

Intelligent Living Inc.
Form 10-K/A
June 13, 2014

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C.**

Amendment No. 2

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, 2013

or

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

For the transition period from: _____ to _____

Commission file number 000-54026

INTELLIGENT LIVING INC.

(Exact name of registrant as specified in its charter)

Nevada

45-1498410

(State or other jurisdiction
of Incorporation)

(I.R.S. Employer
Identification No.)

20801 Biscayne Blvd., Suite 403 Miami FL 33180

(Address of principal executive offices)

(866.326.3000)

(Registrant's telephone number including area code)

Securities registered pursuant to Section 12(b)

None

Securities registered pursuant to Section 12(g)

Title of each class

Name of each exchange on which registered

Common Stock, \$0.001 par value

None

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 Exchange Act from their obligations under those Sections. 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.
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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

Non-accelerated Filer

Accelerated Filer

Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes

No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes

No

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The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant computed by reference to the price at which the common equity was last sold, or the average bid and asked price for such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter was approximately \$186,131 based on a sales price of \$0.0023 per share, representing the sales price of the Company's common stock on June 30, 2013.

As of April 30, 2014, the registrant had 1,538,661,936 shares of Common Stock, par value \$0.001, issued and outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None.

EXPLANATORY NOTE

This Amendment No. 2 to the Annual Report on Form 10-K for the fiscal year ended December 31, 2013 of Intelligent Living Inc. is being filed to further clarify certain information included in our Form 10-K and Amendment 1 to our Form 10-K as requested by the Securities and Exchange Commission pursuant to a comment letter dated May 27, 2014. This Amendment No. 2 also contains currently dated certifications as Exhibits 31.1, 31.2, 32.1 and 32.2.

No attempt has been made in this Amendment No. 2 to the Form 10-K for the fiscal year ended December 31, 2013 to modify or update any other information presented in the Form 10-K as previously filed nor does this Amendment No. 2 reflect events occurring after the filing of the original Form 10-K or modify or update those disclosures that may be affected by subsequent events. Accordingly, this Amendment No. 2 should be read in conjunction with the Form 10-K previously filed and the registrant's other filings with the SEC.

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Cautionary Note Regarding Forward-Looking Statements

This Form 10-K contains forward-looking statements within the meaning of applicable securities laws relating to Intelligent Living Inc. which represent our current expectations or beliefs including, but not limited to, statements concerning our operations, performance, and financial condition. These statements by their nature involve substantial risks and uncertainties, credit losses, dependence on management and key personnel, variability of quarterly results, and our ability to continue growth. Statements in this annual report regarding planned operations and any other statements about our future expectations, beliefs, goals, plans or prospects constitute forward-looking statements. You should also see our risk factors. For this purpose, any statements contained in this Form 10-K that are not statements of historical fact are forward-looking statements. Without limiting the generality of the foregoing, words such as may , anticipate , intend , could , estimate , or continue or the negative or other comparable terminology are intended to identify forward- looking statements. Other matters such as our growth strategy and competition are beyond our control. Should one or more of these risks or uncertainties materialize or should the underlying assumptions prove incorrect, actual outcomes and results could differ materially from those indicated in the forward-looking statements.

Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for us to predict all of such factors, nor can we assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

PART 1

Item 1. Business

History:

Intelligent Living Inc. (Intelligent Living , the Company , we , us), formerly known as Feel Golf Co., Inc. (FGC) originally incorporated in the State of California in 2000. The Company was re-domiciled to Nevada in August 2013.

The Company was in the golf business selling golf clubs, shoes, bags and other products related to the golfing industry. This business was not successful and it was sold to Feel Golf Products, Inc. (FGP). FGP was owned and operated by Lee Miller, the prior Company s Chief Executive Officer.

On April 5, 2013, the Company entered into a share exchange agreement with Intelligent Living Inc. (ILI), a Florida corporation whereby the Company issued 35,714,286 shares of its common stock in exchange for all of the issued and outstanding shares of common stock of ILI.

On April 5, 2013, the Company entered into an Asset Purchase Agreement (APA) whereby it sold all of its golf assets including: 1) golf inventory, 2) Intellectual Property, 3) Books and Records. Not transferred assets include legal rights, third party claims, escrow account and other assets included under the new corporation. As consideration for the transaction, the Company received from FGP, 4,673,400 of the Company s Series A Preferred Shares that were convertible into 2,336,700,000 common shares of the Company. Concurrently, FGC changed its name to Intelligent Living Inc.

Business:

Intelligent Living Inc. acts as an e-Health holding company engaged in developing platforms within each of its four (4) subsidiary companies. These include: MIND360 Studios LLC, Health and Beyond Nutra Company LLC, Provectus LLC, and Social420 LLC.

MIND360 Studios LLC is engaged in the development and marketing of educational and mental fitness games for the web and for mobile devices. Currently we operate www.mind360games.com as well as the mobile version of this platform, which is available on the Android smartphone. We derive revenue from subscription fees and advertising. Most recently we added a non-profit fundraiser model that provides MIND360 with exposure in return for a share of the subscription revenue in the form of a donation. MIND360 entered into an agreement whereby Mind360 will donate fifty percent (50%) of the proceeds of a membership to MIND360's internet-based game service, with the donation to benefit the Hypertrophic Cardiomyopathy Association. We are continuing to improve and add games to the platform. MIND360 Studios has created a unique partnership with Monster Arts Inc. to create and publish mobile applications in the health and wellness space as well as in gaming for brain fitness. We currently have 4 titles available on Google Play and look to add several hundred over the next two years on iTunes, Google Play and other platforms.

Acquired in January 2014, Health and Beyond Nutra Company LLC is the operator of DrLarryDirect.com our nutraceutical and formulary Wellness Company. DrLarryDirect offers homeopathic remedies and a unique testing service called the Bio-nutritional Evaluation that tests the pH level in a customer to figure out where he/she is deficient. We then prescribe a wellness regimen that will help the individual attain optimal health in concert with their health practitioners. None of the remedies on DrLarryDirect are FDA certified and none of them need to be under the current laws. DrLarryDirect derives its revenues from the sale of products and services. The eCommerce group sells its Health and Beyond brand online via its namesake website as well as on Amazon.com and other eCommerce platforms.

Provectus LLC is our managed IT and Cloud Company. Provectus, which is Latin for advanced, offers IT Managed Care to small, medium and enterprise level clients throughout the United States and Canada. The company will focus on healthcare and related practices but will offer its products and services to the business community at large. The enterprise group will be known as Venturian Management and will handle all clients with revenues in excess of \$10M or 500 users and the small business group will be known as Perfect Solutions and will handle all clients \$10M and under. Once the integration of both companies is complete, Provectus will service over 200 clients with average contract sizes of \$10,000 per client. Provectus was the product of the asset purchase and integration of Venturian Partners and Perfect Solutions at the beginning of the second quarter of 2014.

Social420 LLC was developed at the beginning of the second quarter of 2014 and has a mission to provide a secure platform for the growing market of the cannabis public to connect and utilize a host of social and social media based tools in a proprietary cloud based system. We derive our revenue from fee-based advertising, classifieds, our PuffPassPay eWallet system, and other fees that may be added over the development of the platform. The PuffPassPay eWallet system will act as an online payment solution that consumers can use to make deposits and pay for goods on web sites that will offer eWallet services.

Mind 360 Studios LLC

The Company has developed a highly innovative and comprehensive approach to cognitive training. Mind360's scientifically developed brain training programs are tailored to meet each user's individual goals.

Mind360 Studios LLC and their flagship product MIND360 is profoundly committed to enhancing and maintaining people's mental fitness through a new cutting-edge online cognitive training platform. Our highly engaging brain training games are designed to help strengthen key cognitive functions including memory, attention, executive functions, thinking and reasoning, and visual perception etc., and all in enjoyable ways.

To accomplish this aim Mind360 has carefully teamed leading cognitive psychologists up with top-notch online game designers to create both fun and effective ways to boost and sustain users' mental fitness. Through these unique cognitive training methods, aging baby boomers, seniors and students alike are all sure to enjoy the clear benefits resulting from Mind360's original techniques.

Through a highly innovative and comprehensive approach to cognitive training, Mind360's scientifically developed Brain Training Programs are tailored to meet each user's individual goals. To further help accomplish this task, a personal trainer is constantly on hand to provide both regular performance feedback plus ensure rapid and noticeable progress.

Studies have determined that regardless of age, it is indeed possible to expand one's mental and physical capacities through regular brain training workouts. With enhanced mental fitness comes greater self-esteem, more rewarding careers, social relationships, and overall higher quality of life.

This is a fee-based membership service. Registration on Mind360 is free and allows access to play a limited number of the brain training games and full access to all of the free brainteasers.

In order to have full access to all of the brain training games with cognitive tracking and monitoring, you will need to have a premium membership.

We offer several membership plan options.

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Monthly Membership: \$6 per month

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6 Month Membership: \$5 per month

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Annual Membership: \$4.25 per month

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2 Year Membership: \$3.99 per month

All premium plan memberships offer the same benefits. The Company offers subscribers various payment options by providing flexibility in billing and payment.

Pricing structure will be subject to change and market conditions. Total membership as of April 28, 2014 is 10,800. The website can be found at <http://mind360games.com>

The Company currently has four titles available on Google Play:

1.

Steps-O-Meter

2.

Track My Running

3.

Quit Smoking Now!

4.

apPill Box XL

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The Company intends to add more titles and Apps and offer them in iTunes, Google Play and other platforms.

The brain games or brain fitness industry is highly fragmented and relatively new. Traditionally, we were led to believe that the brain reached maturity in early adulthood. Research within the last decade has showed that the brain actually maintains its ability to regenerate cells and create new neural pathway throughout our lives.

It is since then that this brain-training category, fueled by these findings and a rapidly expanding aging population has experienced significant global growth. According to San Francisco market research firm SharpBrains, worldwide revenues surged to \$1 billion in 2012 from \$200 million in 2005 and are expected to surpass \$6 billion by 2020.

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The largest beneficiary of this growth, to date, is our chief competitor, Lumosity whose website claims more than 50 million online subscribers worldwide. According to Forbes magazine, Lumosity had revenues of \$24MM as of February 2013 and ranked 66th on their list of America's most Promising Companies.

Provectus LLC

We chose the name Provectus to reflect our vision. Provectus which is from the Latin meaning Advanced or Ahead of the Curve. We will offer advanced managed care solutions to small, medium and enterprise level clients throughout the United States and Canada. We will focus on healthcare and related practices.

The enterprise information system (EIS) group within Provectus focuses on large organizations that have any kind of information system that improves the functions of an enterprise business processes through integration. This means typically offering high quality of service, dealing with large volumes of data and capable of supporting some large and possibly complex organization or enterprise. EIS must be able to be used by all parts and all levels of an enterprise.

Its focus will be clients with revenues in excess of \$10 million or 500 Users. The small business group will be known as Perfect Solutions. Its targeted market is businesses with revenues of up to \$10 million.

Health and Beyond Nutra Company LLC

Acquired in January 2014, Health and Beyond operates a wholesale business for the fulfillment and delivery of these proprietary formulations to homeopathic healthcare providers cross the United States and Canada. Developed internally, these proprietary formulas are manufactured with third party contract manufacturers who maintain the highest standards and industry certifications to ensure the delivery of the highest quality product to its customers.

Launched in February 2014, DrLarryDirect.com acts as an online distributor for our Health and Beyond label of wellness compounds and offers a holistic approach to good health. The Company developed its own brand of nutraceuticals which are uniquely formulated to provide fast acting, safe and effective natural treatment options for a variety of health problems. Our nutraceuticals are not patent protected. We rely on proprietary technology. The Company's nutraceuticals will target health problems caused by stress, nutritional deficiencies, toxic foods, energy

deficiencies and emotional trauma.

Available on DrLarryDirect.com is a Bio-Nutritional Evaluation. This test is an analysis of urine and saliva that applies the principles of fundamental nutrition which relate to the elements that make up 97% of the human body. These values are interrelated and reflect basic body nutritional alignment compartments (intracellular and, extracellular). Correcting the abnormal foundational nutritional needs of an individual will begin the process of restoring balance to the body, mind and spirit

The Bio Nutritional Evaluation tests the biochemical and electrical balance of the body analyzing the key health indicators to provide an in depth look at foundational nutrition.

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Ph of Urine and Saliva(Buffering Minerals and Metabolic Enzymes)

?

Carbohydrate metabolism

?

Urine Nitrates(Protein Concentration)

?

Urine Ammonia (Toxic Waste)

?

Oxidative Stress and inflammation

?

Salt Concentration from mineral metabolites

?

Cellular Energy

?

Cel membrane integrity

?

GI absorption

?

Organ Stress

?

Specific Gravity(Kidney filtration)

A report is emailed to the customer and a telephone consultation is provided.

The test and recommendations are not intended to diagnose or prescribe treatment for any illness or disorder. Anyone already undergoing physician prescribed therapy should seek the advice of his or her doctor before reducing the dosage or stopping such treatments.

Social420.com

Launched on April 3, 2014, Social420.com is a professional social networking website for the big cannabis world. The goal of social420.com is to develop and provide a professional set of services and tools for a modern, big cannabis world and connect the world's cannabis professionals to make them more productive and successful. The site aims to provide access to people, jobs, news, updates and insights in an adult environment that is safe and secure in a private cloud, highly specialized social networking environment.

According to a recent eMarketer report, "Worldwide Social Network Users: 2013 Forecast and Comparative Estimates", nearly one in four people worldwide will use social networks in 2013. The number of social network users around the world will rise from 1.47 billion in 2012 to 1.73 billion in 2013, an 18% increase. By 2017, the global social network audience will total 2.55 billion.

Intelligent Living believes that building the infrastructure is the right long term play in the big cannabis opportunity. The products and commodities will, of course, have huge economic impact, but people need the transportation and organization to buy, find, advertise and socialize as well.

Legalized marijuana is in its infancy. We believe that focusing on this market in its infancy state will allow us to create unique branding opportunities in a niche market.

Regulation and Legislation

User Privacy

We will collect, store and use a variety of information from visitors to our websites. We will post our privacy policies on our websites so that our users can access and understand the terms and conditions applicable to the collection, storage and use of information collected from users. Our privacy policies will also disclose the types of

information we gather, how we use it and how a user can correct or change their information. Our privacy policies will also explain the circumstances under which we share this information and with whom. To protect confidential information and to comply with our obligations to our users, we will impose constraints on our customers to whom we provide user data, which will be consistent with our commitments to our users. Additionally, when we provide lists to third parties, including to our advertiser customers, it will be under contractual terms that are consistent with our obligations to our users and with applicable laws and regulations.

Government Regulation

Congress has passed legislation that regulates certain aspects of the Internet, including content, copyright infringement, user privacy, advertising and promotional activities, taxation, access charges, liability for third-party activities and jurisdiction. In addition, federal, state, local and foreign governmental organizations have enacted and also are considering, and may consider in the future, other legislative and regulatory proposals that would regulate the Internet. Areas of potential regulation include, but are not limited to, libel, electronic contracting, pricing, quality of products and services and intellectual property ownership. As of January 1, 2004, the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003, or the CAN-SPAM Act, became effective. The CAN-SPAM Act regulates commercial emails and provides a right on the part of the recipient to request the sender to stop sending messages, and establishes penalties for the sending of email messages that are intended to deceive the recipient as to source or content. Under the CAN-SPAM Act, senders of commercial emails (and other persons who initiate those emails) are required to make sure that those emails do not contain false or misleading transmission information. Commercial emails are required to include a valid return email address and other subject heading information so that the sender and the Internet location from which the message has been sent are accurately identified. Recipients must be furnished with an electronic method of informing the sender of the recipient's decision not to receive further commercial emails. In addition, the email must include a postal address of the sender and, under certain circumstances, notice that the email is an advertisement. The CAN-SPAM Act may apply to the marketing materials and newsletters that we may distribute to our audience via email. We will use our best efforts to ensure that our email practices comply with the requirements of the CAN-SPAM Act.

Employees

We currently have four employees. We anticipate adding additional employees, when adequate funds are available, and will continue using independent contractors, consultants, attorneys and accountants as necessary, to complement services rendered by our employees.

Research and Development

During the fiscal years ended December 31, 2013 we spent approximately \$101,781 on research and development.

Item 1A. Risk Factors

RISK FACTORS

THE RISKS AND UNCERTAINTIES DESCRIBED BELOW ARE NOT THE ONLY ONES WE FACE. ADDITIONAL RISKS AND UNCERTAINTIES NOT PRESENTLY KNOWN OR THAT WE CURRENTLY DEEM IMMATERIAL MAY ALSO IMPAIR OUR BUSINESS OPERATIONS. IF ANY OF THE FOLLOWING RISKS ACTUALLY OCCUR, OUR BUSINESS COULD BE MATERIALLY ADVERSELY AFFECTED. IN SUCH CASE, WE MAY NOT BE ABLE TO PROCEED WITH OUR PLANNED OPERATIONS AND YOUR INVESTMENT MAY BE LOST ENTIRELY.

RISKS RELATING TO OUR BUSINESS

We have a limited operating history and face significant risks and challenges in fully implementing our business plan.

As a result of the Company's limited operating history in the social networking and Internet field, you have limited knowledge to assess our current operations and the likelihood to achieve profitability. The Company must successfully and timely market and sell its software products. Although the Company has very concrete and specific marketing and sales programs to be implemented, the Company cannot guarantee the success of such programs and alternately, more expensive marketing and sales programs may need to be implemented. Additionally, although the Company believes that a strong market exists for the software products and social networks, the Company has conducted no scientific, reliable market surveys but has only performed its own research and due diligence to ascertain the viability of its websites. A more scientific analysis could determine that the Company does not sufficient working capital to fully implement its business plan.

There can be no assurance that the Company will be able to successfully generate revenues.

The Company has no significant historical basis to assess how it might respond to competitive, economic, regulatory, or technological challenges. The Company's business must be considered in light of the risks and uncertainties frequently encountered by companies in the very early stages of operations, particularly companies that operate in new and rapidly developing industries and marketplaces. The Company's failure to adequately address these risks and uncertainties and rapidly respond to adverse developments as they occur could materially impact the Company's ability to achieve profitability and, if profitability is achieved, to sustain a level of operations that will cause profitability to be sustained.

We intend to hire programmers and other professionals as our business expands.

Although the Company intends to hire numerous people to implement the business of the Company, there is no assurance that the Company will hire the right people or that future changes will not have to be made to find the right people to implement the Company's business strategy. There is no assurance that the Company's business strategy or marketing plans will achieve success.

We face intense competition.

Although the Company is unaware of competitors that target the same niche markets, that contains all the characteristics, features and capabilities of our websites and social networking platforms. However, in the dynamic, ever changing field of technology, many companies of all sizes and capabilities are constantly engaged in website development, social networking and software development. In the event another company successfully develops and markets a competitive product before the Company can establish a significant presence in its target markets, the Company may never be able to achieve a level of revenue to sustain the Company's operations.

We have limited capital and will need to raise additional capital in the future.

We do not currently have sufficient capital to fund both our continuing operations and our planned growth. We will require additional capital to continue to grow our business via acquisitions. We may be unable to obtain additional capital when required. Future acquisitions and future business development activities, as well as our administrative requirements (such as salaries, insurance expenses and general overhead expenses, as well as legal compliance costs and accounting expenses) will require a substantial amount of additional capital and cash flow.

We may pursue sources of additional capital through various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means. We may not be successful in identifying suitable financing transactions in the time period required or at all, and we may not obtain the capital we require by other means. If we do not succeed in raising additional capital, our resources may not be sufficient to fund our planned operations.

Any additional capital raised through the sale of equity may dilute the ownership percentage of our stockholders. Raising any such capital could also result in a decrease in the fair market value of our equity securities because our assets would be owned by a larger pool of outstanding equity. The terms of securities we issue in future capital transactions may be more favorable to our new investors, and may include preferences, superior voting rights and the issuance of other derivative securities, and issuances of incentive awards under equity employee incentive plans, which may have a further dilutive effect.

Our ability to obtain financing may be impaired by such factors as the capital markets (both generally and in our industry in particular), our limited operating history, national unemployment rates and the departure of key employees. Further, economic downturns will likely decrease our revenues may increase our requirements for capital. If the amount of capital we are able to raise from financing activities, together with our revenues from operations, is not sufficient to satisfy our capital needs (even to the extent that we reduce our operations), we may be required to cease our operations, divest our assets at unattractive prices or obtain financing on unattractive terms.

There is substantial doubt about our ability to continue as a going concern

At December 31, 2013, we had not yet achieved profitable operations, have an accumulated deficit of \$5,363,110 as of December 31, 2013 and expect to incur further losses in the development of our business, all of which casts substantial doubt about our ability to continue as a going concern. Our ability to continue as a going concern is dependent upon our ability to generate future profitable operations and/or to obtain the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. Management's plan to address our ability to continue as a going concern includes: (1) obtaining debt or equity funding from private placement or institutional sources; (2) obtaining loans from financial institutions, where possible, or (3) participating in joint venture transactions with third parties. Although we believe that we will be able to obtain the necessary funding to allow us to remain a going concern through the methods described above, there can be no assurances that such methods will prove successful. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Our market is highly competitive and developing. We may be unable to compete successfully against existing and future competitors.

The market for our services is highly competitive and barriers to entry in the market are relatively low. Existing or future competitors may develop or offer services that are comparable or superior to ours which could cause our customers to stop using our services or put pressure on us to decrease our prices. If our current or potential customers, who use our websites, choose to use these websites rather than ours, demand for our services could decline and our revenues could be reduced. Our inability to compete successfully against present or future competitors could materially adversely affect our business, results of operations, financial condition and liquidity.

We may not be able to successfully manage our growth, which could lead to our inability to implement our business plan.

Our growth is expected to place a significant strain on our managerial, operational and financial resources, especially considering that we currently only have a small number of executive officers, employees and advisors. Further, as we enter into various contracts or other transactions, we will be required to manage multiple relationships with various consultants, businesses and other third parties. These requirements will be exacerbated in the event of our further growth or in the event that the number of websites we operate increases. There can be no assurance that our systems, procedures and/or controls will be adequate to support our operations or that our management will be able to achieve the rapid execution necessary to successfully implement our business plan. If we are unable to manage our growth effectively, our business, results of operations and financial condition will be adversely affected, which could lead to us being forced to abandon or curtail our business plan and operations.

We need to maintain state of the art software and websites.

Website and Internet technologies are constantly changing. In order for us to remain competitive we must continue to develop and or utilize state of the art software. We must also continue to upgrade our websites to provide visitors to our websites with an educational and rewarding experience. If the software and technologies used in our websites should fall behind, the success of our business could be materially adversely affected.

We may not timely and effectively scale and adapt our technology and network infrastructure to ensure that our websites are accessible within an acceptable load time.

A key element to our growth potential is the ability of our users, (including anyone who visits our websites regardless of whether or not they are a customer) enterprises and professional organizations in all geographies to access our website within acceptable load times. This is called website performance. We may experience website disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, human or software errors, capacity constraints due to an overwhelming number of users accessing our websites simultaneously, and denial of service or fraud or security attacks. In some instances, we may not be able to identify the cause or causes of these website performance problems within an acceptable period of time. It may become increasingly difficult to maintain and improve the performance of our websites, especially during peak usage times and as our solutions become more complex and our user traffic increases.

If our websites are unavailable when users attempt to access them or do not load as quickly as they expect, users may seek other websites to obtain the information for which they are looking, and may not return to our websites as often in the future, if at all. This will negatively impact our ability to attract customers, enterprises and professional organizations and increase engagement on our websites. We expect to make significant investments to maintain and improve website performance and to enable rapid releases of new features and products. To the extent that we do not effectively address capacity constraints, upgrade our systems as needed and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology, our business and operating results may be harmed.

Capacity constraints, systems failures or breaches of our network security could materially and adversely affect our business.

We will generate revenue from subscription services, product sales and advertising revenue. As a result, our operations depend on our ability to maintain and protect our computer systems. Any system failure, including network, software or hardware failure that causes interruption or an increase in response time of our services, could substantially decrease usage of our services and could reduce the attractiveness of our services to both our customers and professionals. An increase in the volume of queries conducted through our services could strain the capacity of the software or hardware we employ. This could lead to slower response times or system failures and prevent users from accessing our websites for extended periods of time, thereby decreasing usage and attractiveness of our services. Our operations are dependent in part on our ability to protect our operating systems against power loss, telecommunications failures, network, hardware or software failures, physical and electronic break-ins, hacker attacks, computer viruses or worms, and similar events. The occurrence of any of these events could result in interruptions, delays or cessations in service to users of our services, which could materially impair or prohibit our ability to provide our services and significantly impact our business.

Additionally, overall Internet usage could decline if any well-publicized compromise of security occurs or if there is a perceived lack of security of personal and corporate information that is stored within our systems. Despite our implementation of firewalls, switchgear and other network security measures, our websites, servers, databases and other systems may be vulnerable to computer hackers, physical or electronic break-ins, sabotage, computer viruses, worms and similar disruptions from unauthorized tampering with our computer systems. Because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently, often are not recognized until launched against a target and may originate from less regulated and remote areas around the world, we may be unable to proactively address these techniques or to implement adequate preventative measures.

We might be required to expend significant capital and resources to protect against, remediate or alleviate problems caused by such intrusions. We may also not have a timely remedy against a hacker who is able to penetrate our network security. Our networks could also be affected by computer viruses or other similar disruptive problems and we could inadvertently transmit viruses across our networks to our users or other third parties. Our hardware and back-up systems could fail causing our services to be interrupted. Any of these occurrences, and negative publicity arising from any such occurrences, could harm our business or give rise to a cause of action against us. We do not have insurance coverage to protect against these risks. Our activities and the activities of third party contractors involve the storage, use and transmission of proprietary and personal information, including personal information collected from professionals who use our websites. Accordingly, security breaches could expose us to a risk of loss or litigation and possibly liabilities. We cannot assure you that contractual provisions attempting to limit our liability in these areas will be successful or enforceable, or that other parties will accept such contractual provisions as part of our agreements. Any security breaches or our inability to provide users with continuous access to our networks could materially impact our ability to provide our services as well as materially impact the confidence of our customers in our services, either of which could have a material adverse effect on our business.

We may be liable with respect to the collection, storage and use of the personal information of professionals that use our services and our current practices may not be in compliance with proposed new laws and regulations.

We may collect, store, use and disclose personal data from visitors to our websites. We will attempt to disclose all our policies concerning the collection, use and disclosure of personally identifiable information on our websites. In recent years, class action lawsuits have been filed and the Federal Trade Commission and state agencies have commenced investigations with respect to the collection, use, sale and storage by various Internet companies of users' personal information. While we attempt to be in compliance with current law, we cannot ensure that we will not be subject to lawsuits or investigations for violations of law. Moreover, our practices regarding the collection, storage and use of user information may not be in compliance with currently pending legislative and regulatory proposals by the United States federal government and various state and foreign governments intended to limit the collection and use of user information. While we will attempt to implement programs designed to enhance the protection of the privacy of our users, these programs may not conform to all or any of these laws or regulations and we may consequently incur civil or criminal liability for failing to conform. As a result, we may be forced to change our practices relating to the collection, storage and use of user information. Our failure or our perceived failure to comply with laws and regulations could also lead to adverse publicity and a loss of consumer confidence if it were known that we did not take adequate measures to assure the confidentiality of the personally identifiable information that our users had given to us. This could result in a loss of customers and revenue and materially adversely impact the success of our business.

Concern among prospective customers and professionals regarding our use of personal information collected on our websites, such as credit card numbers, email addresses, phone numbers and other personal information, could keep prospective customers from subscribing to our services. Internet-wide incidents or incidents with respect to our websites, including misappropriation of our users' personal information, penetration of our network security, or changes in industry standards, regulations or laws could deter people from using the Internet or our websites to conduct transactions that involve confidential information, which could have a material adverse impact on our business. We will strive to comply with industry standards and will likely be subject to the terms of privacy policies and privacy-related obligations to third parties. We will also strive to comply with all applicable laws, policies, legal obligations and industry codes of conduct relating to privacy and data protection, to the extent possible. However, it is possible that these obligations may be interpreted and applied in new ways and/or in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices, or new regulations could be enacted. Directives and privacy acts may have an adverse effect on our ability to collect, use, disclose and transfer personal data from users in the applicable jurisdictions and consequently may have an adverse effect on our business.

If Internet search engines' methodologies are modified or our search result page rankings decline for other reasons, our user engagement could decline.

We will depend in part on various Internet search engines, such as Google, Bing and Yahoo!, to direct a significant amount of traffic to our website. Our ability to maintain the number of visitors directed to our website is not entirely within our control. Our competitors' search engine optimization, or SEO, efforts may result in their websites receiving a higher search result page ranking than ours, or Internet search engines could revise their methodologies in an attempt to improve their search results, which could adversely affect the placement of our search result page ranking. If search engine companies modify their search algorithms in ways that are detrimental to our new user growth or in ways that make it harder for our users to use our website, or if our competitors' SEO efforts are more successful than ours,

overall growth in our user base could slow, user engagement could decrease and we could lose existing users. These modifications may be prompted by search engine companies entering the online professional networking market or aligning with competitors. Any reduction in the number of users directed to our website would harm our business and operating results.

We may not be able to halt the operations of websites that aggregate our data as well as data from other companies, including social networks, or copycat websites that could misappropriate our data. These activities could harm our brand and our business.

Third parties may be able to misappropriate our data through website scraping, robots or other means and aggregate this data on their websites with data from other companies. In addition, copycat websites could misappropriate data on our network and attempt to imitate our brand or the functionality of our websites. These activities could degrade our brand and harm our business. If we become aware of such websites, we will attempt to employ technological or legal measures to halt their operations. We may not be able to detect all such websites in a timely manner, however, and, even if we could, technological and legal measures may be insufficient to stop their operations. In some cases, particularly in the case of websites operating outside of the United States, our available remedies may not be adequate to protect us against such websites. Regardless of whether we can successfully enforce our rights against these websites, any measures that we may take could require us to expend significant financial or other resources.

We may not achieve profitability or positive cash flow.

Our ability to achieve and maintain profitability and positive cash flow will be dependent upon such factors as our ability to develop and market our subscription sales, product sales and advertising revenues. Based upon current plans, we expect to incur operating losses in future periods because we expect to incur expenses that will exceed revenues for an unknown period of time. We cannot guarantee that we will be successful in generating sufficient revenues to support operations in the future. Further, we may incur significant losses and there can be no assurance that we will be able to reverse this trend.

Our executive officers and key employees will be crucial to our business, and we may not be able to recruit, integrate and retain the personnel we need to succeed.

Our future success is dependent, in large, on retaining the services of our officers and directors, and other key executives and advisors of the company. The knowledge, leadership and technical expertise of management would be difficult to replace. While none of our officers or directors have plans to leave or retire in the near future, the loss of any of our directors could have a material adverse effect on our operating and financial performance, including our ability to develop and execute our long term business strategy. We do not maintain key-man life insurance on any of our directors. The loss of the services of any key personnel, or our inability to attract, integrate and retain highly skilled technical, management, sales and marketing personnel could result in significant disruption to our operations, including our inability or limited success in implementing our business strategy.

To date, we do not have any independent directors and have not implemented various corporate governance measures, in the absence of which, stockholders may have more limited protections against interested director transactions, conflicts of interest and similar matters.

We do not have any independent directors to evaluate our decisions nor have we adopted corporate governance measures. Although not required by rules or regulations applicable to us, corporate governance measures such as the presence of independent directors, or the establishment of an audit and other independent committees of our Board of Directors, would be beneficial to our stockholders. We do not presently maintain any of these protections for our stockholders. It is possible that if our Board of Directors included independent directors and if we were to adopt corporate governance measures, stockholders would benefit from greater assurance that decisions were being made with impartiality by directors and that policies had been implemented to define conduct of our management and board members. For example, in the absence of audit, nominating and compensation committees comprised of at least a majority of independent directors, decisions concerning matters such as compensation packages to our officers and recommendations for director nominees may be made by existing members of the Board of Directors, who may have a direct interest in the outcome.

We are vulnerable to intellectual property infringement claims brought against us.

Successful intellectual property infringement claims against us could result in monetary liability or a material disruption in the conduct of our business. We cannot be certain that our products, content or brand names do not or

will not infringe valid patents, trademarks, copyrights or other intellectual property rights held by third parties. We expect that infringement claims in our markets will increase in number. We may be subject to legal proceedings and claims from time to time relating to the intellectual property of others in the ordinary course of our business. If we were found to have infringed the intellectual property rights of a third party, we could be liable to that party for license fees, royalty payments, lost profits or other damages, and the owner of the intellectual property might be able to obtain injunctive relief to prevent us from using the technology or software in the future. If the amounts of these payments were significant or we were prevented from incorporating certain technology or software into our products, our business could be significantly harmed. We may incur substantial expenses in defending against these third party infringement claims, regardless of their merit. As a result, due to the diversion of management time, the expense required to defend against any claim and the potential liability associated with any lawsuit, any significant litigation could significantly harm our business, financial condition and results of operations.

If we are unable to protect our proprietary rights or maintain our rights to use key technologies of third parties, our business may be harmed.

A degree of uncertainty exists concerning the application and enforcement of trademark, trade dress and copyright laws to the Internet, and existing laws may not provide us adequate protection for our original content or the appearance of our Internet sites. In addition, because copyright laws do not prohibit independent development of similar content, copyright laws may not provide us with any competitive advantage. We do not currently have any patents with respect to any of our software systems, methods and related technologies, and any patents issued to us in the future (if we make such applications) may be later challenged, invalidated or circumvented, and the rights granted under patents may not provide us with a competitive advantage. We may also face risks associated with any trademarks to which we own the rights. Policing unauthorized use of our proprietary technology and other intellectual property rights could involve significant expense and could be difficult or impossible, particularly given the global nature of the Internet and the fact that the laws of certain other countries may afford us little or no effective protection of our intellectual property.

Our ability to generate fees from Internet commerce may also depend on data encryption, authentication and other technologies that we may be required to license from third parties. Third-party technology licenses may not be available to us on acceptable commercial terms or at all. The inability to enter into and maintain any of these technology licenses could significantly harm our business, financial condition and operating results.

If we acquire any companies or technologies in the future, they could prove difficult to integrate, disrupt our business, dilute stockholder value and adversely affect our operating results.

We may acquire or make investments in complementary companies, services and technologies in the future. We have not made any acquisitions or investments to date, and therefore our ability as an organization to make acquisitions or investments is unproven. Acquisitions and investments involve numerous risks, including:

difficulties in integrating operations, technologies, services and personnel;

diversion of financial and managerial resources from existing operations;

risk of entering new markets;

potential write-offs of acquired assets;

potential loss of key employees;

inability to generate sufficient revenue to offset acquisition or investment costs; and

delays in customer purchases due to uncertainty.

In addition, if we finance acquisitions by issuing convertible debt or equity securities, our existing stockholders may be diluted which could affect the market price of our stock. As a result, if we fail to properly evaluate and execute acquisitions or investments, our business and prospects may be seriously harmed.

Evolving regulation of the Internet may affect us adversely.

As Internet commerce continues to evolve, increasing regulation by federal, state or foreign agencies becomes more likely. For example, we believe increased regulation is likely in the area of data privacy, and laws and regulations applying to the solicitation, collection, processing or use of personal or consumer information could affect our customers' ability to use and share data and restricting our ability to store, process and share data with our customers.

In addition, taxation of services provided over the Internet or other charges imposed by government agencies or by private organizations for accessing the Internet may also be imposed. Any regulation imposing greater fees for Internet use or restricting information exchange over the Internet could result in a decline in the use of the Internet and the viability of Internet-based services, which could harm our business.

The success of our business depends on the continued growth and acceptance of the Internet as a business tool.

Expansion in the sales of our service depends on the continued acceptance of the Internet as a communications and commerce platform for enterprises. The Internet could lose its viability as a business tool due to delays in the development or adoption of new standards and protocols to handle increased demands of Internet activity, security, reliability, cost, ease-of-use, accessibility and quality-of-service. The performance of the Internet and its acceptance as a business tool has been harmed by *viruses*, *worms* and similar malicious programs, and the Internet has experienced a variety of outages and other delays as a result of damage to portions of its infrastructure. If for any reason the Internet does not remain a widespread communications medium and commercial platform, the demand for our service would be significantly reduced, which would harm our business.

Risks Related to Our Intellectual Property

If we fail to establish, maintain and enforce intellectual property rights with respect to our technology and/or licensed technology, our financial condition, results of operations and business could be negatively impacted.

Our ability to establish, maintain and enforce intellectual property rights with respect to our technology will be a significant factor in determining our future financial and operating performance. We seek to protect our intellectual property rights by relying on a combination of trade secret and copyright laws. We also use confidentiality and other provisions in our agreements that restrict access to and disclosure of its confidential know-how and trade secrets.

We seek to protect our technology as trade secrets and technical know-how. However, trade secrets and technical know-how are difficult to maintain and do not provide the same legal protections provided by patents. In particular, only patents will allow us to prohibit others from using independently developed technology that are similar. If competitors develop knowledge substantially equivalent or superior to our trade secrets and technical know-how, or gain access to our

knowledge through other means such as observation of our technology that embodies trade secrets at customer sites which we do not control, the value of our trade secrets and technical know-how would be diminished.

While we strive to maintain systems and procedures to protect the confidentiality and security of our trade secrets and technical know-how, these systems and procedures may fail to provide an adequate degree of protection. For example, although we generally enter into agreements with our employees, consultants, advisors, and strategic partners restricting the disclosure and use of trade secrets, technical know-how and confidential information, we cannot provide any assurance that these agreements will be sufficient to prevent unauthorized use or disclosure.

While we are not currently aware of any infringement or other violation of our intellectual property rights, monitoring and policing unauthorized use and disclosure of intellectual property is difficult. If we learned that a third party was in fact infringing or otherwise violating our intellectual property, we may need to enforce our intellectual property rights through litigation. Litigation relating to our intellectual property may not prove successful and might result in substantial costs and diversion of resources and management attention.

We may face claims that we are violating the intellectual property rights of others.

Although we are not aware of any potential violations of others' intellectual property rights, we may face claims, including from direct competitors, other companies, scientists or research universities, asserting that our technology or the commercial use of such technology infringes or otherwise violates the intellectual property rights of others. We cannot be certain that our technologies and processes do not violate the intellectual property rights of others. If our market profile grows we could become increasingly subject to such claims.

If we were found to be infringing or otherwise violating the intellectual property rights of others, we could face significant costs to implement work-around methods, and we cannot provide any assurance that any such work-around would be available or technically equivalent to our potential technology. In such cases, we might need to license a third party's intellectual property, although any required license might not be available on acceptable terms, or at all. If we are unable to work around such infringement or obtain a license on acceptable terms, we might face substantial monetary judgments against us or an injunction against continuing to use or license such technology, which might cause us to cease operations.

In addition, even if we are not infringing or otherwise violating the intellectual property rights of others, we could nonetheless incur substantial costs in defending ourselves in suits brought against us for alleged infringement. Also, if we are to enter into a license agreement in the future and it provides that we will defend and indemnify our customer licensees for claims against them relating to any alleged infringement of the intellectual property rights of third parties in connection with such customer licensees' use of such technologies, we may incur substantial costs defending and indemnifying any customer licensees to the extent they are subject to these types of claims. Such suits, even if without

merit, would likely require our management team to dedicate substantial time to addressing the issues presented. Any party bringing claims might have greater resources than we do, which could potentially lead to us settling claims against which we might otherwise prevail on the merits.

We may incur significant increased costs as a result of operating as a public company, and our management may be required to devote substantial time to new compliance initiatives.

In the future, we may incur significant legal, accounting and other expenses as a result of operating as a public company. The Sarbanes-Oxley Act of 2002 (the Sarbanes-Oxley Act), as well as new rules subsequently implemented by the SEC, has imposed various new requirements on public companies, including requiring changes in corporate governance practices. Our management and other personnel will need to devote a substantial amount of time to these new compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect these new rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to incur substantial costs to maintain the same or similar coverage.

In addition, the Sarbanes-Oxley Act requires, among other things, that we maintain effective internal controls for financial reporting and disclosure controls and procedures. In particular, we are required to perform system and process evaluation

and testing on the effectiveness of our internal controls over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act. Our testing may reveal deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses. Our compliance with Section 404 will require that we incur substantial accounting expense and expend significant management efforts. We currently do not have an internal audit group, and we will need to hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge. Moreover, if we are not able to comply with the requirements of Section 404 in a timely manner, or if we or our independent registered public accounting firm identifies deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses, the market price of our stock could decline, and we could be subject to sanctions or investigations by the SEC or other regulatory authorities, which would require additional financial and management resources.

RISKS RELATED TO OUR COMMON STOCK

There presently is a limited market for our common stock, and the price of our common stock may be volatile.

Our common stock is currently quoted on OTC Bulletin Board. We have a very limited trading history. If a market for our common stock ever develops, there can be no assurance that the market can be sustained. There could be volatility in the volume and market price of our common stock. This volatility may be caused by a variety of factors, including the lack of readily available quotations, the absence of consistent administrative supervision of bid and ask quotations and generally lower trading volume. In addition, factors such as quarterly variations in our operating results, changes in financial estimates by securities analysts or our failure to meet our or their projected financial and operating results, litigation involving us, factors relating to our industry, actions by governmental agencies, national economic and stock market considerations as well as other events and circumstances beyond our control could have a significant impact on the future market price of our common stock and the relative volatility of such market price.

Offers or availability for sale of a substantial number of shares of our common stock may cause the price of our common stock to decline.

Our stockholders could sell substantial amounts of common stock in the public market, including shares upon the expiration of any statutory holding period under Rule 144 of the Securities Act of 1933 (the Securities Act), if available, or upon trading limitation periods. Such volume could create a circumstance commonly referred to as an overhang and in anticipation of which the market price of our common stock could fall. The existence of an overhang, whether or not sales have occurred or are occurring, also could make it more difficult for us to secure additional financing through the sale of equity or equity-related securities in the future at a time and price that we deem reasonable or appropriate.

If a market for our common stock does not develop, our stockholders may be unable to sell their shares.

There is currently a limited market for our common stock and we can provide no assurance that a more liquid market will develop. If a liquid market does not develop for our shares, it will be difficult for stockholders to sell their stock. In such a case, stockholders may find that they are unable to achieve benefits from their investment.

If a market for our common stock develops, our stock price may be volatile.

If a market for our common stock develops, the price at which our common stock will trade may be highly volatile and may fluctuate as a result of a number of factors, including the number of shares available for sale in the market, quarterly variations in our operating results, actual or anticipated announcements of new data, studies, products or services by us or competitors, regulatory investigations or determinations, acquisitions or strategic alliances by us or our competitors, recruitment or departures of key personnel, the gain or loss of significant customers, changes in the estimates of our operating performance, market conditions in our industry and the economy as a whole.

Investors' interests in our company will be diluted and investors may suffer dilution in their net book value per share if we issue additional shares or raise funds through the sale of equity securities.

In the event that we are required to issue any additional shares or enter into private placements to raise financing through the sale of equity securities, investors' interests in our Company will be diluted and investors may suffer dilution in their net book value per share depending on the price at which such securities are sold. If we issue any such additional shares, such issuances also will cause a reduction in the proportionate ownership and voting power of all other stockholders. Further, any such issuance may result in a change in our control.

We have never paid cash dividends and do not intend to do so.

We have never declared or paid cash dividends on our common stock. We currently plan to retain any earnings to finance the growth of our business rather than to pay cash dividends. Payments of any cash dividends in the future will depend on our financial condition, results of operations and capital requirements, as well as other factors deemed relevant by our board of directors.

We may be subject to penny stock regulations and restrictions, and you may have difficulty selling shares of our common stock.

The SEC has adopted regulations that generally define a penny stock as an equity security that has a market price less than \$5.00 per share or an exercise price of less than \$5.00 per share, subject to certain exemptions. Our common stock may be deemed a penny stock and be subject to Rule 15g-9 under the Exchange Act, or the Penny Stock Rule. This rule imposes additional sales practice requirements on broker-dealers that sell such securities to persons other than established customers and accredited investors (generally, individuals with a net worth in excess of \$1,000,000 or annual incomes exceeding \$200,000, or \$300,000 together with their spouses). For transactions covered by Rule 15g-9, a broker-dealer must make a special suitability determination for the purchaser and have received the purchaser's written consent to the transaction prior to sale. As a result, this rule may affect the ability of broker-dealers to sell our securities and may affect the ability of purchasers to sell any of our securities in the secondary market, thus possibly making it more difficult for us to raise additional capital.

For any transaction involving a penny stock, unless exempt, the rules require delivery, prior to any transaction in penny stock, of a disclosure schedule required by the SEC relating to the penny stock market. Disclosure is also required to be made about sales commissions payable to both the broker-dealer and the registered representative and current quotations for the securities. Finally, monthly statements are required to be sent disclosing recent price information for the penny stock held in the account and information on the limited market of penny stocks.

There can be no assurance that our common stock will qualify for exemption from the Penny Stock Rule. In any event, even if our common stock were exempt from the Penny Stock Rule, we would remain subject to Section 15(b)(6) of the Exchange Act, which gives the SEC the authority to restrict persons from participating in a distribution of a penny stock, under certain circumstances, if the SEC finds that such a restriction would be in the public

In the event that your investment in our shares is for the purpose of deriving dividend income or in expectation of an increase in market price of our shares from the declaration and payment of dividends, your investment will be compromised because we do not intend to pay dividends.

We have never paid a dividend to our shareholders. We intend to retain cash for the continued development of our business. As a result, your return on investment will be solely determined by your ability to sell your shares in a secondary market.

The market valuation of our business may fluctuate due to factors beyond our control and the value of your investment may fluctuate correspondingly.

The market valuation of developmental stage companies, such as us, frequently fluctuate due to factors unrelated to the past or present operating performance of such companies. Our market valuation may fluctuate significantly in response to a number of factors, many of which are beyond our control, including:

- .
changes in securities analysts' estimates of our financial performance, although there are currently no analysts covering our stock;
- .
fluctuations in stock market prices and volumes, of similar companies;
- .
changes in market valuations of similar companies;
- .
announcements by us or our competitors of significant contracts, new technologies, acquisitions, commercial relationships, joint ventures or capital commitments;
- .
variations in our quarterly operating results;
- .
fluctuations in related commodities prices; and
- .
additions or departures of key personnel.

FINRA sales practice requirements may limit a stockholder's ability to buy and sell our stock.

FINRA has adopted rules that require broker-dealer to have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low priced securities will not be suitable for at least some customers. FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may have the effect of reducing the level of trading activity and liquidity of our common stock. Further, many brokers charge higher transactional fees for penny stock transactions. As a result, fewer broker-dealers may be willing to make a market in our common stock, which may limit your ability to buy and sell our stock.

Item 1B. Unresolved Staff Comments

On October 17, 2013 the Commission issued a comment letter in connection with the filing of the Company's Form 10-K for the year ended December 31, 2012 and for the Company's Form 10-Q for the period ended June 30, 2013.

The Company has been responding to this comment and does not believe that any requested changes to either the Company's business disclosure or financial information will have a material impact on the Company's operations or financial disclosure.

Item 2. Properties.

Our corporate headquarters are located at 20801 Biscayne Boulevard, Suite 403, Miami, FL 33180 under a lease agreement that expires in June 2014.

We believe that this space is sufficient for our current operations. If needed, we do not believe that there will be any difficulty in identifying additional office space at competitive rates.

Item 3. Legal Proceedings

None

Item 4. Mine Safety Disclosure

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchase of Equity Securities.

A.

Market Information.

Our common stock is quoted on the OTC Bulletin Board under the symbol ILIV. Trading in our common stock in the over-the-counter market has been very limited and the quotations set forth below are not necessarily indicative of actual market conditions. The high and low sales prices for our common stock for each quarter of the fiscal years ended December 31, 2012 and 2013 according to OTC Markets Group Inc., were as follows:

Common Stock			
Year Ended December 31, 2012	High*		Low*
First Quarter	\$ 0.01	\$	0.01
Second Quarter	\$ 0.015	\$	0.0011
Third Quarter	\$ 0.005	\$.0003
Fourth Quarter	\$ 0.0045	\$	0.0003

Year Ended December 31, 2013	High*		Low*
First Quarter	\$ 0.018	\$.0004
Second Quarter	\$ 0.05	\$.0014
Third Quarter	\$ 0.0075	\$	0.0005
Fourth Quarter	\$ 0.0017	\$	0.0001

*The prices set forth for the first quarter of 2012 do not reflect a 100:1 reverse stock split in March 2012.

B.

Holder's.

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As of December 31, 2013 there were approximately 1,000 shareholders of record of our Common Stock.

Our transfer agent is Globex Transfer LLC. Their telephone number is (813) 344-4490 and their mailing address is 780 Deltona, Florida 32715.

C.

Dividends.

Holders of our common stock are entitled to receive such dividends as our board of directors may declare from time to time from any surplus that we may have. We have not paid dividends on our common stock since the date of our incorporation and we do not anticipate paying any common stock dividends in the foreseeable future. We anticipate that any earnings will be retained for development and expansion of our businesses and we do not anticipate paying any cash dividends in the foreseeable future. Future dividend policy will depend upon our earnings, financial condition, contractual restrictions and other factors considered relevant by our Board of Directors and will be subject to limitations imposed under Nevada law.

D.

Equity Compensation Plan.

None.

E. Recent Sale of Unregistered Securities.

During the first quarter of 2013, the Company issued 46,700,000 shares of common stock for note conversions.

During the first quarter of 2013, the Company acquired 2,148,000 of its Series A Preferred Shares from three shareholders. The 2,148,000 shares were convertible into 1,074,000,000 shares of common stock of the Company.

On April 5, 2013, the Company acquired all of the outstanding shares of Intelligent Living Inc. The shareholders received 35,714,286 shares of common stock of the Company representing a value of \$500,000 based on the closing price of the common stock on March 20, 2013.

On April 5, 2013, the Company entered into an Asset Purchase Agreement (APA) whereby it sold all of its golf assets including: 1) golf inventory, 2) Intellectual Property, 3) Books and Records. Not transferred assets include legal rights, third party claims, escrow account and other assets included under the new corporation. As consideration for the transaction, the Company received from FGP, 4,673,400 of the Company's Series A Preferred Shares that were convertible into 2,336,700,000 common shares of the Company.

On April 5, 2013 the Company issued 3,300,000 shares of common stock in conversion of 6,600 Series A preferred shares as part of the APA.

During the second quarter of 2013, the Company issued 3,000,000 shares of common stock for note conversions.

During the third quarter of 2013, the Company issued 131,320,000 shares of common stock for note conversions.

On July 8, 2013 the Company issued 50,000,000 shares of common stock to officers and directors of the Company for services rendered to the Company. Accordingly, the Company recognized a one-time \$55,000 expense for stock compensation related to this issuance.

On July 16, 2013 the Company issued 50,000,000 shares of common stock to New Castle County Services, Inc. in Lieu of \$50,000 cash as partial payment for its purchase of cognitive brain training games website and blog mind360.com.

On September 9, 2013 the company issued 10,000,000 shares of common stock to an officer for services rendered to the Company. Accordingly, the Company recognized a one-time \$17,000 expense for stock compensation related to this issuance.

On October 11, 2013, the Company settled its lawsuit with I Gotcha Holdings, LLC, and Pro Line Sports, Inc., The settlement agreement mandated delivery of 12,500,000 shares of restricted common stock valuing \$25,000 (\$.002/sh) to be distributed as requested by counsel.

On multiple dates during Q4 2013, the Company issued 182,036,098 shares of common stock to convert a total of \$47,852 of convertible debentures.

On November 1, 2013 the Company issued 10,000,000 shares of common stock under a joint venture agreement. The value is \$10,000 is based on the \$.001 fair market value of the common stock on the date of issuance.

We have issued shares of our common stock for services rendered, capital formation and corporate acquisitions. We relied on the exemptive provisions of Section 4(2) of the Securities Act. We have also offered shares pursuant to the exemptive provisions of Regulation S.

With respect to the sale of the securities identified above, we relied on the exemptive provisions of Section 4(2), or Section 3(a) 10 of the Securities Act of 1933, as amended.

.

At all times relevant the securities were offered subject to the following terms and conditions:

.

The sale was made to a sophisticated or accredited investor, as defined in Rule 502 or were issued pursuant to a specific exemption;

.

we gave the purchaser the opportunity to ask questions and receive answers concerning the terms and conditions of the offering and to obtain any additional information which we possessed or could acquire without unreasonable effort or expense that is necessary to verify the accuracy of information furnished;

.

at a reasonable time prior to the sale of securities, we advised the purchaser of the limitations on resale in the manner contained in Rule 502(d)2; and

.

neither we nor any person acting on our behalf sold the securities by any form of general solicitation or general advertising.

F. Purchases of Equity Securities.

None.

Item 6. Selected Financial Data.

We are a smaller reporting company as defined in 17 CFR 229.10(f)(1) and are not required to provide information required by this item, per Item 301 of Regulation S-K (17 CFR 229.201)

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

The following discussion should be read in conjunction with, and is qualified in its entirety by, our financial statement, and certain other financial information included elsewhere in this prospectus.

Overview

Based in Florida, we are a health and wellness holding company that specializes in the acquisition and integration of Internet and web technologies, hosting and cloud based infrastructure services, eCommerce, and nutraceutical based products. We provide nutraceutical products, wellness products and services, and create mobile and digital health apps, cognitive exercise and brain games as well as platforms for emerging demand markets and other value creation opportunities all relating to our core values. Some of our brands include: Mind360, DrLarryDirect, Social420 and Provectus IT.

Our mission is to build the Digital Health and Wellness Company of the 21st Century. Within this mission we consider mind, body, soul and a person's digital life to be all connected in our value chain and offer products and services that will take care of the whole mind/body ecosystem and thereby improve a person's quality and function of daily living over a span of many years.

Plan of Operation.

2013 has brought new management and a new direction for the Company. All prior business operations have been terminated and the Company's new focus is to create a bridge between technology, product branding and social networking in a cloud based environment. To fully implement this strategy the Company has focused its immediate attention on developing and promoting its websites. With enhanced branding, search engine optimization and seed capital financing the Company believes that it is poised to exploit opportunities in social networking, health and the exponential growth that we are seeing in the cannabis industry. The results of operations presented below reflect our continuing operations.

Results of Operations For Fiscal Years Ended December 31, 2013 and 2012

The following table provides an overview of certain key factors of our results of operations for fiscal year 2013 as compared to fiscal year 2012.

	Fiscal Year ended September 30,		\$
	2013	2012	Change
Net Revenues from continuing operations	\$ 830	\$ -	830
Cost of sales	547	-	547
Operating Expenses:			
Sales, general and administrative expenses	714,131	46,500	667,631
Total operating expenses	714,131	46,500	667,631
Loss from continuing operations	(713,848)	(46,500)	(667,348)
Gain on change in derivative liability	12,717,062	-	12,717,062
Interest income	3	-	3
Interest expense	(808,649)	(51,163)	(757,486)
Total other income (expense)	11,908,416	(51,163)	11,959,579
Income (loss) from continuing operations	11,194,568	(51,163)	11,292,231
Discontinued operations:			
Loss from operations of discontinued Feel Golf Division	(134,387)	(1,243,958)	1,109,571
Loss on disposal of Feel Golf Division	(414,289)	-	(414,289)
Net income (loss)	\$ 10,645,892	\$ (1,343,843)	\$ 11,989,735

Sales

The decrease in fiscal 2013 net sales from fiscal 2012 is due to our exit from the Feel Golf business in April, 2013.

Sales included in fiscal 2013 are derived from subscription fees received for our Mind360 products. Sales for fiscal 2012 are included in the loss from discontinued operations for fiscal 2012.

Cost of Sales and Gross Profit

Our cost of sales of \$547 in fiscal 2013 consists of costs associated with our Mind360 revenue. Cost of sales for fiscal 2012 is included in the loss from discontinued operations for fiscal 2012.

Operating Expenses

Our total operating expenses from continuing operations increased approximately 1,436% for fiscal 2013 as compared to fiscal 2012. The increase is primarily due to higher salary and other administrative costs in fiscal 2013 as compared to ongoing operations in fiscal 2012.

Other Income (Expenses)

Gain on change in derivative liability. For fiscal 2013 we had a gain on the change in derivative liability of \$12,717,062, which represents the change in the value of the derivative liability based on the Black-Scholes value of our outstanding convertible notes payable.

Premium expense. For fiscal 2013 we had a premium expense of \$700,000 included in interest expense, attributable to our convertible notes payable, versus \$0 in fiscal 2012.

Interest Expense. For fiscal 2013, interest expense from continuing operations increased \$757,486, due to increased interest bearing borrowings and premium expense discussed above, during fiscal 2013.

Discontinued operations

In fiscal 2013 we exited the Feel Golf business segment, in order to focus on creating a bridge between technology, product branding and social networking in a cloud based environment. As a result, we incurred the following:

Loss on disposition of business segment. We incurred a loss related to the disposition of net assets and liabilities of the Feel Golf business segment totaling \$414,289 in fiscal 2013. We had no similar loss in fiscal 2012.

Loss from discontinued operations. We incurred a loss from the discontinued operations of the Feel Golf business segment in fiscal 2013 of \$134,387. We has a loss from discontinued operations in fiscal 2012 of \$1,243,958.

Liquidity and Capital Resources

At December 31, 2013, we had cash of \$85,695 as compared to cash of \$11,145 as of December 31, 2012. Net cash used in operating activities for the year ended December 31, 2013 was \$305,578 as compared to \$630,382 for the year ended December 31, 2012. This decrease of \$255,432 in cash used in operating activities as compared to the prior year is reflective of the discontinuance of the Feel Golf business segment, and the focus on Intelligent Living Inc. s business model.

Cash flows used in investing activities totaled \$167,281 and \$8,050 for the years ended December 31, 2013 and 2012, respectively.

Cash flows provided by financing activities totaled \$500,000 and \$262,622 in 2013 and 2012, respectively. Our cash from financing activities in 2013 consisted of proceeds from convertible notes payable of \$500,000.

At the present level of business activity, our ongoing monthly gross operating cash disbursements are expected to average approximately \$45,000. As of December 31, 2013, we had a working capital deficit of \$2,355,830.

Historically, our sales have not been sufficient to fund our operations and we have relied on capital provided through the sale of equity securities, and various financing arrangements and loans from related parties. At December 31, 2013 we had cash on hand of \$85,695. In addition to the cash necessary to fund our operating losses, research and development, marketing and general growth, we will need cash to satisfy certain obligations.

Our working capital needs in future periods depend primarily on the rate at which we can increase our sales while controlling our expenses and decreasing the use of cash to fund operations. Additional capital may be needed to fund acquisitions of additional companies or assets, although we are not a party to any pending agreements at this time and, accordingly, cannot estimate the amount of capital which may be necessary, if any, for acquisitions.

As long as our cash flow from operations remains insufficient to completely fund operations, we will continue depleting our financial resources and seeking additional capital through equity and/or debt financing. There can be no assurance that acceptable financing can be obtained on suitable terms, if at all. Our ability to continue our existing operations and to fund our working capital needs will suffer if we are unable to raise the additional funds on acceptable terms which will have the effect of adversely affecting our ongoing operations and limiting our ability to increase our sales and maintain profitable operations in the future. If we are unable to secure the necessary additional working capital as needed, we may be forced to curtail some or all of our operations.

Off-Balance Sheet Arrangements

We have not entered into any off-balance sheet arrangements. We do not anticipate entering into any off-balance sheet arrangements during the next 12 months.

Recent Accounting Pronouncements

In July 2013, the Financial Accounting Standards Board (FASB) issued authoritative guidance that requires that an entity net its liability for unrecognized tax positions against a net operating loss carryforward, a similar tax loss or a tax credit carryforward when settlement in this manner is available under the tax law. The Company will adopt this guidance effective at the beginning of its 2015 fiscal year. The Company is currently evaluating the impact of this pronouncement on its financial statements.

In February 2013, the FASB issued authoritative guidance that amends the presentation of accumulated other comprehensive income and clarifies how to report the effect of significant reclassifications out of accumulated other comprehensive income. The guidance, which becomes effective for the Company on a prospective basis at the beginning of its 2014 fiscal year, requires footnote disclosures regarding the changes in accumulated other comprehensive income by component and the line items affected in the statements of operations. The adoption of this updated authoritative guidance is not expected to have a significant impact on the Company's Consolidated Financial Statements.

In December 2011, the FASB issued updated authoritative guidance to amend the presentation of comprehensive income in financial statements. This new guidance allows companies the option to present other comprehensive income in either a single continuous statement or in two separate but consecutive statements. It eliminates the option to present components of other comprehensive income as part of the statement of changes in stockholders' equity. Under both alternatives, companies are required to present each component of net income and comprehensive income. The amendment is effective for fiscal years and interim periods beginning on or after December 15, 2011 on a retrospective basis. The adoption of this guidance will not change the previously reported amounts of comprehensive income. The Company has presented other comprehensive income on the face of the condensed consolidated statements of operations for all periods presented. The adoption of this updated authoritative guidance had no effect on our financial condition, results of operations or cash flow.

Item 7a. Quantitative and Qualitative Disclosure.

Foreign Currency Exchange Rate Risk

Not applicable.

Interest Rate Risk

The Company's investment policy for its cash and cash equivalents is focused on the preservation of capital and supporting the liquidity requirements of the Company.

We do not believe that interest rate fluctuations will have any effect on our operations

Item 8. Financial Statements and Supplementary Data.

Our financial statements have been examined to the extent indicated in their reports by D Arelli Pruzansky P.A. and have been prepared in accordance with generally accepted accounting principles and pursuant to Regulation S-K as promulgated by the Securities and Exchange Commission and are included herein, on Page F-1 hereof in response to Part F/S of this Form 10-K.

ITEM 8 - FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors

Intelligent Living Inc.

We have audited the accompanying consolidated balance sheet of Intelligent Living Inc. and Subsidiaries as of December 31, 2013 and the related consolidated statement of operations, changes in stockholders' (deficit) and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit 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 consolidated financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of our internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Intelligent Living Inc. and Subsidiaries, as of December 31, 2013 and the consolidated results of their operations and their cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company had net loss from operations and net cash used in operating activities of \$713,848 and \$305,578, respectively, for the year ended December 31, 2013. The Company also had a working capital deficit and stockholders' deficit of \$2,355,829 and \$2,021,288, respectively. These matters raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regards to these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ D Arelli Pruzansky, P.A.
Certified Public Accountants

Boca Raton, Florida

May 5, 2014

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

March 4, 2013

Board of Directors

Feel Golf Co., Inc.

We have audited the accompanying consolidated balance sheet of Feel Golf Co., Inc. (the Company) as of December 31, 2012 and 2011 and the related consolidated statements of operations, stockholders' deficit, and cash flows for the years ended December 31, 2012 and 2011. 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 audit.

We conducted our audit 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. The Company is not required to have, nor were we engaged to perform an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2012 and 2011, and the results of its operations and changes in stockholders' deficit and its cash flows for the years ended December 31, 2012 and 2011, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 of the notes to the accompanying consolidated financial statements, the financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in the footnotes, the

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Company has current assets of \$315,642 and current liabilities of \$664,795. In addition, the Company has an accumulated deficit of (\$16,444,297) and is dependent on, at least, maintaining current revenue levels. Those conditions raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/W. T. Uniack & Co. CPAs P.C.

Woodstock, Georgia

INTELLIGENT LIVING INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2013	December 31, 2012
CURRENT ASSETS:		
Cash	\$ 85,695	\$ 11,145
	85,695	11,145
OTHER ASSETS:		
Property and equipment, net	102,281	-
Intangible assets	1,507,042	-
Assets from discontinued operations	-	613,167
Total Assets	\$ 1,695,018	\$ 624,312
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 566,818	\$ -
Notes payable, current portion, net of discounts and premiums	923,439	326,893
Derivative liability	951,267	-
Total current liabilities	2,441,524	326,893
Liabilities from discontinued operations	-	1,224,758
LONG TERM LIABILITIES:		
Long term notes payable	1,274,782	-
Total Liabilities	3,716,306	1,551,651
Stockholders' Deficit		
Convertible preferred stock (\$0.0001 par value, 20,000,000 shares authorized, 0 and 6,828,200 shares issued and outstanding, respectively)	-	683
Common stock (\$.001 par value; 6,000,000,000 shares authorized; 683,157,893 and 105,902,785 issued and shares outstanding, respectively)	683,157	105,903
Additional paid in capital	3,093,960	15,410,372
Accumulated deficit	(5,798,405)	(16,444,297)
Total stockholders' Deficit	(2,021,288)	(927,339)
Total Liabilities and Stockholders' Deficit	\$ 1,695,018	\$ 624,312

See accompanying notes to the consolidated financial statements

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INTELLIGENT LIVING INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year Ended December 31	
	2013	2012
Sales	\$ 830	\$ -
Cost of sales	547	-
Gross profit	\$ 283	-
Operating expenses:		
Sales, general and administrative expense	714,131	46,500
		\$
Total operating expenses	\$ 714,131	46,500
Loss from operations	\$ (713,848)	-
Other income (expenses):		
Gain on change in derivative liability	12,717,062	-
Interest income	3	-
Interest expense	(808,649)	(51,163)
	\$	
Total other income:	11,908,416	\$ -
Income from continuing operations	\$ 11,194,568	\$ -
Discontinued operations:		
Loss from operations of discontinued Feel Golf division	(134,387)	(1,243,958)
Loss on disposal of Feel Golf division	(414,289)	-
Net income before taxes	\$ 10,645,892	\$ (1,341,621)
Provision for income taxes		(2,222)
Net income	\$ 10,645,892	(\$ 1,343,843)
Earnings per share of common stock :		
Fully diluted	\$ 0.00	\$ (0.04)
Basic	\$ 0.03	\$ (0.04)
Weighted average number of shares outstanding		
Fully diluted	4,008,698,790	30,788,630
Basic	303,211,830	30,788,630

See accompanying notes to the consolidated financial statements

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INTELLIGENT LIVING INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS DEFICIT

FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	Preferred Stock		Common Stock		Additional	Accumulated	Total
	Shares	Amount	Shares	Amount	Paid-In	Deficit	
					Capital		
Balance, December 31, 2011	6,828,200	\$ 683	22,569,452	\$22,570	\$15,218,705	\$(15,100,454)	\$141,504
Common stock issued for services at \$0.03 per share	-	-	83,333,333	83,333	166,667	-	250,000
Value of beneficial conversion feature	-	-	-	-	25,000	-	25,000
Net loss for the year ended December 31, 2012	-	-	-	-	-	-	-