive dividends, is not convertible and is not entitled to participate in the liquidation of the Company.

Each preferred share includes 500 votes per share, is not entitled to receive dividends, is not convertible and is not entitled to participate in the liquidation of the Company.

N/A

N/A

The goal of this section is to provide disclosure with respect to each event that resulted in any 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.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: ☒ Yes: ☐ (If yes, you must complete the table below)[illegible]

_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Shares Outstanding on Date of This Report:									
Ending _____ Balance _____									
Ending Balance: _____									
Date _____	Common: _____								
Preferred: _____									

Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended September 30, 2022, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2020 through September 30, 2022 pursuant to the tabular format above.

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

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: ☒ Yes: ☐ (If yes, you must complete the table below)

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. *You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

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

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.
(Please ensure that these descriptions are updated on the Company's Profile on www.otcmarketst.com).

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

No operations.

B. List any subsidiaries, parent company, or affiliated companies.

N/A

C. Describe the issuers' principal products or services.

The Company is a pharmaceutical delivery company that develops, operates, and markets FDA registered consumer homeopathic drugs and supplements. The Company utilized patent-pending sublingual strip delivery technology. The Company currently offers the following products:

TBX-FREE: An oral strip that helps smokers safely and effectively eliminate the craving to smoke

Product-X: An oral strip for the treatment of erectile dysfunction. This product also helps with issues of blood flow.

Blossom: A film strip delivery product designed to increase female sexual stimulation.

Ocean-X: A thin film treatment for motion sickness.

The Issuer's year end date is December 31.

****Please note the Company was inactive during the time period covered by this Report due to ongoing litigation with the Federal Trade Commission. ****

5) 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 and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Company did not have any assets, properties, or facilities during this time period. The Company did not have any leases during this time period.

6) Officers, Directors, and Control Persons

Using the table below, please provide information, as of the period end date of this report, regarding any officers, or directors of the company, individuals or entities controlling more than 5% of any class of the issuers securities, 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 (City, State) of an individual representing the corporation or entity in the note section.**

Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

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.

Names of All Officers, Directors and Control Persons	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity
<u>Carols Place Limited Partnership</u>	<u>Owner of more than 5%</u>	<u>Upland, CA</u>	<u>83,972,059</u>	<u>Common</u>	<u>49.871%</u>	<u>Jason Cardiff</u>
<u>Jacques Poujade</u>	<u>Director</u>	<u>Ladera Ranch, CA</u>	<u>346,340</u>	<u>Common</u>	<u>0.206%</u>	<u>N/A</u>
<u>Jason Cardiff</u>	<u>President</u>	<u>Upland, CA</u>	<u>0</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<u>Christine Hayes</u>	<u>Director</u>	<u>Claremont, CA</u>	<u>623,412</u>	<u>Common</u>	<u>0.37%</u>	<u>N/A</u>
<u>Kevin Harrington</u>	<u>Director</u>	<u>Saint Pete, FL</u>	<u>346,340</u>	<u>Common</u>	<u>0.206%</u>	<u>N/A</u>

7) Legal/Disciplinary History

A. Identify whether any of the persons or entities 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);

No

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;

Yes. Jason Cardiff is, for the time period covered by this Report, temporarily restrained from misrepresenting any material fact concerning the Company's products.

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

No

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.

No

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

During the time period covered by this Report, the Company has been in litigation with the Federal Trade Commission (the "FTC") in the United States District Court, Central District of California. The FTC filed its complaint against Jason Cardiff, et al. on October 3, 2018.

This action was initiated by the FTC under Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), Section 5 of ROSCA, 15 U.S.C. § 8404, Section 918(c) of EFTA, 15 U.S.C. § 1693o(c), and Section 6 of the Telemarketing Act, 15 U.S.C. § 6105. The FTC's Complaint sought both permanent injunctive relief and equitable monetary relief for the acts and practices as alleged therein. On October 24, 2018, the Court entered a Preliminary Injunction with an asset freeze and appointed a receiver over the Corporate Defendants. The Company has been under a court-ordered receivership since that date.

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Joseph S. Budd
Address 1: 1053 Wedgewood Drive
Address 2: Jeannette, PA 15644
Phone: 412-848-2757
Email: joseph.budd@gmail.com

Accountant or Auditor

Name: N/A
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Investor Relations

Name: N/A
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

All other means of Investor Communication:

Twitter: N/A
Discord: _____
LinkedIn: _____
Facebook: _____
[Other]: _____

Other Service Providers

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

Name: N/A
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

9) Financial Statements

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

- ☐ IFRS
☒ U.S. GAAP

B. The following financial statements were prepared by (name of individual)²:

Name: Jason Cardiff
Title: President
Relationship to Issuer: President, CEO

Describe the qualifications of the person or persons who prepared the financial statements: Mr. Cardiff has extensive experience in preparing financial statements.

Provide the following financial statements 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.

- a. Audit letter, if audited;
- b. Balance Sheet;
- c. Statement of Income;
- d. Statement of Cash Flows;
- e. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- f. Financial Notes

Attached as Exhibit 1.

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, Jason Cardiff, certify that:

1. I have reviewed this Disclosure Statement for Redwood Scientific Technologies, Inc.;

² The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

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.

January 17, 2023

/s/ Jason Cardiff

CEO

Principal Financial Officer:

I, Jason Cardiff, certify that:

1. I have reviewed this Disclosure Statement for Redwood Scientific Technologies, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

January 17, 2023

/s/ Jason Cardiff

Principal Financial Officer

Exhibit 1

Redwood Scientific Technologies

Q1 ending March 31st Income Statement Redwood 2021

Income Statement		
	q1 2021 current Q1	q1 2020 prior Q1
Revenue		
Sales Revenue	\$0.00	\$0.00
Service Revenue	\$0.00	\$0.00
Interest Revenue	\$0.00	\$0.00
Gain of Sales of Assets	\$0.00	\$0.00
Total Revenue & Gains	\$0.00	\$0.00
Expenses		
Advertising	\$0.00	\$0.00
Delivery/Freight Expense	\$0.00	\$0.00
Depreciation	\$0.00	\$0.00
Insurance	\$0.00	\$0.00
Interest	\$0.00	\$0.00
Office Supplies	\$0.00	\$0.00
Rent/Lease	\$0.00	\$0.00
Maintenance and Repairs	\$0.00	\$0.00
Legal	\$0.00	\$0.00
Wages	\$0.00	\$0.00
Utilities/Telephone Expenses	\$0.00	\$0.00
Other Expenses	\$0.00	\$0.00
Total Expenses	\$0.00	\$0.00
Income before tax	\$0.00	\$0.00
Income tax expense		
Net Profit (Loss)	\$0.00	\$0.00

Redwood Scientific Technologies

Q1 ending March 31st Cash flow Redwood 2021

	Q1	2021
Operating Activity		
Customers		\$0.00
Other operations		\$0.00
<i>Cash paid for</i>		
General operating and admin expenses		\$0.00
Wage expenses		\$0.00
Interest		\$0.00
Income taxes		\$0.00
Net Profit from Operations		\$0.00
<i>Additions to cash</i>		
Depreciation		\$0.00
Amortization		\$0.00
<i>Subtractions from Cash</i>		
Increase in Accounts Receivable		\$0.00
Increase in Inventory		\$0.00
Total Cash from Operating Activities		\$0.00
Investing Activities		
<i>Cash receipts from</i>		
Purchase of equipment		\$0.00
Bank loan		\$0.00
Total Cash from Investing Activities		\$0.00
Financing Activities		
Drawing/Distribution		\$0.00
Repayment of loans		\$0.00
Total Cash from Financing Activities		\$0.00
Beginning Cash		\$0.00
Total Change in Cash		\$0.00
Ending Cash		\$0.00

Open an international business account.  **Wise**

Redwood Scientific Technologies

Q1 ending March 31st Balance sheet Redwood 2021

Balance Sheet 03-31-2021

Assets

Current assets:	
Cash	\$0.00
Accounts receivable	\$0.00
Inventory	\$0.00
Prepaid expenses	\$0.00
Other current assets	\$0.00

Total current assets	\$0.00
-----------------------------	---------------

Fixed assets:	
Machinery & equipment	\$0.00
Furniture & fixtures	\$0.00
Leasehold improvements	\$0.00
Land & buildings	\$0.00
Other fixed assets	\$0.00

Total fixed assets	\$0.00
---------------------------	---------------

Other assets:	
Intangible assets	\$0.00
Goodwill	\$0.00
Deposits	\$0.00
Other assets	\$1,250,000.00

Total other assets	\$1,250,000.00
---------------------------	-----------------------

Total Assets	\$1,250,000.00
---------------------	-----------------------

Liabilities

Current liabilities:	
Accounts Payable	\$0.00
Accrued expenses	\$0.00
Unearned revenue	\$0.00
Notes, short-term	\$0.00
Current part of long-term debt	\$0.00

Total current liabilities	\$0.00
----------------------------------	---------------

Long-term debt:	
Bank loans payable	\$0.00
Notes payable to stockholders	\$0.00
LESS: short-term portion	\$0.00
Other long term debt	\$0.00

Total Liabilities	\$0.00
--------------------------	---------------

Shareholder's Equity

Other assets:	
Invested capital	\$0.00
Retained earnings - beginning	\$0.00
Retained earnings - current	\$0.00

Total Shareholder's Equity	\$0.00
-----------------------------------	---------------

Total Liabilities & Shareholder's Equity	\$0.00
---	---------------

Redwood Scientific Technologies

Statement of stockholder Equity Reconciliation

Q1 ending March 31st shareholder Equity Redwood 2021

EQUITY ANALYSIS

Consolidated Statement of Shareholder Equity

	Common stock A		Common stock B		Preferred stock		Total stock
	Number of shares	Par value & capital in excess of par	Number of shares	Par value & capital in excess of par	Number of shares	Par value & capital in excess of par	
Stock balance: Beginning of period	177,927,134	\$0.00010	0	\$0.00000	0	\$0	\$0
Shares issued	0	0	0	0	0	0	0
Shares repurchased	0	0	0	0	0	0	0
Balance: End of period	177,927,134	0	0	0	0	0	0
Average price of shares issued	N/A		N/A		N/A		
Average price of shares repurchased	N/A		N/A		N/A		
Retained earnings balance: Beginning of period	\$0						
Dividends paid	0						
Net earnings (loss)	0						
Balance: End of period	\$0						
	Beginning of period	End of period	Change				
Stock	\$0.00010	\$0	\$0				
Retained earnings	\$0.00000	\$0	\$0				
Total equity	\$0.00010	\$0	\$0				

Redwood Scientific Technologies, Inc.
Notes to Financial Statements
for the Quarter ending March 31, 2021

NOTE 1 - ORGANIZATION AND OPERATIONS

Redwood Scientific Technologies, Inc. (the “Company”) is a pharmaceutical delivery company that develops, operates, and markets FDA registered consumer homeopathic drugs and supplements. The Company utilized patent-pending sublingual strip delivery technology.

Redwood Scientific Technologies, Inc. is not a shell company and has never been classified as a shell company.

The Company was inactive during the time period covered by this Report due to ongoing litigation with the Federal Trade Commission.

Basis of presentation and going concern uncertainty

The unaudited financial statements included herein were prepared from the records of the Company in accordance with Generally Accepted Accounting Principles. These financial statements reflect all adjustments that are, in the opinion of management, necessary to provide a fair statement of the results of operations and financial position for the periods presented. Significant adjustments may be required upon the financial statements being audited to be in conformity with Generally Accepted Accounting Principles.

The ability of the Company to continue as a going concern is dependent on the successful execution of Management's plans, which include the successful outcome of its current litigation with the FTC, development of its products, sales of its products, further implementation of its business plan and continuing to raise funds through debt or equity financings. The Company will need its litigation with the FTC to conclude successfully in order to ensure the continuing existence of the business.

The accompanying unaudited financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of estimates

The Company's financial statements have been prepared in accordance with U.S. GAAP. The preparation of these financial statements requires management to make significant estimates and judgments that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosure of contingent assets and liabilities. Management evaluates estimates, including those

related to contingencies, on an ongoing basis. Estimates are based upon historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Cash and cash equivalents

The Company's policy is to consider cash and cash equivalents to consist of checking accounts, money market accounts or certificates of deposit having maturity dates of 180 days or less.

Financial instruments

Financial instruments consist primarily of cash, security deposits and obligations under accounts payable and accrued expenses. The carrying amounts of cash, accounts receivable, security deposits, accounts payable and accrued expenses approximate fair value because of the short-term maturity of those instruments.

Income taxes

The Company records its federal and state income tax liability as it is incurred. The Company has accumulated net operating losses and does not have any outstanding income tax liabilities.

Cash flows reporting

The Company adopted paragraph 230-10-45-24 of the FASB Accounting Standards Codification for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category, and uses the indirect or reconciliation method ("Indirect method") as defined by paragraph 230-10-45-25 of the FASB Accounting Standards Codification to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments. The Company reports the reporting currency equivalent of foreign currency cash flows, using the current exchange rate at the time of the cash flows and the effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents and separately provides information about investing and financing activities not resulting in cash receipts or payments in the period pursuant to paragraph 830-230-45-1 of the FASB Accounting Standards Codification.

Subsequent events

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company will evaluate subsequent events through the date when the financial statements were issued. Pursuant to ASU 2010-09 of the FASB Accounting Standards Codification, the Company as an SEC filer considers its financial

statements issued when they are widely distributed to users, such as through filing them on EDGAR.

NOTE 3 – INVENTORY

The Company accounts for its inventory at the lower of cost or market rate under the FIFO method of costing. Inventory consists of parts and finished goods related to company's operations.

NOTE 4 – INTELLECTUAL PROPERTY

The Company is developing a new product to help with the cessation of vaping. Intensive testing will be done on the products.