

COCONNECT INC  
Form 10-K/A  
October 16, 2012

**U. S. SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**

**Amendment No. 1**

**FORM 10-K**

X. ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended **December 31, 2011**

. TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File No. 000-26533

**CoConnect, Inc.**

(Name of small business issuer in its charter)

**Nevada**  
(State or other jurisdiction of  
incorporation or organization)

**63-1205304**  
(I.R.S. Employer  
Identification No.)

**25 East 200 South**

**Lehi, Utah 84043**

(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code:

**(801) 592-3000**

Securities registered pursuant to Section 12(b) of the Act:

**None**

Securities registered pursuant to Section 12(g) of the Act:

**\$.001 par value common stock**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.  
Yes  . No  .

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  . No  .

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  . No  .

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  . No  .

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.



Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer   
Non-accelerated filer  (Do not check if a smaller reporting company)  X

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No  X

As of June 30, 2011 approximately 323,483 shares of common stock were outstanding. The aggregate market value of the common stock held by non-affiliates of the registrant, as of June 30, 2011, the last business day of the second fiscal quarter, was approximately \$8,625 based on the average high and low price of \$0.055 for the registrant's common stock as quoted on the OTC Markets Pink Sheets on that date. Shares of common stock held by each director, each officer and each person who owns 10% or more of the outstanding common stock have been excluded from this calculation in that such persons may be deemed to be affiliates. The determination of affiliate status is not necessarily conclusive.

As of October 16, 2012, there were 2,750,000 shares of our common stock issued and outstanding.

Documents Incorporated by Reference: None

***This Amendment No.1 to our Form 10-K for the year ending December 31, 2011 originally filed on April 16, 2012 is being filed in order to correct and restate the date of the Audit Consent Letter from our auditors included in the original Form 10-K dated April 16, 2011. The date of the Audit Consent Letter should have read April 16, 2012. The mistake in the original Audit Consent Letter was a typographical error and has been amended here to show the proper date of April 6, 2012.***

**CoConnect, Inc.**

**Annual Report on Form 10-K**

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## PART I

### Item 1. Description of Business

#### Organization

a.

#### Corporate History.

CoConnect, Inc. (formerly known as Advanced Wireless Communications, Inc.) (the "Company") was incorporated in Alabama in December 1997 to take over the assets of related business involved in reorganizations through bankruptcies. In 1997, we acquired Mobile Limited Liability Company as part of the confirmation by the U.S. Bankruptcy Court for the Northern District of Texas of a Plan of Reorganization of Mobile Limited Liability Company. We acquired all of the assets of Digital Wireless Systems ("DWSI") on August 6, 2000, as part of the consummation of DWSI's confirmed Plan of Reorganization under Chapter 11 of the U.S. Bankruptcy Code. Lack of funding forced us to abandon plans to revive the operations of both companies.

In 2000, we acquired three operating subsidiaries, Daybreak Auto Recovery, Inc., Rap Group and Voltage Vehicles. In 2002, we rescinded these acquisitions, and in October 2004 cancelled the common shares that were to be issued for the acquisitions, which shares had been held in escrow. During 2002 and 2003, the Company had no operations other than to continue its efforts to liquidate certain telecommunications licenses, the only assets of the Company, in order to pay creditors who had judgments arising out of the bankruptcies.

In August of 2004, we moved our domicile to Nevada and changed our name to Advanced Wireless Communications, Inc.

On October 5, 2004, we signed a definitive agreement with Heritage Communications, Inc. ("Heritage") and acquired an exclusive license for the marketing and distribution of products over Heritage's proprietary high-speed wireless network.

On January 28, 2005, we executed a share exchange agreement with Heritage and its stockholders. The share exchange agreement closed on February 23, 2005 and superseded the exclusive license with Heritage by making Heritage our wholly owned subsidiary.

In February 2005, we changed our name to CoConnect, Inc.

On July 14, 2005, we rescinded the Share Exchange Agreement with Heritage due to material omissions and misrepresentations had been made by Heritage. As a result of the rescission, the Company cancelled the 30 million shares of common stock previously issued to the shareholders of Heritage.

On December 21, 2005, we purchased through our newly formed wholly-owned subsidiary, Phoenix Asset Acquisition Corporation, selected assets of Phoenix Systems Corp. ( Phoenix ). The terms of the purchase include the issuance of 8 million shares of our common stock, 2 million of which are being held in escrow until certain performance measures are achieved; a \$50,000 cash payment and the assumption of approximately \$374,000 of Phoenix liabilities and approximately \$49,000 in real property leases. At December 31, 2005, the Phoenix acquisition was mutually rescinded. The financial statements have been stated as if the transaction never happened.

On December 12, 2008, a majority of the holders of our common shares voted to authorize a reverse split of our common shares at a rate of 1 share for every 12,000 shares held. On March 10, 2009, NASDAQ notified us that the reverse split shareholder action of December 12, 2008, which took effect on January 12, 2009, would effect our stock trading symbol as of March 10, 2009 and that our new trading stock symbol would be CCON.

b.

#### Current Business Operations.

Our previous business model focused on the exploration of VoIP technology. VoIP is the delivery of voice information in the language of the Internet, i.e., as digital packets instead of the current circuit protocols of the copper-based phone networks. In VoIP systems analog voice messages are digitized and transmitted as a stream of data (not sound) packets that are reassembled and converted back into a voice signal at their destination. VoIP allows telephony users to bypass long-distance carrier charges by transporting those data packets just like other Internet information.

Although we are still investigating the profitability of pursuing the VoIP Technology business, management is of the belief that there may be more value for our shareholders if we were able to (i) attract a more substantial operating company and engage in a merger or business combination of some kind, or (ii) acquire assets or shares of an entity actively engaged in business which generates revenues. We have several acquisitions in mind and are investigating the candidates to determine whether or not they will add value to the Company for the benefit of our shareholders. Our Board of Directors intends to obtain certain assurances of value of the target entity's assets prior to consummating such a transaction. Any business combination or transaction will likely result in a significant issuance of shares and substantial dilution to our present stockholders.





We do not intend to restrict our consideration to any particular business or industry segment, and we may consider, among others, finance, brokerage, insurance, transportation, communications, research and development, service, natural resources, manufacturing or high-technology business. Of course, because we have limited resources, the scope and number of suitable candidates to merge with, will be limited accordingly. Because we may participate in a business opportunity with a newly organized firm or with a firm which is entering a new phase of growth, it should be emphasized that we may incur further risk due to the failure of the target's management to have proven its abilities or effectiveness, or the failure to establish a market for the target's products or services, or the failure to prove or predict profitability.

## **Personnel**

As of December 31, 2011, we had no employees other than our officers and directors.

## **Item 2. Description of Properties**

We currently do not own any real property nor do we lease any real property. We receive mail at 25 East 200 South Lehi, Utah 84043.

## **Item 3. Legal Proceedings**

Certain convertible promissory notes (the "Notes") issued to several noteholders (the "Noteholders") in the total principal amount of \$84,057 went into default due to nonpayment. Following default, the Company received demands from the Noteholders for the repayment of all principal and interest due thereunder. Following such default, the Noteholders agreed to waive the default and payment of all principal and interest due and payable under the Notes. Pursuant to the terms of such waiver, (i) the default interest rate under the Notes was to remain in effect and accrue until full repayment of the Notes, and (ii) the maturity date of the Notes was extended to March 10, 2010. On March 10, 2010, the Company was unable to repay the amounts due and owing under the Notes and, as such, the notes went into and remain unpaid and in default status. On October 26, 2010, the Noteholders filed a complaint against the Company arising from the unpaid Notes (the "Claims"). As of September 30, 2011 the complaint was dismissed without prejudice and all claims and disputes related to the litigation were amicably and privately resolved out of court. There are no known pending or threatened claims.

Furthermore, related to debt settlement agreements discussed throughout this document, as of December 31, 2011, the Company is no longer indebted to Noctua Fund, LP, NFM, Mr. Bingham, BCGU, RVCA, the Law Offices of Marc S. Applbaum and Marc Applbaum individually.

**Item 4. (Removed and Reserved)****PART II****Item 5: Market for Registrant's Common Equity and Related Stockholder Matters***(a) Market Information.*

The common stock of the Company, \$.001 par value, is currently traded over the counter and is listed on the OTC Bulletin Board under the symbol "CCON". The availability of historical trading prices of our common stock is limited, with periods of little or no trading activity. The following table sets forth the available approximate range of high and low closing prices for the common stock of the Company during the periods indicated. The quotations presented are adjusted to reflect splits in our common stock and reflect inter-dealer prices, without retail markup, markdown, or commissions, and may not necessarily represent actual transactions in the common stock.

<b>2011</b>	<b>Low</b>	<b>High</b>
First Quarter	0.20	0.22
Second Quarter	0.06	0.22
Third Quarter	0.06	0.15
Fourth Quarter	0.06	0.61
<b>2010</b>	<b>Low</b>	<b>High</b>
First Quarter	\$0.10	\$1.01
Second Quarter	0.10	0.89
Third Quarter	0.15	0.15
Fourth Quarter	0.02	0.15

On October 16, 2012 the closing quotation for our common stock was \$1.01 per share. As reflected by the high and low prices on the foregoing table, the trading price of the common stock of the Company can be volatile with dramatic changes over short periods. The trading price may reflect imbalances in the supply and demand for shares of the Company, market reaction to perceived changes in the industry in which the Company sells products and services, general economic conditions, and other factors. Investors are cautioned that the trading price of the common stock can change dramatically based on changing market perceptions that may be unrelated to the Company and its activities.

***(b) Approximate number of equity security holders***

The approximate number of record holders of the Company's common stock as of October 16, 2012 was 4,687, which does not include shareholders whose stock is held through securities position listings.

***(c) Dividends***

The Company did not declare or pay any cash dividends on its common stock during the past two fiscal years.

***(d) Securities authorized for issuance under equity compensation plans***

We currently do not have any stock option or other equity compensation plans.

***(e) Recent sales of unregistered securities.***

During March, 2010, pursuant to the terms of the NFM Agreement (as defined herein), the Company agreed to issue 54,300,000 shares of common stock into escrow. The shares are to be held in the Company's name for the benefit of NFM. The shares were issued during May of 2010.

During November 2010, the Company entered into a Security Agreement (as defined herein) with our CEO, Mr. Brad M. Bingham. Pursuant to the terms of the Security Agreement, Mr. Bingham was issued the 1,500,000,000 conversion shares which are to be held as security and collateral against either the repayment or conversion of the BMB Note (as defined herein).

At September 30, 2011, the Company agreed to issue 1,721,845 common shares and 100,000 shares of Series B Preferred Stock to BCGU, a related party, in exchange for the settlement of convertibles notes with principal balances totaling \$208,724, accrued interest totaling \$47,285, debt related to unpaid management fees \$75,000, and retirement of 100,000 shares of Series A preferred stock.

On September 30, 2011, the Company agreed to issue 682,172 common shares to RVCA, a related party, in exchange for the settlement of convertible notes with principal balances totaling \$56,333, their accrued interest totaling \$16,548 and the termination of a \$70,000 subscription receivable due to the Company related to a share purchase agreement dated December 2, 2009.

On September 30, 2011, the Company and Mr. Bingham agreed to the settlement of amounts due related to a convertible note with principal balance of \$16,860, and accrued interest totaling \$738, in exchange of the issuance of 20,000 common shares. 1,500,000,000 common shares issued per the Security Agreement have been returned to treasury as a part of the agreement.

At September 30, 2011 the Company owed \$900 to the Law Offices of Marc S. Applbaum and Marc S. Applbaum individually and agreed to settle the amount owed for the issuance of 2,500 shares of common stock.

The foregoing transactions were exempt from the registration of the Securities Act in that they were not transactions involving any public offering. All securities issued were restricted in nature and no public solicitation or offer was made and all offerees were accredited investors and had a preexisting relationship with the Company or its management

***(f) Purchases of equity securities by the small business issuer and affiliated purchasers***

During the year ended December 31, 2011, neither the Company nor any of its affiliates purchased any equity securities of the Company or on behalf of the Company.

**Item 6. Selected Financial Data**

Not Applicable.



## **Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

The following discussion and analysis should be read in conjunction with our audited consolidated financial statements and related notes included in this report. This report contains forward-looking statements that are not historic in nature, particularly those that utilize terminology such as may, will, should, expects, anticipates, estimates, believes, or plans or comparable terminology are forward-looking statements based on current expectations and assumptions.

The forward-looking events discussed in this report, the documents to which we refer you and other statements made from time to time by us or our representatives, may not occur, and actual events and results may differ materially and are subject to risks, uncertainties and assumptions about us. For these statements, we claim the protection of the safe harbor provisions of the securities laws. All forward-looking statements in this document are based on information currently available to us as of the date of this report, and we assume no obligation to update any forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements.

### **Recent Developments**

#### *Change in Management and Directors*

On April 8, 2012, Mr. Marc Applbaum, Esq. resigned from his position as Director of the Company. Mr. Applbaum's resignation was not because of any disagreement with the Company relating to the Company's operations, policies or practices.

On April 8, 2012, Mr. Robert K. Bench resigned from his position as President and Director of the Company. Mr. Bench's resignation was not because of any disagreement with the Company relating to the Company's operations, policies or practices.

Immediately following their resignation, on April 8, 2012, the Company's Board of Directors appointed Mr. Mark L. Baum, Esq. as the Company's Principal Executive Officer and Director. The Company and Mr. Baum currently maintain no material plan, contract or arrangement relating to Mr. Baum's positions with the Company or related compensation.

As disclosed in our Form 8-K filed on October 12, 2012, on September 30, 2012, Mr. Mark Baum, Esq. resigned from his position as President and Director of the Company. Mr. Baum's resignation was not because of any disagreement with the Company relating to the Company's operations, policies or practices.

On October 11, 2012, Mr. Robert K. Bench was appointed to the positions of President, Chief Financial Officer, Secretary, Treasurer and Director of the Company.

### Critical Accounting Policies

We rely on the use of estimates and make assumptions that impact our financial condition and results. These estimates and assumptions are based on historical results and trends as well as our forecasts as to how results and trends might change in the future. Although we believe that the estimates we use are reasonable, actual results could differ from those estimates.

We believe that the accounting policies described below are critical to understanding our business, results of operations and financial condition because they involve more significant judgments and estimates used in the preparation of our consolidated financial statements. An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, and any changes in the different estimates that could have been used in the accounting estimates that are reasonably likely to occur periodically could materially impact our consolidated financial statements.

Our most critical accounting policies and estimates that may materially impact our results of operations include:

*Stock-Based Compensation.* All share-based payments to employees, including grants of employee stock options and restricted stock grants, to be recognized in the financial statements based upon their fair values. We use the Black-Scholes option pricing model to estimate the grant-date fair value of share-based awards. Fair value is determined at the date of grant. The financial statement effect of forfeitures is estimated at the time of grant and revised, if necessary, if the actual effect differs from those estimates.

Our accounting policy for equity instruments issued to consultants and vendors in exchange for goods and services follows Financial Accounting Standards Board ( FASB ) guidance. As such, the value of the applicable stock-based compensation is periodically remeasured and income or expense is recognized during the vesting terms. The measurement date for the fair value of the equity instruments issued is determined at the earlier of (i) the date at which a commitment for performance by the consultant or vendor is reached or (ii) the date at which the consultant or vendor's performance is complete. In the case of equity instruments issued to consultants, the fair value of the equity instrument is recognized over the term of the consulting agreement. An asset acquired in exchange for the issuance of fully vested, nonforfeitable equity instruments should not be presented or classified as an offset to equity on the



grantor's balance sheet once the equity instrument is granted for accounting purposes. Accordingly, we record the fair value of nonforfeitable equity instruments issued for future consulting services as prepaid consulting fees in our consolidated balance sheets.

*Tax Liabilities.* As part of the process of preparing our financial statements, we must estimate our actual current tax liabilities together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are included within the balance sheet. We must assess the likelihood that the deferred tax assets will be recovered from future taxable income and, to the extent we believe that recovery is not likely, a valuation allowance must be established. To the extent we establish a valuation allowance or increase or decrease this allowance in a period, the impact will be included in the tax provision in the statement of operations.

## Results of Operations

### Revenues

	Year	
	Ended December 31	
	2011	2010
Total Sales	\$0	\$0

We had no revenues for the year ended December 31, 2011 or for the year ended December 31, 2010.

### Operating Expenses

	Year	
	Ended December 31	
	2011	2010
Operating Expense	\$60,651	\$235,133

Total costs and expenses of \$60,651 for the year ended December 31, 2011 consisted of \$8,500 in professional fees, \$0 in depreciation expense and \$52,151 in general and administrative expenses.

Total costs and expenses of \$235,133 for the year ended December 31, 2010 consisted of \$8,500 in professional fees, \$0 in depreciation expense and \$226,633 in general and administrative expenses.

Net Profit (Loss)

	Year	
	Ended December 31	
	2011	2010
Net Profit (Loss)	(\$91,102)	(\$266,625)

For the year ended December 31, 2011, we sustained net losses of \$91,102 as compared with net losses of \$266,625 for the year ended December 31, 2010.

No provision for income taxes has been recorded in the accompanying financial statements due to the net losses of the Company. Because of the bankruptcy proceedings and significant changes in ownership of its common stock, the Company has not determined the amount of net operating loss carryforwards that may be available to offset future taxable income of the Company. If there have been substantial changes in the Company's ownership, as defined in the Internal Revenue Code and related Regulations, there may be substantial annual limitations of the amount of net operating loss carryforwards, which could be utilized by the Company.

**Liquidity and Capital Resources**

At December 31, 2011, the Company had assets of \$209,948 comprised of \$209,948 in cash. There were liabilities of \$250,517 comprised of \$40,540 in accounts payable, and \$209,997 in other payables. Current assets of \$209,948 and current liabilities of \$250,517 resulted in a working capital deficiency of \$40,569. The Company reported total stockholders' deficit of \$40,569 at December 31, 2011.

The accompanying condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern. Because of recurring operating losses and the excess of current liabilities over current assets, there is substantial doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on attaining profitable operations through business acquisitions, restructuring its financial arrangements, and obtaining additional outside financing as needed.

We intend to retain any future earnings to retire any existing debt, finance the expansion of our business and any necessary capital expenditures, and for general corporate purposes.

### **Forward-Looking Statements**

The Company, from time to time, may publish forward-looking statements relating to such matters as anticipated financial performance, business prospects, technological development, new products, research and development activities and similar matters. The Company notes that a variety of factors could cause the Company's actual results and experience to differ materially from the anticipated results or other expectations expressed in any of the Company's forward-looking statements. The risks and uncertainties that may affect the operations, performance, development and results of the Company's business include, but are not limited to, the following: (a) the failure to obtain additional borrowed and/or equity capital on favorable terms for acquisitions and expansion; (b) adverse changes in federal and state laws, or other matters affecting the Company's business; (c) the demand for the Company's products and services; and (d) other risks detailed in the Company's Securities and Exchange Commission filings.

This Form 10-K contains and incorporates by reference certain "forward-looking statements" with respect to results of operations and businesses of the Company. All statements, other than statements of historical facts, included in this Form 10-K, including those regarding market trends, the Company's financial position, business strategy, projected costs, and plans and objectives of management for future operations, are forward-looking statements. In general, such statements are identified by the use of forward-looking words or phrases including, but not limited to, "intended, will, should, may, expect, anticipate, estimates, projects" or the negative thereof or variations thereon or similar terminology.

Forward-looking statements are based on the Company's current expectations. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Because forward-looking statements involve risk and uncertainty, the Company's actual results could differ materially. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed hereunder and elsewhere in this Form 10-K. These forward-looking statements represent the Company's judgment as of the date of this Form 10-K. All subsequent written and oral forward-looking statements attributable to the Company are expressly qualified in their entirety by the Cautionary Statements. The Company disclaims, however, any intent or obligation to update its forward-looking statements.

**Item 7A. Quantitative and Qualitative Disclosure about Market Risk**

Not applicable.

**Item 8. Financial Statements and Supplementary Data**

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**PLS CPA, A PROFESSIONAL CORPORATION**

**t 4725 MERCURY STREET #210 t SAN DIEGO t CALIFORNIA 92111t**  
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**t E-MAIL changgpark@gmail.com t**

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Stockholders

CoConnect, Inc.

We have audited the accompanying balance sheets of CoConnect, Inc. (A Development Stage Company ) as of December 31, 2011 and 2010 and the related statements of operations, changes in shareholders' equity and cash flows for the years ended December 31, 2011 and 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CoConnect, Inc. as of December 31, 2011 and 2010, and the result of its operations and its cash flows for the years ended December 31, 2011 and 2010 in conformity with U.S. generally accepted accounting principles.

The financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company's losses from operations raise substantial doubt about its ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/PLS CPA

PLS CPA, A Professional Corp.

April 16, 2012

San Diego, CA. 92111



COCONNECT, INC  
BALANCE SHEETS

	December 31, 2011	December 31, 2010
<b>ASSETS</b>		
Current assets		
Cash	\$ 209,948	\$ 6,578
Total current assets	209,948	6,578
<b>TOTAL ASSETS</b>	<b>\$ 209,948</b>	<b>\$ 6,578</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities		
Accounts payable	\$ 40,540	\$ 35,541
Other payables	209,977	-
Related party payable	-	75,000
Convertible notes payable and accrued interest, related parties	-	316,036
Total current liabilities	250,517	426,577
<b>TOTAL LIABILITIES</b>	<b>250,517</b>	<b>426,577</b>
<b>STOCKHOLDERS' DEFICIT</b>		
Preferred stock, 1,000,000 shares authorized, \$0.001 par value		
100,000 shares issued and outstanding as of		
December 31, 2011 and December 31, 2010.	100	100
Common stock, 4,999,000,000 shares authorized, \$0.001 par value		
2,750,000 and 323,483 shares issued and outstanding as of		
December 31, 2011 and December 31, 2010.	2,750	323
Additional paid-in capital	11,823,622	11,425,517
Subscription receivable	-	(70,000)
Deficit accumulated	(11,867,041)	(11,775,939)
<b>TOTAL STOCKHOLDERS' DEFICIT</b>	<b>(40,569)</b>	<b>(419,999)</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<b>\$ 209,948</b>	<b>\$ 6,578</b>

The accompanying notes are an integral part of these financial statements

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COCONNECT, INC  
STATEMENTS OF OPERATIONS

	For the year ended December 31,	
	2011	2010
Expenses		
Professional fees	\$ 8,500	\$ 8,500
General and administrative	52,151	226,633
Total operating expenses	60,651	235,133
Loss from operations	\$ (60,651)	\$ (235,133)
Other income (expense)		
Interest expense	(30,451)	(31,492)
Total other income (expense)	(30,451)	(31,492)
Net loss before income tax	(91,102)	(266,625)
Income tax	-	-
NET LOSS	\$ (91,102)	\$ (266,625)
Basic and diluted loss per common share	\$ (0.10)	\$ (0.82)
Weighted average common shares outstanding	935,098	323,483

The accompanying notes are an integral part of these financial statements

COCONNECT, INC  
 STATEMENTS OF STOCKHOLDERS' DEFICIT  
 From December 31, 2009 through December 31, 2011

	Preferred Stock Shares	Par Value	Common Stock Shares	Par Value	Additional Paid-in Capital	Subscription Receivable	Accumulated Deficit	Total Stockholders' Deficit
Balance December 31, 2009	-	\$ -	323,483	\$323	\$11,425,517	\$ (70,000)	(11,509,314)	\$ (153,473)
Preferred Stock issuance in exchange of services	100,000	100			-	-	-	100
Net Loss for the year ended December 31, 2010	-	-	-	-	-	-	(266,625)	(266,625)
Balance December 31, 2010	100,000	100	323,483	323	11,425,517	(70,000)	(11,775,939)	(419,999)
Exchange of notes and debt in exchange for common shares	-	-	1,721,845	1,722	329,287	-	-	331,009
Exchange of notes and subscription receivable in exchange for common shares	-	-	682,172	682	2,199	70,000	-	72,881
Exchange of notes in exchange for common shares	-	-	20,000	20	17,578	-	-	17,598
Common shares issued for payment of accounts payable	-	-	2,500	3	898	-	-	900
Warrants issued in exchange for services provided	-	-	-	-	48,144	-	-	48,144
Net loss for the year ended December 31, 2011	-	-	-	-	-	-	(91,102)	(91,102)
Balance December 31, 2011	100,000	\$ 100	2,750,000	\$2,750	\$11,823,622	\$ -	(11,867,041)	\$ (40,569)

The accompanying notes are an integral part of these financial statements

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COCONNECT, INC  
STATEMENTS OF CASH  
FLOWS

	For the year ended December 31,	
	2011	2010
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Loss	\$ (91,102)	\$ (266,625)
Preferred stock issued for service	-	100
Warrants issued for services	48,144	-
Changes in operating assets and liabilities:		
Other receivable decrease	-	2,642
Prepaid expense increase	-	158,375
Accounts payable increase	5,900	60,168
Accrued expenses and interest increase	30,451	31,493
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>\$ (6,607)</b>	<b>\$ (13,847)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>\$ -</b>	<b>\$ -</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of convertible note	-	16,860
Proceeds from cash advances	209,977	-
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>\$ 209,977</b>	<b>\$ 16,860</b>
<b>NET CHANGE IN CASH</b>	<b>203,370</b>	<b>3,013</b>
<b>CASH BALANCES</b>		
Beginning of period	6,578	3,565
End of period	<b>\$ 209,948</b>	<b>\$ 6,578</b>
<b>SUPPLEMENTAL DISCLOSURE:</b>		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -
<b>NON-CASH ACTIVITIES</b>		
Convertible notes issued as a debt settlement	\$ -	\$ 187,860
Common stock issued in debt settlement	\$ 422,388	\$ -
Warrants issued as payment for services	\$ 48,144	\$ -

The accompanying notes are an integral part of these financial statements



**COCONNECT, INC.**

**Notes to the Financial Statements**

**For the years ended December 31, 2011 and 2010**

**Note 1 -**

**Organization And History of the Company**

CoConnect, Inc. (the Company) was incorporated in Alabama in December 1997 to take over the assets of related businesses involved in reorganizations through bankruptcies. In 1997, the Company acquired Mobile Limited Liability Company (Mobile) as part of the confirmation by the U.S. Bankruptcy Court for the Northern District of Texas of a Plan of Reorganization of Mobile. The Company acquired all of the assets of Digital Wireless Systems (DSWI) on August 6, 2000, as part of the consummation of DSWI's confirmed Plan of Reorganization under Chapter 11 of the U.S. Bankruptcy Code. Lack of funding forced the Company to abandon plans to revive the operations of both companies.

In 2000, the Company acquired three operating subsidiaries, Daybreak Auto Recovery, Inc., Rap Group, and Voltage Vehicles. In 2002, the Company rescinded these acquisitions and in October 2004 cancelled the common shares that were issued for the acquisitions, which shares had been held in escrow. During 2002 and 2003, the Company had no operations other than to continue its efforts to liquidate certain telecommunications licenses, the only assets of the Company, in order to pay creditors who had judgments arising out of the bankruptcies.

In August 2004, the Company changed its domicile to Nevada, and changed its name to Advanced Wireless Communications, Inc.

On October 5, 2004, the Company signed a definitive agreement with Heritage Communications, Inc. (Heritage) and acquired an exclusive license for the marketing and distribution of telecommunications products over Heritage's proprietary high-speed wireless network.

The Company changed its name to CoConnect, Inc. in February, 2005.

**Acquisition of Heritage Communications, Inc. and Rescission of Agreement**



On January 28, 2005, the Company executed a Share Exchange Agreement (the Agreement) with Heritage Communications, Inc. ( Heritage ) and its shareholders. The Company acquired all of the outstanding shares of Heritage in exchange for 30 million shares of the Company's common stock as provided by the Agreement.

As part of the Agreement, Heritage provided warranties and representations that, among other items, it had no undisclosed outstanding indebtedness and that it had filed all federal, state and local tax returns which were required and that Heritage had paid all taxes, interest and penalties, if any, due and payable related to its tax liabilities.

Subsequent to the Agreement being executed, the Company determined that material omissions and misrepresentations had been made by Heritage. As a result of these omissions and misrepresentations, the Company rescinded the Agreement on July 14, 2005. As a result of the rescission, the Company issued a cancel order to the transfer agent on the 30 million shares of common stock previously issued to the shareholders of Heritage. The stock has been recorded at par value.

#### Acquisition of Phoenix Asset Systems Corp and Rescission of the Agreement

On December 17, 2005, the Company executed a Purchase Agreement (the Agreement) with Phoenix Asset Systems Corp. ( Phoenix ) and its shareholders. The Company acquired assets of Phoenix and assumed liabilities in exchange \$50,000 in cash and 8,000,000 shares of the Company's common stock.

The Companies mutually rescinded the Agreement and the shares were returned to the Company's office for cancellation.

#### Failed Plan of Merger with Boomj.com, Inc.

On March 23, 2007, we entered into a Loan Agreement (the Loan Agreement) with Richard Ferguson ( Ferguson ) and David O. Black ( Black ) whereby Ferguson and Black were to provide \$25,000 each to pay the Company's debts. It was agreed that upon a successful merger or acquisition Ferguson and Black would be repaid out of proceeds received from the merger or acquisition together with 10% interest. In the event there was not a merger or acquisition acceptable to a majority of the Board of Directors within 180 days of the Loan Agreement, Ferguson and Black were to be immediately issued 50% of the authorized but unissued common stock of the Company; half of the shares to be issued to Ferguson and half of the shares to be issued to Black.



On August 7, 2007 we entered into an Agreement and Plan of Reorganization (the Plan ) with CoConnect Sub, Inc., a newly-formed Nevada corporation (hereinafter CoConnect Sub ) and Boomj.com, Inc., a Nevada corporation (hereinafter BOOMJ ), pursuant to which CoConnect Sub agreed to merge with and into BOOMJ (the Merger ). The proposed closing date for the Merger was August 31, 2007. BOOMJ was granted an extension to September 20, 2007 in which to send a non-refundable deposit. Said deposit was never received. On September 21, 2007, the merger between BOOMJ and the Company was cancelled due to lack of performance and failure to meet any of the objectives set forth in the Plan. Pursuant to the terms of the March 23, 2007 Loan Agreement, on September 23, 2007 Ferguson and Black were each issued 37,500,000 shares of our common stock.

## **Note 2 -**

### **Summary of Significant Accounting Policies**

#### **Going Concern Considerations**

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. Because of the recurring operating losses and the excess of current liabilities over current assets, there is substantial doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on attaining profitable operations, restructuring its financial obligations, and obtaining additional outside financing. The Company has funded losses from operations primarily from the issuance of debt and the sale of the Company's common stock. The Company believes that the issuance of debt and the sale of the Company's common stock will continue to fund operating losses in the short-term until the Company can generate revenues sufficient to fund its operations.

#### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the

United States of America ( U.S. GAAP ) 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. Actual results could differ from those estimates. Estimates and assumptions principally relate to the fair value and forfeiture rates of stock based transactions, and long-lived asset depreciation and amortization, and potential impairment.

#### **Cash and Cash Equivalents**

Cash equivalents include short-term, highly liquid investments with maturities of three months or less at the time of acquisition.

### Concentration of Risk

A financial instrument which potentially subjects the Company to concentrations of credit risk is cash. The Company places its cash with financial institutions deemed by management to be of high credit quality. The Federal Deposit Insurance Corporation ( FDIC ) provides basic deposit coverage with limits to \$250,000 per owner. In addition to the basic insurance deposit coverage, the FDIC is providing temporary unlimited coverage for noninterest-bearing transaction accounts from December 31, 2010 to December 31, 2012. At December 31, 2011, there were no uninsured deposits.

### Income Taxes

We account for income taxes under the provision of Accounting Standards Codification 740, Income Taxes , or ASC 740. As of December 31, 2011 and 2010, there were no unrecognized tax benefits included in the consolidated balance sheets that would, if recognized, affect the effective tax rate. Our practice is to recognize interest and/or penalties related to income tax matters in income tax expense. We had no accrual for interest or penalties on our consolidated balance sheets at December 31, 2011 and 2010, respectively and have not recognized interest and/or penalties in the consolidated statement of operations for the years ended December 31, 2011 and 2010. We are subject to taxation in the United States and California.

The Company is subject to taxation in the United States and California. The Company does not have any income tax provision for the years ended December 31, 2011 and 2010 due to current and historical losses.

The provision for income taxes using the statutory federal income tax rate of 31% and 34% in 2011 and 2010 as compared to the company's effective tax rate is summarized as follows:

	for the year ended December 31, 2011	for the year ended December 31, 2010
Federal taxes	\$ (28,264)	\$ (62,936)
State taxes	(7,971)	(24,716)
Taxes	-	-
Change in Valuation Allowance	36,236	87,652
Income Tax Expense	\$ -	\$ -

At December 31, 2011 and 2010, the Company had deferred tax assets of \$4,040,055 and \$4,003,819, respectively. Due to uncertainties surrounding the Company's ability to generate future taxable income to realize these assets, a full valuation allowance has been established to offset the net deferred tax asset. Additionally, the future utilization of the Company's net operating loss to offset future taxable income may be subject to an annual limitation, pursuant to Internal Revenue Code Section 382, as a result of ownership changes that may have occurred previously or that could occur in the future. The Company has not performed a Section 382 analysis to determine the limitation of the net operating loss and research and development credit carry forwards.

Significant components of the company's deferred tax assets are as follows:

	December 31, 2011	December 31, 2010
NOL Carryforward	\$ 4,040,055	\$ 4,003,819
Valuation Allowance	(4,040,055)	(4,003,819)
Net deferred tax assets	\$ -	\$ -

Realization of the deferred tax assets is dependent upon the generation of future taxable income, the amount and timing of which are uncertain. Accordingly, the net deferred tax assets have been fully offset by a valuation allowance. The valuation allowance increased by approximately \$36,236 and \$87,652 in 2011 and 2010, respectively.

As of December 31, 2011, the Company had federal and California net operating loss carryforwards of approximately \$12 million. The federal and California tax loss carry forwards will begin to expire in 2025 and 2020, respectively, unless previously utilized.

The impact of an uncertain income tax position on the income tax return must be recognized at the largest

amount that is more-likely-than-not to be sustained upon audit by the relevant taxing authority. An uncertain income tax position will not be recognized if it has 50% or less likelihood of being sustained upon examination. The Company believes that its income tax filing positions and deductions will be sustained on audit and does not anticipate any adjustments that will result in a material change to its financial position. Therefore, no reserves for uncertain income tax positions have been recorded.

The Company's practice is to recognize interest and/or penalties related to income tax matters in income tax expense. The Company had no accrual for interest or penalties at December 31, 2011 and 2010, and has not recognized interest and/or penalties in the consolidated statements of operations for the years ended December 31, 2011 and 2010. The Company's tax years for 2010 and forward are subject to examination by the United States and state tax authorities due to the carry forward of unutilized net operating losses

The tax years that remain subject to examination by major taxing jurisdictions are those for the years ended December 31, 2005-2011.

#### Basic Net Loss per Share of Common Stock

In accordance with US GAAP, basic net loss per common share is based on the weighted average number of shares outstanding during the periods presented. Diluted earnings per share are computed using weighted average number of common shares plus dilutive common share equivalents outstanding during the period. There is a total of \$0 and \$316,036 in convertible notes and accrued interest outstanding at December 31, 2011 and 2010, respectively, which are convertible into 0 and 1,529,907,108 shares of common stock, respectively, the common stock equivalents resulting from the issuance of these stock options have not been included in the per share calculations because such inclusion would be anti-dilutive.

	for the year ended December 31, 2011	for the year ended December 31, 2010
Numerator (loss)	\$ (91,102)	\$ (266,625)
Denominator weighted avg. number of shares outstanding	935,098	323,483
Loss per share basic and diluted	\$ (0.10)	\$ (0.82)

### Convertible Notes

In accordance with US GAAP we calculated the value of the beneficial conversion feature embedded in the Convertible Notes. Since the note is contingently convertible, the intrinsic value of the beneficial conversion feature is not recorded until the note becomes convertible.

Convertible notes are split into two components: a debt component and a component representing the embedded derivatives in the debt. The debt component represents the Company's liability for future interest coupon payments and the redemption amount. The embedded derivatives represent the value of the option that debtholders have to convert into ordinary shares of the Company. Due to the number of shares that may be required to be issued upon conversion of the Convertible Notes is indeterminate, the embedded conversion option of the Convertible Notes are accounted for as a derivative instrument liabilities rather than equity debt as in accordance with US GAAP.

The debt component of the convertible note is measured at amortized cost and therefore increases as the present value of the interest coupon payments and redemption amount increases, with a corresponding charge to finance cost other than interest. The debt component decreases by the cash interest coupon payments made. The embedded derivatives are measured at fair value at each balance sheet date, and the change in the fair value is recognized in the income statement.

### Financial Instruments

Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability. ASC 820-10 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. FASB ASC 820 establishes a fair value hierarchy that prioritizes the use of inputs used in valuation methodologies into the following three levels:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets. A quoted price in an active market provides the most reliable evidence of fair value and must be used to measure fair value whenever available.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability. For example, level 3 inputs would relate to forecasts of future earnings and cash flows used in a discounted future cash flows method.

The recorded amounts of financial instruments, including cash equivalents accounts payable, other payables and accrued expenses, approximate their market values as of December 31, 2011 and December 31, 2010.

#### Recent Accounting Pronouncements

In May 2011, the FASB issued ASU 2011-04, *Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements* in U.S. GAAP and IFRSs. The update contains the results of the work of the FASB and the International Accounting Standards Board to develop common requirements for measuring fair value and for disclosing fair value measurements in accordance with U.S. GAAP and IFRSs. The amendments in this update are effective for periods beginning after December 15, 2011 and as a result are not yet applicable to the Company. The Company is evaluating the impact of the update on its consolidated financial statements.



**Note 3 - Other Payables**

The Company began capital raising efforts during the year ended December 31, 2011 to cover certain cash obligations regarding possible acquisition targets and other capital funding needs. At December 31, 2011 we had raised \$209,977 and have recorded these cash receipts as other payables on the Balance Sheets. The Company is in the process of creating financing documentation ( Financing Offer ) related to these payables and once finalized will roll these amounts into a bridge promissory note and/or future share issuances that are consistent with our Financing Offer, of which the terms have not been finalized. It is possible that the Company will not raise required funds to close on our capital raising effort, if this occurs, the Company will return any amounts remaining to the prospective investors on a pro-rata basis.

**Note 4 -**

**Convertible Debentures, Related Party, Converted**

In accordance with US GAAP, we recognize the advantageous value of conversion rights attached to convertible debt. Such rights give the debt holder the ability to convert his debt into common stock at a price per share that is less than the trading price to the public on the day the loan is made to the Company. The beneficial value is calculated as the intrinsic value (the market price of the stock at the commitment date in excess of the conversion rate) of the beneficial conversion feature of debentures and related accruing interest is recorded as a discount to the related debt and an addition to additional paid in capital. The discount is amortized over the remaining outstanding period of related debt using the interest method.

A \$55,000 0% convertible debenture was issued on October 25, 2007. The note was payable on the first day of the month, beginning on November 1, 2007 and ending on February 1, 2008, the amount of \$13,750 per month. At the time of this note was issued it was convertible into common stock at \$0.09. This note was later purchased from the third party it was originally issued to by a related party, Noctua Fund, LP. Noctua Fund, LP is managed by Noctua Fund Manager, LLC. Mark L. Baum, Esq., is the Company s former president, is also a managing member of Noctua Fund Manager, LLC. As of August 15, 2009 no payments had been made and as a result of nonpayment this convertible debenture was in default.

On August 15, 2009 the Company entered into a note exchange with Noctua Fund, LP. The \$55,000 0% convertible debenture was cancelled, and in exchange Noctua Fund, LP was issued two new convertible notes and guaranteed a future payment of \$1,333 to help pay future Company expenses. The two notes issued are both in the amounts of \$28,167 with interest accruing at 5% of the principal balance. The notes were both due on November 15, 2009 and are convertible into the Company s common stock at \$.01 per share. At the time of the note agreement date there was no determinable stock price. Therefore there is no beneficial conversion feature that applies to this debenture. On September 30, 2011, the Company agreed to assign the notes to a third party purchaser RVCA Partners, LLC ( RVCA ). RVCA and the Company, agreed to settle amounts due related to the notes \$56,333 and their accrued

interest \$16,548 for a total of 682,172 common shares of the Company and termination of a \$70,000 subscription receivable due to the Company related to a share purchase agreement dated December 2, 2009 that had been assigned to RVCA.

RVCA is principal owner of the Company, owning more than a 10% voting interest.

On August 15, 2009 the Company issued two convertible notes both in the amount of \$13,862 with interest accruing at 5% of the principal balance. The notes were issued as part of a debt settlement agreement with NFM. These notes are due on November 15, 2009 and are convertible into the Company's common stock at \$.01 per share. At the time of the note agreement date, there was no determinable stock price, therefore there is no beneficial conversion feature that applies to this debenture. These notes were part of a debt settlement further described below.

On November 15, 2009 the Company entered into an Advisory Services Agreement (the "NFM Agreement") with NFM. The NFM Agreement is designed to assist the company enter into an agreement to acquire and manage new assets and/or a business ("Transaction"). The Consultant assisted the company in several areas, including: locating qualified management and board member candidates, locating target transaction candidates, and any strategic planning in the event of a Transaction. Pursuant to the terms of the NFM Agreement, on March 15, 2010, the Company issued NFM a 12% secured convertible promissory note in the principal amount of \$181,000 (the "NFM Note"). The note matures and is due 180 days following its issuance. Pursuant to the terms of the NFM Agreement and the NFM Note, concurrently with the issuance of the NFM Note, the Company entered into an escrow agreement (the "NFM Escrow Agreement") whereby 54,300,000 shares of the Company's common stock were to be issued into escrow for the potential conversion of the NFM Note. In addition, the Company was required to designate and issue 100,000 shares, \$.001 par value, of Series Preferred A Stock to NFM. At the time of the note agreement date, there was no determinable stock price and limited trading activity, therefore there is no beneficial conversion feature that applies to this debenture.

On September 30, 2011, NFM assigned all amounts due to it from the Company to BCGU and the Company approved of the assignment (the BCGU Assignment ). Concurrent with the Assignment, the Company and BCGU agreed to settle amounts due related to the three convertibles notes with principal balances totaling \$208,724 (described in the immediately preceding two paragraphs), accrued interest totaling \$47,285, debt related to unpaid management fees \$75,000, and 100,000 shares of Series A preferred stock, in exchange for the issuance of 100,000 shares of Series B Preferred Stock and 1,721,845 common shares of the Company. 54,300,000 common shares issued into escrow were returned to treasury as part of the agreement (see Note 2. and Note 5. for more detail regarding this debt settlement).

Following the BCGU Assignment, BCGU became a principal owner of the Company, owning more than a 10% voting interest.

On November 17, 2010, the Company issued, Brad M. Bingham, Esq., a Director and former interim CEO, a convertible promissory note in the amount of \$16,860 (the BMB Note ). The BMB Note represents: (i) \$6,860.00 previously advanced by Mr. Bingham on behalf of the Company and maintained on the Company's books and records previously filed with the SEC; and (ii) an additional \$10,000 cash advance to the Company by Mr. Bingham. The BMB Note is due and payable on May 17, 2011, maintains an interest rate of 5% and is convertible into 1,500,000,000 shares of the Company's restricted common stock (the Conversion Shares ); provided however, such conversion rights are not applicable until 45 days following the issuance of the BMB Note. At the time of the BMB Note agreement date, there was no determinable stock price and limited trading activity. Therefore there is no beneficial conversion feature that applies to this debenture.

In connection with the BMB Note, the Company entered into a security agreement (the Security Agreement ) with Mr. Bingham. Pursuant to the terms of the Security Agreement, Mr. Bingham was issued the Conversion Shares which are to be held as security and collateral against either the repayment or conversion of the BMB Note. Although the Conversion Shares are issued in Mr. Bingham's name and held as security and collateral against the payment of the BMB Note, the Conversion Shares may not be sold, pledged, transferred or hypothecated by Mr. Bingham unless and until he elects to convert the BMB Note pursuant to its terms and conditions into the Conversion Shares, or unless agreed upon in writing by the Company. In addition, following the issuance of the Conversion Shares as security pursuant to the Security Agreement and prior to the conversion of the BMB Note into the Conversion Shares, if any, in the event of a Company shareholder vote, the Conversion Shares held as collateral shall be voted with the majority vote of any such shareholder vote and action and Mr. Bingham has granted an irrevocable proxy to the Company to vote the Conversion Shares as such.

On September 30, 2011, the Company and Mr. Bingham agreed to settle amounts due related to the BMB Note with principal balance of \$16,860, and accrued interest totaling \$738, in exchange of the issuance of 20,000 common shares. 1,500,000,000 common shares issued per the Security Agreement have been returned to treasury as a part of the agreement. All other transactions with Mr. Bingham described in the prior two paragraphs were mutually terminated.

Notes payable consists of the following:

	At December 31,	At December 31,
	2011	2010
5% convertible notes due Nov. 2009	\$ 84,057	\$ 84,057
12% convertible note due Sept. 2010	181,000	181,000
5% Convertible note May 2011	16,860	16,860
Less: Principal Payments	(281,917)	-
Add: Accrued Interest	-	34,119
<b>Carrying Value of Notes</b>	<b>\$ -</b>	<b>\$ 316,036</b>
Less: Current portion	-	(316,036)
<b>Long term portion of notes payable</b>	<b>\$ -</b>	<b>\$ -</b>

#### **Note 5 - Commitments - Related Party**

On September 29, 2010, the Company entered into a Lease Agreement with The Law Offices of Marc S. Applbaum. Pursuant to the terms of the Lease Agreement, the Company subleases office space on a month-to-month basis for a monthly lease fee of \$100. Marc S. Applbaum, Esq., is the Company's former President and currently a Director. The Lease Agreement was terminated on September 30, 2011. At September 30, 2011 the Company owed a total of \$900 to the Law Offices of Marc S. Applbaum and Marc S. Applbaum individually and agreed to settle the amount owed for the issuance of 2,500 shares of common stock and a release of all claims. No other payments were made during the year ended December 31, 2011.

In prior years, the Company had obtained certain management and administrative services, as well as use of, among other things, internet, postage, copy machines, electricity, furniture, fixtures and other services, from Noctua Fund Manager, LLC ( NFM ), for a fee of \$5,000 per month. On September 30, 2011, NFM assigned all amounts due to it from the Company to a third party non-affiliate named BCGU, LLC (the BCGU ) and the Company approved of the assignment (the Assignment ). Concurrent with the Assignment, BCGU agreed to settle the \$75,000 due related to the management fee along with three convertibles notes with principal balances totaling \$208,724, accrued interest totaling \$47,285, and 100,000 shares of Series A preferred stock, in exchange for the issuance of 100,000 shares of Series B Preferred Stock (the Series B Preferred Stock ) and 1,721,845 common shares of the Company (see Note 4. and Note 6. for more detail).

Following the assignment, BCGU became a principal owner of the Company, owning more than a 10% voting interest.

At December 31, 2011 and 2010, the Company did not have any future minimum lease payments for the next 5 years.

#### **Note 6 Common Stock**

As of December 31, 2011, Common stock, \$0.001 par value: 4,999,000,000 shares authorized. 2,750,000 shares issued and outstanding

During March 2010, pursuant to the terms of the NFM Agreement, the Company agreed to issue 54,300,000 shares of common stock into escrow. The shares are to be held in the Company s name for the benefit of NFM. During May of 2010 these shares were issued.

During November 2010, the Company entered into a security agreement (the Security Agreement ) with our former CEO, Mr. Bingham. Pursuant to the terms of the Security Agreement, Mr. Bingham was issued the 1,500,000,000 conversion shares which are to be held as security and collateral against either the repayment or conversion of the his convertible note ( BMB Note ). Although the Conversion Shares are issued in Mr. Bingham s name and held as security and collateral against the payment of the BMB Note, the Conversion Shares may not be sold, pledged, transferred or hypothecated by Mr. Bingham unless and until he elects to convert the BMB Note pursuant to its terms and conditions into the Conversion Shares, or unless agreed upon in writing by the Company. In addition, following the issuance of the Conversion Shares as security pursuant to the Security Agreement and prior to the conversion of the BMB Note into the Conversion Shares, if any, in the event of a Company shareholder vote, the Conversion Shares held as collateral shall be voted with the majority vote of any such shareholder vote and action and Mr. Bingham has granted an irrevocable proxy to the Company to vote the Conversion Shares as such. A copy of the Security Agreement has been attached hereto as an exhibit and incorporated herein by reference.

At December 31, 2011 common stock of the Company consisted of: \$0.001 par value: 4,999,000,000 shares authorized and 2,750,000 shares issued and outstanding.

At September 30, 2011, the Company agreed to issue 1,721,845 common shares and 100,000 shares of Series B Preferred Stock to BCGU, a related party, in exchange for the settlement of convertibles notes with principal balances totaling \$208,724, accrued interest totaling \$47,285, debt related to unpaid management fees \$75,000, and retirement of 100,000 shares of Series A preferred stock. 54,300,000 common shares issued into escrow were returned to treasury as part of the agreement.

On September 30, 2011, the Company agreed to issue 682,172 common shares to RVCA, a related party, in exchange for the settlement of convertible notes with principal balances totaling \$56,333, their accrued interest totaling \$16,548 and the termination of a \$70,000 subscription receivable due to the Company related to a share purchase agreement dated December 2, 2009.

On September 30, 2011, the Company and Mr. Bingham agreed to the settlement of amounts due related to a convertible note with principal balance of \$16,860, and accrued interest totaling \$738, in exchange of the issuance of 20,000 common shares. 1,500,000,000 common shares issued per the Security Agreement have been returned to treasury as a part of the agreement.

At September 30, 2011 the Company owed \$900 to the Law Offices of Marc S. Applbaum and Marc S. Applbaum individually and agreed to settle the amount owed for the issuance of 2,500 shares of common stock.

#### **Note 7 Preferred Stock**

As of December 31, 2011, Preferred stock, \$0.001 par value: 1,000,000 shares authorized. 100,000 shares issued and outstanding

Pursuant to the terms of the NFM Agreement, 100,000 shares of Preferred Series A stock were to be issued to NFM on March 15, 2010. These shares were retired on September 30, 2011.



The designation of the Series A Preferred Stock provided for certain rights, powers and privileges given to the holder of shares of such Series A Preferred Stock including: (i) voting preference rights whereby the holder of such shares maintains a number of votes determined by multiplying (a) the number of shares of Series A Preferred Stock held by such holder, (b) the number of issued and outstanding shares of the Corporation's Series A Preferred Stock, any other series of Preferred Stock and Common Stock on a fully diluted basis as of the record date for the vote, or, if no such record date is established, as of the date such vote is taken or any written consent of stockholders is solicited, and (c) 0.00001; and (ii) a liquidation right of \$1.25 per share of Series A Preferred Stock and senior to all other common shareholders.

At September 30, 2011, the Company agreed to issue 100,000 shares of Series B Preferred Stock and 1,721,845 common shares to BCGU, a related party, in exchange for the settlement of convertible notes with principal balances totaling \$208,724, accrued interest totaling \$47,285, debt related to unpaid management fees \$75,000, and retirement of 100,000 shares of Series A preferred stock.

On October 26, 2011 the Company filed a Certificate of Designation with the Nevada Secretary of State designating the Series B Preferred Stock. The Series B Preferred Stock does not have specific liquidation or mandatory dividend rights, but does grant the holder thereof certain voting rights, with each share's vote determined by multiplying (a) the number of shares of Series B Preferred Stock held by such holder, and (b) 49,990, thus granting the Series B Preferred Stock holders effective control of the Company. In addition, the Series B Preferred Stock contains protective provisions that require affirmative consent of all of the Series B Preferred Stock holders for any action to: (i) amend, alter or repeal any provision of the Articles of Incorporation, this Certificate of Designation or Bylaws of the Corporation; (ii) designate any new class of Preferred Stock or sell or issue any additional shares of Preferred Stock other than the Series B Preferred Stock; (iii) issue any shares of Common Stock that would result in the Company's number of shares of Common Stock issued and outstanding exceeding Thirty Six Million (36,000,000) shares; and (iv) initiate any action with a regulatory, governmental, administrative, judicial entity or individual in an attempt to abrogate or diminish in any way the rights, preferences and privileges of these Series B Preferred Stock.

#### **Note 8 Warrants- Related Party**

65,000 warrants were issued to Brad Bingham, our director, and 15,000 warrants were issued to Dave Hunt, the managing member of RVCA, a principal owner of the Company, during the year ended December 31, 2011, for services provided. The warrants were valued using a Black-Scholes valuation model. The variables used in this option-pricing model included: (1) discount rates of .24% (2) expected warrant life is the actual remaining life of the warrant as of each period end, (3) expected volatility of 345% and (4) zero expected dividends.

The following summarizes stock purchase warrants as of December 31, 2011 and 2010:



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Date of Grant	Warrants Outstanding			Warrants Exercisable		
	Number of Shares	Weighted Average Exercise Price	Remaining Exercise Life in Years	Number Exercisable	Weighted Average Exercise Price	Expiration Date
Fourth quarter fiscal 2011	80,000	\$ 0.50	1.97	80,000	\$ 0.50	12/19/2013
<b>Total at December 31, 2011</b>	<b>80,000</b>	<b>\$ 0.50</b>		<b>80,000</b>	<b>\$ 0.50</b>	

The following summarizes the changes in warrants outstanding for the years ended December 31, 2011 and 2010:

	Amount	Weighted Average Exercise Price
Outstanding December 31, 2009	-	\$ -
Expired/Retired	-	-
Exercised	-	-
Issued	-	-
<b>Outstanding December 31, 2010</b>	<b>-</b>	<b>\$ -</b>
Expired/Retired	-	-
Exercised	-	-
Issued	80,000	0.50
<b>Outstanding December 31, 2011</b>	<b>80,000</b>	<b>\$ 0.50</b>

**Note 9 Legal Matters**

Certain convertible promissory notes (the Notes ) issued to several noteholders (the Noteholders ) in the total principal amount of \$84,057 went into default due to nonpayment. Following default, the Company received demands from the Noteholders for the repayment of all principal and interest due thereunder. Following such default, the Noteholders agreed to waive the default and payment of all principal and interest due and payable under the Notes. Pursuant to the terms of such waiver, (i) the default interest rate under the Notes was to remain in effect and accrue until full repayment of the Notes, and (ii) the maturity date of the Notes was extended to March 10, 2010. On March 10, 2010, the Company was unable to repay the amounts due and owing under the Notes and, as such, the notes went into and remain unpaid and in default status. On October 26, 2010, the Noteholders filed a complaint against the Company arising from the unpaid Notes (the Claims ). As of September 30, 2011 the complaint was dismissed without prejudice and all claims and disputes related to the litigation were amicably and privately resolved out of court. There are no known pending or threatened claims.

Furthermore, related to debt settlement agreements discussed throughout this document, as of December 31, 2011, the Company is no longer indebted to Noctua Fund, LP, NFM, Mr. Bingham, BCGU, RVCA the Law Offices of Marc S. Applbaum and Marc Applbaum individually.

**Note 10 Subsequent Events**

The Company has performed an evaluation of events occurring subsequent to the period end through the issuance date of this report. Based on the Company's evaluation, nothing other than the events described below need to be disclosed.

As of April 2012, the Company had returned \$209,977 to prospective investors (see Note 3), and no further amounts have been raised.

On January 20, 2012, the Company issued 100,000 shares of common stock to a law firm for professional services provided, valued at \$61,000.

## **Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

On December 19, 2011, the Company's Board of Directors made the decision to dismiss our former accounting firm, PLS, CPA. The decision to dismiss was based solely upon the Company's preference of accounting firms and was approved by the Company's Board of Directors as the Company has no audit or similar committee. Following the dismissal of PLS, CPA, we retained the firm of Hansen, Barnett & Maxwell, PC to audit our financial statements for the year ending December 31, 2011 and review all interim period financial statements going forward. Such change in accountants was approved by the Company's Board of Directors. At no time prior to our retention of Hansen, Barnett & Maxwell, PC did we, or anyone on our behalf, consult with Hansen, Barnett & Maxwell, PC regarding the application of accounting principles to a specific completed or contemplated transaction, or the type of audit opinion that might be rendered on our financial statements.

PLS, CPA audited our Form 10-K for the year ending December 31, 2010 and reviewed our Form 10-Qs for the periods ending March 31, 2011, June 30, 2011 and September 30, 2011. None of the aforementioned audits or reviews contained adverse opinions or a disclaimer of opinion nor were qualified or modified as to uncertainty, audit scope, or accounting principles.

In connection with the audit and review of the periods up to the date of resignation as described herein, there were no other disagreements between PLS, CPA and the Company on any matter of accounting principles or practices, financial statement disclosure, or auditing scope and procedures, nor any advisement of reportable events that, if not resolved to the satisfaction of PLS, CPA would have caused PLS, CPA to make reference to the subject matter of the disagreement or reportable events in connection with its reports on our financial statements for such periods.

On April 5, 2012, the Board of Directors made the decision to dismiss our former accounting firm, Hansen, Barnett & Maxwell, PC. The decision to dismiss was based upon the Company's preference of accounting firms and the timing of filing the upcoming Form 10-K for the year ending December 31, 2011 and was approved by the Company's Board of Directors as the Company has no audit or similar committee. Following the dismissal of Hansen, Barnett & Maxwell, PC, we retained the our prior auditing firm of PLS, CPA to audit our financial statements for the year ending December 31, 2011 and review all interim period financial statements going forward. Such change in accountants was approved by the Company's Board of Directors. At no time prior to our retention of PLS, CPA did we, or anyone on our behalf, consult with PLS, CPA regarding the application of accounting principles to a specific completed or contemplated transaction, or the type of audit opinion that might be rendered on our financial statements.

Hansen, Barnett & Maxwell, PC was retained for a short period of time beginning on December 19, 2011 through the date of this filing and has not provided any audit or review services for the Company to date. PLS, CPA was the Company's previous auditor before the engagement of Hansen, Barnett & Maxwell, PC, and PLS, CPA audited our Form 10-K for the year ending December 31, 2010 and reviewed our Form 10-Qs for the periods ending March 31, 2011, June 30, 2011 and September 30, 2011. None of the aforementioned audits or reviews contained adverse opinions or a disclaimer of opinion nor were qualified or modified as to uncertainty, audit scope, or accounting

principles.

In connection with the prior engagement of Hansen, Barnett & Maxwell, PC up to the date of dismissal as described herein, there were no disagreements between Hansen, Barnett & Maxwell, PC and the Company on any matter of accounting principles or practices, financial statement disclosure, or auditing scope and procedures, nor any advisement of reportable events that, if not resolved to the satisfaction of Hansen, Barnett & Maxwell, PC would have caused Hansen, Barnett & Maxwell, PC to make reference to the subject matter of the disagreement or reportable events in connection with a report on our financial statements for such periods.

## **Item 9A. Controls and Procedures**

### (A) Evaluation of disclosure controls and procedures.

We evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Annual Report on Form 10-K. Disclosure controls and procedures are designed to ensure that information required to be disclosed in our reports filed under the Exchange Act, such as this Annual Report on Form 10-K is recorded, processed, summarized and reported within the time periods specified by the SEC. Disclosure controls are also designed to ensure that such information is accumulated and communicated to our management, including the CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure. In our original filing of this Form 10-K, our management did not include a firm conclusion regarding their belief that the disclosure controls and procedures were effective. At such time, management was of the belief that such disclosure controls and procedures were effective, however, considering such conclusion was not included in the original filing of this Form 10-K, for that reason and that reason alone, management believes that, as of December 31, 2011, the Company's disclosure controls and procedures were ineffective. The Company plans to remedy this issue by completing their assessment of internal controls over financial reporting in a timely manner in their next 10-K for the year ending December 31, 2011 and including a firm conclusion as to such assessment.

(B) Management's report on internal controls over financial reporting.

The Company's management is responsible for establishing and maintaining effective internal control over financial reporting (as defined in Rule 13a-15(f) of the Securities Exchange Act). Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2011. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ( COSO ). Based on that assessment, management believes that, as of December 31, 2011, the Company's internal control over financial reporting was ineffective based on the COSO criteria, due to the following material weakness listed below.

*Insufficient segregation of duties in our finance and accounting functions due to limited personnel.* During the year ended December 31, 2011, the company internally performed all aspects of our financial reporting process, including, but not limited to, access to the underlying accounting records and systems, the ability to post and record journal entries and responsibility for the preparation of the financial statements. Due to the fact these duties were performed oftentimes by the same people, a lack of review was created over the financial reporting process that might result in a failure to detect errors in spreadsheets, calculations, or assumptions used to compile the financial statements and related disclosures as filed with the SEC. These control deficiencies could result in a material misstatement to our interim or annual financial statements that would not be prevented or detected.

*Insufficient corporate governance policies.* Although we have a code of ethics which provides broad guidelines for corporate governance, our corporate governance activities and processes are not always formally documented. Specifically, decisions made by the board to be carried out by management should be documented and communicated on a timely basis to reduce the likelihood of any misunderstandings regarding key decisions affecting our operations and management.

We intend to take appropriate and reasonable steps to make the necessary improvements to remediate these deficiencies and we intend to consider the results of our remediation efforts and related testing as part of our next year-end assessment of the effectiveness of our internal control over financial reporting.

This annual report does not include an attestation report of the company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the company's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit the company to provide only management's report in this annual report.

(C) Changes in internal controls over financial reporting.

During the period covered by this report, there were no changes in the Company's internal control over financial reporting that occurred during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Item 9B. Other Information.**

None.

**PART III**

**Item 10. Directors, Executive Officers, Promoters and Control Persons; Compliance with Section 16(a) of the Exchange Act**

Directors and Executive Officers.

As of December 31, 2011, our executive officers and directors, the positions held by them, and their ages are as follows:

Name	Age	Position
Mark L. Baum, Esq.	39	Director, Principal Executive Officer
Bradly Bingham	34	Director, Former Chief Executive Officer, Chief Financial Officer and Secretary
Robert K. Bench	62	Former President and Director
Marc S. Applbaum		Former President and Director

Mark L. Baum, Esq., Principal Executive Officer and Director

Mark L. Baum, Esq. is a 39 year old executive with more than 15 years experience in financing, operating and advising small capitalization publicly traded enterprises, with a particular focus on restructured or reorganized businesses. As a manager of capital, he has completed more than 125 rounds of financing for more than 40 publicly traded companies. As a securities attorney, Mr. Baum has focused his practice on US securities laws, reporting requirements and public company finance-related issues that affect small capitalization public companies. Mr. Baum has actively participated in numerous public company spin-offs, restructurings and recapitalizations, venture fundings, private-to-public mergers, asset acquisitions and divestitures. In addition to his fund management and legal experience, Mr. Baum has operational experience in the following industries: life science and diagnostics, closed door pharmacies, cleaner and renewable energy and retail home furnishings. Mr. Baum has served on numerous boards of directors, including Chembio Diagnostic Systems, Inc., Applied Natural Gas Fuels, Inc., Shrink Nanotechnologies, Inc. and You on Demand, Inc., as well as Boards of Advisors for domestic and international private and public companies. Mr. Baum founded and capitalized the Mark L. Baum Scholarship which has funded tuition grants to college students in Texas. He is a trustee of the Collier de Bleu Trust, based out of San Miguel de Allende, Mexico, which is dedicated to funding educational opportunities for non-English speaking children in and around the greater San Miguel de Allende area. Mr. Baum is a published inventor and a licensed attorney in California and Texas.

Brad M. Bingham, Esq., Director

Brad M. Bingham, Esq. maintains significant experience managing, advising and operating small and microcap publicly traded companies. Mr. Bingham is a licensed attorney and has provided clients with general corporate counsel services with a focus on the public company business sector since 2006. Mr. Bingham maintains extensive knowledge of corporate entity governance and management, public and private company debt, equity and mezzanine financing and corporate restructuring, recapitalization and M&A transactions. Prior to providing clients with legal counsel, Mr. Bingham worked as a private independent consultant providing public and private companies with various consulting services relating to public and private company financing, corporate restructurings and recapitalizations and various venture fundings since 2004. Mr. Bingham is a member of the California State Bar and admitted to practice in California.

Audit Committee.

We do not have an audit committee. We do not have a financial expert serving on our board of directors.

**Code of Ethics**

We have adopted a Code of Ethics and Business Conduct authorizing the establishment of a committee to ensure that our disclosure controls and procedures remain effective. Our Code also defines the standard of conduct expected by our officers, directors and employees.

### **Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors, executive officers, and stockholders holding more than 10% of our outstanding common stock, to file with the Securities and Exchange Commission initial reports of ownership and reports of changes in beneficial ownership of our common stock.

Executive officers, directors and greater-than-10% stockholders are required by SEC regulations to furnish us with copies of all Section 16(a) reports they file. To our knowledge, based solely on review of the copies of such reports furnished to us for the year ended December 31, 2010, no Section 16(a) reports required to be filed by our executive officers, directors and greater-than-10% stockholders were filed on a timely basis.



**Item 11. Executive Compensation**

Set forth below is information concerning the compensation paid for services in all capacities to our President and Executive Officers for the years ended December 31, 2011 and 2010.

Name and Position	Year	Annual Compensation			Long-Term Compensation		All Other Compen- -sation
		Salary	Bonus	Other Annual Compensation	Restricted Stock Awards (\$)	Common Shares Underlying Options Granted (# Shares)	
Mark L. Baum <i>Chairman, President, Chief Executive Officer Chief Financial Officer and Secretary</i>	2011	-0-	-0-	-0-	-0-	-----	-0-
	2010	-0-	-0-	-0-	-0-	-----	-0-
Brad M. Bingham, Esq. <i>Director and Former Chairman, Chief, Executive Officer Chief Financial Officer and Secretary</i>	2011	-0-	-0-	-0-	-0-	------(1)	-0-
	2010	-0-	-0-	-0-	-0-	-----	-0-
Robert K. Bench <i>Former Director and President</i>	2011	-0-	-0-	-0-	-0-	-----	-0-
	2010	-0-	-0-	-0-	-0-	-----	-0-
Marc S. Applbaum <i>Former Director and President</i>	2011	-0-	-0-	-0-	-0-	-----	-0-
	2010	-0-	-0-	-0-	-0-	-----	-0-

(1) Mr. Bingham was issued a warrant to purchase 65,000 shares with an exercise price of \$0.50 per share, with a 2 year term valued at \$39,117. This was part of a separate consulting agreement with Mr. Bingham following his resignation as CEO.

### **Option/SAR Grants in Fiscal Year 2011**

None.

### **Item 12. Security Ownership of Certain Beneficial Owners and Management**

The following table sets forth certain information regarding the beneficial ownership of common stock of the Company as of October 16, 2012 by: (i) each person who, to the Company's knowledge, owns more than 5% of its common stock; (ii) each of the Company's named executive officers and directors; and (iii) all of the Company's named executive officers and directors as a group. Beneficial ownership is determined in accordance with the rules and regulations of the Commission. If a stockholder holds options or other securities that are exercisable or otherwise convertible into our common stock within 60 days of April 13, 2012, we treat the common stock underlying those securities as owned by that stockholder, and as outstanding shares when we calculate that stockholder's percentage ownership of our common stock. However, we do not consider that common stock to be outstanding when we calculate the percentage ownership of any other stockholder. Unless otherwise indicated in the footnotes to the following table, each person named in the table has sole voting and investment power with respect to shares of common stock and the address is c/o CoConnect, Inc. 25 East 200 South, Lehi, Utah 84043.

Name and Address	Number of Shares	
	Beneficially Owned	Percentage Owned
Mark Baum	1,721,845 (3)	60.42%
Bradly Bingham	80,000 (1)	2.74%
Marc Applbaum	2,500	*
RVCA Partners, LLC	875,922 (2)	30.57%
BCGU, LLC	1,721,845 (3)	60.42%
All directors, officers and 5% shareholders as a group	2,680,267	91.48%

(1)

Includes 65,000 shares of common stock issuable upon the exercise of warrants.

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(2)

Includes 15,000 shares of common stock issuable upon the exercise of warrants.

(3)

The Company's director and Principal Executive Officer Mark L. Baum is a Managing Member of BCGU and Mr. Baum holds ownership interests in BCGU, and may be deemed to have voting and dispositive power over the shares. Mr. Baum individually disclaims beneficial ownership over such shares.

### Item 13. Certain Relationships and Related Transactions

#### Settlement of Debt owed to Noctua Fund, LP and Common Stock Subscription Receivable

A \$55,000 0% convertible debenture was issued on October 25, 2007. The note was payable on the first day of the month, beginning on November 1, 2007 and ending on February 1, 2008, the amount of \$13,750 per month. At the time of this note was issued it was convertible into common stock at \$0.09. This note was later purchased from the third party it was originally issued to by a related party, Noctua Fund, LP. Noctua Fund, LP is managed by NFM. As of August 15, 2009 no payments had been made and as a result of nonpayment this convertible debenture was in default.

On August 15, 2009 the Company entered into a note exchange with Noctua Fund, LP. The \$55,000 0% convertible debenture was cancelled, and in exchange Noctua Fund, LP was issued two new convertible notes and guaranteed a

future payment of \$1,333 to help pay future Company expenses. The two notes issued are both in the amounts of \$28,167 with interest accruing at 5% of the principal balance. The notes were both due on November 15, 2009 and are convertible into the Company's common stock at \$.01 per share. At the time of the note agreement date, there was no determinable stock price, therefore there is no beneficial conversion feature that applies to this debenture. On September 30, 2011, the Company agreed to the notes assignment to a third party purchaser RVCA Partners, LLC (RVCA). RVCA and the Company, agreed to settle amounts due related to the notes \$56,333 and their accrued interest \$16,547 for a total of 682,172 common shares of the Company and termination of a \$70,000 subscription receivable due to the Company related to a share purchase agreement dated December 2, 2009.

RVCA is principal owner of the Company, owning more than a 10% voting interest.

#### Settlement of Debt owed to Noctua Fund Manager, LLC

On August 15, 2009 the Company issued two convertible notes both in the amount of \$13,862 with interest accruing at 5% of the principal balance. The notes were issued as part of a debt settlement agreement with NFM. These notes are due on November 15, 2009 and are convertible into the Company's common stock at \$.01 per share. At the time of the note agreement date, there was no determinable stock price. Therefore there is no beneficial conversion feature that applies to this debenture. These notes were part of a debt settlement further described below.

On November 15, 2009 the Company entered into an Advisory Services Agreement (the NFM Agreement) with NFM. The NFM Agreement is designed to assist the company enter into an agreement to acquire and manage new assets and/or a business (Transaction). The Consultant assisted the company in several areas, including: locating qualified management and board member candidates, locating target transaction candidates, and any strategic planning in the event of a Transaction. Pursuant to the terms of the NFM Agreement, on March 15, 2010, the Company issued NFM a 12% secured convertible promissory note in the principal amount of \$181,000 (the NFM Note). The note matures and is due 180 days following its issuance. Pursuant to the terms of the NFM Agreement and the NFM Note, concurrently with the issuance of the NFM Note, the Company entered into an escrow agreement (the NFM Escrow Agreement) whereby 54,300,000 shares of the Company's common stock were to be issued into escrow for the potential conversion of the NFM Note. In addition, the Company was required to designate and issue 100,000 shares, \$0.001 par value, of Series Preferred A Stock to NFM. At the time of the note agreement date, there was no determinable stock price and limited trading activity, therefore there is no beneficial conversion feature that applies to this debenture.

On September 30, 2011, NFM assigned all amounts due to it from the Company to BCGU and the Company approved of the assignment (the Assignment). Concurrent with the Assignment, the Company and BCGU agreed to settle amounts due related to the three convertibles notes with principal balances totaling \$208,724 (described in the immediately preceding two paragraphs), accrued interest totaling \$47,285, debt related to unpaid management fees \$75,000, and 100,000 shares of Series A preferred stock, in exchange for the issuance of 100,000 shares of Series B Preferred Stock and 1,721,845 common shares of the Company. 54,300,000 common shares issued into escrow were returned to treasury as part of the agreement.

BCGU is principal owner of the Company, owning more than a 10% voting interest.

#### Settlement of Debt owed to Brad Bingham

On November 17, 2010, the Company issued, Brad M. Bingham, Esq., a Director and former interim CEO, a convertible promissory note in the amount of \$16,860 (the BMB Note). The BMB Note represents: (i) \$6,860.00 previously advanced by Mr. Bingham on behalf of the Company and maintained on the Company's books and records previously filed with the SEC; and (ii) an additional \$10,000 cash advance to the Company by Mr. Bingham. The BMB Note is due and payable on May 17, 2011, maintains an interest rate of 5% and is convertible into 1,500,000,000 shares of the Company's restricted common stock (the Conversion Shares); provided however, such conversion rights are not applicable until 45 days following the issuance of the BMB Note. At the time of the BMB Note agreement date, there was no determinable stock price and limited trading activity. Therefore there is no beneficial conversion feature that applies to this debenture.

In connection with the BMB Note, the Company entered into a security agreement (the Security Agreement) with Mr. Bingham. Pursuant to the terms of the Security Agreement, Mr. Bingham was issued the Conversion Shares which are to be held as security and collateral against either the repayment or conversion of the BMB Note. Although the Conversion Shares are issued in Mr. Bingham's name and held as security and collateral against the payment of the BMB Note, the Conversion Shares may not be sold, pledged, transferred or hypothecated by Mr. Bingham unless and until he elects to convert the BMB Note pursuant to its terms and conditions into the Conversion Shares, or unless agreed upon in writing by the Company. In addition, following the issuance of the Conversion Shares as security pursuant to the Security Agreement and prior to the conversion of the BMB Note into the Conversion Shares, if any, in the event of a Company shareholder vote, the Conversion Shares held as collateral shall be voted with the majority vote of any such shareholder vote and action and Mr. Bingham has granted an irrevocable proxy to the Company to vote the Conversion Shares as such.

On September 30, 2011, the Company and Mr. Bingham agreed to settle amounts due related to the BMB Note with principal balance of \$16,860, and accrued interest totaling \$738, in exchange of the issuance of 20,000 common shares. 1,500,000,000 common shares issued per the Security Agreement have been returned to treasury as a part of the agreement. All other transactions with Mr. Bingham described in the prior two paragraphs were mutually terminated.

Settlement of Debt owed to the Law Offices of Marc S. Applbaum and Marc S. Applbaum individually

On September 29, 2010, the Company entered into a Lease Agreement with The Law Offices of Marc S. Applbaum. Pursuant to the terms of the Lease Agreement, the Company subleased office space on a month-to-month basis for a monthly lease fee of \$100. Marc S. Applbaum, Esq., is the Company's former President and Director. The Lease Agreement was terminated on September 30, 2011. At September 30, 2011 the Company owed \$900 to the Law Offices of Marc S. Applbaum and Marc S. Applbaum individually and agreed to settle the amount owed for the issuance of 2,500 shares of common stock as well as release of all claims. No other payments were made during the nine months ended September 30, 2011

**Item 14. Principal Accountant Fees and Services**

Audit Fee

The aggregate fees billed for each of the last two fiscal years for professional services rendered by the principal account for the audit of our annual financial statement and review of financial statements included in our 10-Q reports and services normally provided by the accountant in connection with statutory and regulatory filings or engagements were \$8,500 for fiscal year ended 2011 and \$8,500 for fiscal year ended 2010.

Audit-Related Fees

The aggregate fees billed in each of the last two fiscal years for assurance and related services by the principal accountant that are reasonably related to the performance of the audit or review of our financial statements that are not reported above were \$-0- for fiscal years ended 2011 and 2010.

Tax Fees

The aggregate fees billed in each of the last two fiscal years for professional services rendered by the principal accountant for tax compliance, tax advice, and tax planning were approximately \$-0- for fiscal year ended 2011 and consisted of tax compliance services and \$-0- for fiscal year ended 2010 and consisted of tax compliance services.

All Other Fees

There were no other aggregate fees billed in either of the last two fiscal years for products and services provided by the principal accountant, other than the services reported above.

Our audit committee which consists of our board of directors will evaluate and approve in advance, the scope and cost of the engagement of an auditor before the auditor renders audit and non-audit services. We do not rely on pre-approval policies and procedures.

**Item 15. Exhibits, Financial Statements and Schedules**

a. Exhibits

**Exhibit # Title**

- 3.1 Articles of Incorporation. (Attached as an exhibit to our Form 10-SB filed with the SEC on June 29, 1999 and incorporated herein by reference).
- 3.2 Bylaws (Attached as an exhibit to our Form 10-SB filed with the SEC on June 29, 1999 and incorporated herein by reference).
- 14 Code of Ethics. (Attached as an exhibit to our Form 10-KSB filed with the SEC on May 19, 2005 and incorporated herein by reference).
- 31.1 Certification of the Principal Executive Officer pursuant to Section 302  
of the Sarbanes-Oxley Act of 2002
- 31.2 Certification of the Principal Financial Officer pursuant to Section 302

of the Sarbanes-Oxley Act of 2002

- 32.1 Certification of the Principal Executive Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 32.2 Certification of the Principal Financial Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002



**SIGNATURES**

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**COCONNECT, INC.**

Date: October 16, 2012

By: /s/ Robert K. Bench ..

Robert K. Bench

Principal Executive Officer

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Date: October 16, 2012

By: /s/ Robert K. Bench ..

Robert K. Bench

Principal Executive Officer and Director

Date: October 16, 2012

By: /s/ Brad M. Bingham, Esq. \_\_\_\_\_

Brad M. Bingham, Esq.

Director

