

BERITH HOLDINGS CORP.

Quarterly DISCLOSURE STATEMENT

For the three and nine months ended September 30, 2017

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

Berith Holdings Corp. as of December 20, 2016
Formerly Wham Inc.
To be named Syntrol Corp.

2) Address of the issuer's principal executive offices

Company Headquarters
2120 March Road
Roseville, CA 95747
Phone: 916-350-1992
Email: investors@mysyntrol.com

3) Security Information

Trading Symbol: BERJ
Exact title and class of securities outstanding: common stock and preferred stock
CUSIP: 87166Q 109
Par or Stated Value: No Par Value
Total common shares authorized: 500,000,000 as of April 22, 2016
Total preferred shares authorized: 20,000,000 as of April 22, 2016; 10,000,000 Series A Preferred Stock
Total common shares outstanding: 40,000,001 shares of Common Stock as of November 14, 2017
Total preferred shares outstanding: 3 shares of Series A Preferred Stock as of November 14, 2017

Transfer Agent
VStock Transfer LLC
18 Lafayette Place
Woodmere, NY 11598
212-828-8436
<http://www.vstocktransfer.com>
info@vstocktransfer.com

Is the Transfer Agent registered under the Exchange Act? Yes: NO:

List any restrictions on the transfer of security: None

Describe any trading suspension orders issued by the SEC in the past 12 months: None

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

On September 20, 2017, the Company entered into an Agreement and Plan of Reorganization (the "Reorganization Agreement") with Syntrol Plumbing, Heating and Air, Inc., a privately held corporation incorporated under the laws of California ("Syntrol"), and the members of Syntrol. As a result of the transaction (the "Exchange"), Syntrol became a wholly owned subsidiary of the Company. In accordance with the terms of the Reorganization Agreement, at the closing an aggregate of 37,798,180 shares of the Company's common stock were issued to the holders of Syntrol in exchange for their common stock of Syntrol. Further, pursuant to the Reorganization Agreement, Theodore Fotsis, the debt holder, will be required to cancel \$102,437 of debt with the company and cancel 1,000,000 shares he currently owns in exchange for 1,600,000 newly issued BERJ shares to Mr. Fotsis. Each of the Company, Syntrol and the shareholders of Syntrol provided customary representations and warranties, pre-closing covenants and closing conditions in the Reorganization Agreement.

On September 21, 2017, the Company entered into an Agreement of Conveyance, Transfer and Assignment of Subsidiary and Assumption of Obligations (the “Conveyance Agreement”) with American Services, Inc. and John Turrisi. As a result of this transaction, the Company sold its interest in American Services, Inc. to Mr. Turrisi in exchange for his cancellation of 833 shares of common stock in the Company. The transferred subsidiary was part of the Company’s prior business model that has been replaced by the Reorganization Agreement with Syntrol.

On March 10, 2017, the Company filed an amendment with the state of Florida to reverse split its Series A Preferred Stock (5,000-1) and common stock (300-1). On June 9, 2017, FINRA announced on its daily list the market effective date of the split.

On October 16, 2017, the Company filed an amendment with the state of Florida to reverse splits its Series A Preferred Stock (200-1).

4) Issuance History

For the nine months ended September 30, 2017, the following issuances transpired:

In connection with the Exchange, the Company issued an aggregate of 37,798,180 shares of the Company’s common stock were issued to the holders of Syntrol in exchange for their common stock of Syntrol.

These securities were issued pursuant to Section 4(2) of the Securities Act and/or Rule 506 promulgated thereunder. The holders represented their intention to acquire the securities for investment only and not with a view towards distribution. The investors were given adequate information about the Company to make an informed investment decision. The Company did not engage in any general solicitation or advertising. The Company directed its transfer agent to issue the stock certificates with the appropriate restrictive legend affixed to the restricted stock.

5) Financial Statements

Financial Statements are included at the end of this disclosure statement as Exhibit A:

6) Describe the Issuer’s Business, Products and Services

Overview

On September 20, 2017, Syntrol Corp., a Florida corporation (the “Company”), entered into an Agreement and Plan of Reorganization (the “Reorganization Agreement”) with Syntrol Plumbing, Heating and Air, Inc., a privately held corporation incorporated under the laws of California (“Syntrol”), and the members of Syntrol. As a result of the transaction (the “Exchange”), Syntrol became a wholly-owned subsidiary of the Company. In accordance with the terms of the Reorganization Agreement, at the closing an aggregate of 37,798,180 shares of the Company’s common stock were issued to the holders of Syntrol in exchange for their common stock of Syntrol. Further, pursuant to the Reorganization Agreement, Theodore Fotsis will be required to cancel \$102,437 of debt with the company and cancel 1,000,000 shares he currently owns in exchange for 1,600,000 newly issued BERJ shares to Mr. Fotsis. Each of the Company, Syntrol and the shareholders of Syntrol provided customary representations and warranties, pre-closing covenants and closing conditions in the Reorganization Agreement.

Upon the closing of the above transactions, Theodore Fotsis resigned as an officer and director of the Company and Russ Guzior also resigned as an officer and director of the Company. Paul Bianchi was appointed as President, Chief Executive Officer and Director and Todd Fulton was appointed Director.

The Company intends to carry on the business of Syntrol, as its primary line of business. Following the transactions described above, the Company’s corporate offices have been moved and the Company’s phone number has changed. The Company’s new office address and phone is:

Syntrol Plumbing, Heating and Air, Inc.
2120 March Rd, Roseville, CA 95747
(916) 367-4832

Business Plan

Corporate Information

SYNTROL Plumbing, Heating and Air, Inc. (SYNTROL) was incorporated in California in 2010. Business Operations are focused on delivering Energy Efficiency Products and Services to a cross section of Residential Homeowners, as a licensed Contracting Firm. Within the Residential Homeowner market vertical, the company offers an array of Energy Savings and Efficiency Solutions including:

- Solar Energy Generation
- Heat, Ventilation, Air Conditioning (HVAC)
- Home Insulation
- Windows
- Roofs

SYNTROL has devised a unique business model. Since inception, the core objective has always been to provide Homeowners with a single source provider solution. Over the past five years, as greater demand for energy savings emerged, SYNTROL set itself on a course to provide each Homeowner with:

- Quality Product – Energy Efficiency Performance
- Unsurpassed Installation and Service in the Field
- Measurable Value – Products balanced with Price

Our Industry

As consumer awareness of Home Energy Efficiency solutions has dramatically increased over the past ten years, the Company is positioned to capitalize on this consumer demand and expand its market. Selectively, utility energy costs continue to climb in core GEO market's such as California. The Company intends to grow both organically and through acquisition within the California market and in other GEO markets with cost escalating utility service providers. The underlying strength of growth in the Energy Efficiency Market is driven by continued political, legislative initiatives that support energy efficiency coupled with ongoing media focus and attention to becoming more compatible and integrated with the global environment.

Sales

The gateway to successful consumer engagement for the company resides in its unique outreach program to homeowners that provides a “No Cost” Home Energy Efficiency Assessment. These assessments provide the homeowner with a snapshot of options available to them to improve their Energy Efficiency and reduce utility costs.

The Company “To Market” strategy embraces two distinct operating models. The Company continues to evolve and internal marketing and sales structure that encompasses front edge telemarketing and business development tactics to interconnect with homeowners. The sales teams are all highly training on all of the Energy Efficiency options and work directly with homeowners to explore Energy Efficiency options specific to their property.

Separately, the company utilizes a network of independent Energy Efficiency firms that focus entirely on the sales process. These dealers must align themselves with competent, price competitive contractor installers that can provide the actual fulfillment of the products sold.

Energy Efficiency Products

The Company delivers to Homeowners, State of the Art, Energy Efficiency products that reduce energy consumption and add value to the home. Energy Efficiency solutions are vast, varied and come as different type of product solution. The Company has become expert at providing any and all of these solutions that include:

- Solar Power Production Systems
- Roof and or Ground Mounted
- Battery Storage Systems for excess power generated
- Heating, Ventilation and Air Conditioning (HVAC) Systems

- Replacement High Efficiency HVAC Products
- Upgraded ducting and Insulation
- Roof Systems
- Composition and Tile Replacement Roofing
- Window Systems
- Replacement Energy Efficient customized Windows and Sliders

The overarching Company value to Homeowners resides in their ability to provide the entire array of solutions under a single contract and financing platform.

Competition

Operating within its core GEO markets, the company has no competitors that provide the full array of Energy Efficiency solutions as the Company does. Selectively, in each of the product groups, the company competes with companies offering solutions specific to a product type offering. Because of the complexity of business operations associated with multiple product offerings and delivery, the Company does not see competitors quickly being able to scale and engage the markets with the multiple product and service array offering.

Intellectual Property

We do not own any intellectual property aside from our trade name.

Regulations and Compliance

In all GEO markets, the Company is required to maintain a State Contractors License specific to the Product Array being offered. As well, the Company is required to maintain Home Improvement Salesperson (HIS) and insure that all in house sales persons are current and licensed.

Employees

Currently the Company has 111 Full Time and 12 Part Time Employees.

7) Describe the Issuer's Facilities

The Company is headquartered at 2120 March Road Roseville, CA 95747. The lease on this property is \$4,839 per month.

8) Officers, Directors, and Control Persons

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

A. Names of Officers, Directors, and Control Persons.

The following are the only control persons of the company, defined as having an officer position, director position or holding 5% or more of any issue of the Company's stock.

Paul Joseph Bianchi III – CEO and Director
 Terry MacAdam – COO and Director
 David Peters - CFO
 Todd Fulton – Director

AEC Yield Capital LLC – 5% or more holder
 Lary Ellis – 5% or more holder

B. Legal/Disciplinary History

During the past 10 years, the officers, directors, and control persons of the company have NO disciplinary history whatsoever, and have never had a criminal conviction, entry of a judgment or decree by a court of any jurisdiction that limited his involvement with any type of business, securities, commodities, or banking activities. Furthermore he has never had a finding or judgment against him nor any order by self-regulatory organizations of any kind.

C. Beneficial Shareholders.

As of the date of this information statement, the only individual owning more than 10% of the Company's common or preferred shares is as follows:

10% Shareholders

Paul Joseph Bianchi III 2120 March Rd. Suite A Roseville, CA 95747	15,500,000	39%
AEC Yield Capital, LLC ⁽¹⁾ One Metrotech Center 3 rd Floor Brooklyn NY 11201	6,000,000	15%
Lary Ellis 3221 Mission Avenue Carmichael CA 95608	5,100,000	13%
Terry MacAdam	4,000,000	10%

(1) Richard Rudy has voting and dispositive authority over AEC Yield Capital LLC.

9) Third Party Providers

Transfer Agent

VStock Transfer LLC
18 Lafayette Place
Woodmere, NY 11598
212-828-8436
<http://www.vstocktransfer.com>
info@vstocktransfer.com

Legal Counsel

The Doney Law Firm
4955 S. Durango Rd. Ste. 165
Las Vegas, NV 89113
(702) 982-5686

10) Issuer Certification

The Issuer Certification is contained on the next page.

Issuer Certification

I, Paul Joseph Bianchi III, certify that:

I have reviewed this entire disclosure for the three and nine month period ended September 30, 2017 of Berith Holdings Corp. Symbol: BERJ;

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

/s/ Paul Joseph Bianchi III

By: Paul Joseph Bianchi III

Date: November 28, 2017

Exhibit A – Financial Statements

Berth Holding Corp (to be changed to)

SYNTR**L**

AS OF

September 30 2017

Unaudited

	<u>Dec 31, 2016</u>	<u>Sept 30 , 2017</u>
ASSETS		
Current Assets		
Checking/Savings	(33,703)	63,316
Accounts Receivable	3,397,227	2,893,826
Inventory	321,768	321,768
Other Current Assets	180,117	445,683
Total Current Assets	<u>3,865,409</u>	<u>3,724,593</u>
Fixed Assets	2,636,792	2,728,645
Less: Accumulated Depreciation/Amortization	(1,207,335)	(1,207,335)
Total Fixed Assets	1,429,457	1,521,310
Other Assets	23,517	871,085
TOTAL ASSETS	<u><u>5,318,383</u></u>	<u><u>6,116,988</u></u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	2,483,717	3,001,490
Revolving Line of Credit	2,527,633	-20,825
Unearned Revenue	1,226,699	865,204
Cancelled Jobs	916,438	916,438
Credit Cards	47,815	59,614
Other Current Liabilities/Accruals	46,654	20,881
Total Current Liabilities	<u>7,248,956</u>	<u>4,842,802</u>
Long Term Liabilities		
Finance Company/Bank Term Debt	355,291	705,884
Three Year Finance Line		3,973,590
Vehicle/Equipment Leases Payable	604,543	604,543
Total Long Term Liabilities	<u>959,834</u>	<u>5,284,017</u>
Total Liabilities	8,208,790	10,126,819
Equity		
Investment from Customer	2,228,567	2,188,068
Capital Stock	500,000	500,000
Retained Earnings	653,239	(5,515,465)
Net Income	(6,272,212)	(1,182,435)
Total Equity	<u>(2,890,407)</u>	<u>(4,009,832)</u>
TOTAL LIABILITIES & EQUITY	<u><u>5,318,383</u></u>	<u><u>6,116,988</u></u>

**Berith Holdings Corp (to be changed to)
Syntrol Corp**

	FYE 12/31/2016	Three Months Ended 9/30/2017	Nine Months Ended 9/30/2017
Ordinary Income/Expense			
Income	\$ 29,921,405	\$ 7,177,070	\$ 21,275,321
Cost of Goods Sold	26,420,709	6,182,818	17,600,612
Gross Profit	3,500,696	994,252	3,674,709
Expense			
Salaries & Wages	4,075,394	746,464	2,189,789
General & Administrative Expense	2,646,737	687,332	2,099,108
Marketing	421,387	72,555	143,199
Total Expense	7,163,101	1,506,351	4,432,096
Net Ordinary Income	(3,662,405)	(512,099)	(757,387)
Other Income/Expense			
Other Expense			
Extraordinary Item/Bad Debt	1,559,146		
Depreciation/Amortization	621,430	6,408	66,326
Interest Expense	106,798	190,557	356,378
Total Other Expenses	147,775		
Loss on Investments	167,600		
Corporate Taxes	7,058	2,344	2,344
Total Other Expense	2,609,807	199,309	425,048
Net Other Income	(2,609,807)	(199,309)	(425,048)
Net Income	\$ (6,272,212)	\$ (711,408)	\$ (1,182,435)
EBITDA	\$ (3,662,405)	\$ (512,099)	\$ (757,387)

SYNTROL, CORP.
Statements of Cash Flows
(Unaudited)

	Nine Months Ended <u>September 30, 2017</u>
Cash Flows from Operating Activities:	
Net income (loss)	<u>\$ (1,182,435)</u>
Adjustments to reconcile net income (loss) to net cash used in operating activities:	
Changes in operating assets and liabilities:	
(Increase) decrease in assets:	
Accounts receivable- trade	(503,401)
Other current assets	256,566
Other long term assets	847,568
(Decrease) increase in liabilities:	
Accounts payable	517,773
Accrued expenses	(76,984)
Unearned Revenue	(361,495)
Bank Loan	(2,450,469)
Total adjustments	<u>(2,952,877)</u>
Net Cash Used by Operating Activities	<u>(4,135,311)</u>
 Cash Flows from Investing Activities:	
Property and equipment	<u>(91,853)</u>
Net Cash used by Investing Activities	<u>(91,853)</u>
 Cash Flows from Financing Activities:	
Net Proceeds from Financing	<u>4,324,183</u>
Net Cash provided by Financing Activities	<u>4,324,183</u>
 Net Increase in Cash and Cash Equivalents	 97,019
Cash and Cash Equivalents, beginning of year	<u>(33,703)</u>
Cash and Cash Equivalents, end of year	<u>\$ 63,316</u>

Nine Months Ended September 30, 2017

	Common Stock		Additional Paid-in Capital	Retained Earnings	Total Stockholders' Equity
	Shares	Amount			
Balance, January 1, 2017	100,000	500,000	-	(5,618,972)	\$ (5,118,972)
Customer Investment			2,228,567		\$ 2,228,567
Payment on Investment			\$ (40,499)	\$ -	\$ (40,499)
Prior Period Adjustment				\$ 103,507	\$ 103,507
Net Profit				\$ (1,182,435)	\$ (1,182,435)
Balance, September 30, 2017	100,000	\$ 500,000	\$ (40,499)	\$ (6,697,900)	\$ (4,009,832)

SYNTROL CORP.
Notes to the Financial Statements
For the Three Month and Nine Month Ended
September 30,2017
UNAUDITED

NOTE 1-NATURE OF BUSINESS

SYNTROL Plumbing, Heating and Air, Inc. (SYNTROL) now a wholly owned subsidiary of Berth Holdings Corporation, was incorporated in California in 2010. Business Operations are focused on delivering Energy Efficiency Products and Services to a cross section of Residential Homeowners, as a licensed Contracting Firm. Within the Residential Homeowner market vertical, the company offers an array of Energy Savings and Efficiency Solutions including:

- Solar Energy Generation
- Heat, Ventilation, Air Conditioning (HVAC)
- Home Insulation
- Windows
- Roofs
-

On September 20, 2017, Berith Holdings Corporation, a Florida corporation (the “Company”), entered into an Agreement and Plan of Reorganization (the “Reorganization Agreement”) with Syntrol Plumbing, Heating and Air, Inc., a privately held corporation incorporated under the laws of California (“Syntrol”), and the members of Syntrol. As a result of the transaction (the “Exchange”), Syntrol became a wholly-owned subsidiary of the Company. In accordance with the terms of the Reorganization Agreement, at the closing an aggregate of 37,798,180 shares of the Company’s common stock were issued to the holders of Syntrol in exchange for their common stock of Syntrol. Further, pursuant to the Reorganization Agreement, Theodore Fotsis will be required to cancel \$102,437 of debt with the company and cancel 1,000,000 shares he currently owns in exchange for 1,600,000 newly issued BERJ shares to Mr. Fotsis. Each of the Company, Syntrol and the shareholders of Syntrol provided customary representations and warranties, pre-closing covenants and closing conditions in the Reorganization Agreement.

Upon the closing of the above transactions, Theodore Fotsis resigned as an officer and director of the Company and Russ Guzior also resigned as an officer and director of the Company. Paul Bianchi was appointed as President, Chief Executive Officer and Director and Todd Fulton was appointed Director.

Shares:	Held By:
37,798,180	Syntrol Shareholders
2,001,821	Existing Company Shareholders

Prior to the above transactions, there were no material relationships between the Company and Syntrol, or any of their respective affiliates, directors or officers, or any associates of their respective officers or directors, other than as disclosed herein.

The shares issued were not registered under the Securities Act, but were issued in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933, as amended, and Regulation D promulgated thereunder.

As a result of these transactions, there has been a change in control of the Company. The Company intends to carry on the business of Syntrol, as its primary line of business.

On September 21, 2017, any stock owned in any other subsidiaries of Berith were assigned along with any other form of ownership to Syntrol along with any liabilities. On the same date, the stock was cancelled by Berith and no assets or liabilities exist in any Berith Subsidiaries. As such the financials displays only include activities of Syntrol.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America and are presented in US dollars.

Accounting Basis

The Company uses the accrual basis of accounting and accounting principles generally accepted in the United States of America (“GAAP” accounting). The Company has adopted a December 31 fiscal year-end.

Cash and Cash Equivalents

For purposes of the accompanying financial statements, the Company considers all highly liquid instruments with an initial maturity of three months or less to be cash equivalents.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value of Financial Instruments

The fair value of cash, accounts receivable, prepaid expenses, accounts payable, accounts payable – related party, accrued expenses and deferred revenue approximates the carrying amount of these financial instruments due to their short-term nature.

Accounts Receivable

Accounts receivable are reported at realizable value. The Company has a standardized approach to estimate and review the collectability of its receivables based on a number of factors, including the period they have been outstanding. Historical collection and payer reimbursement experience is an integral part of the estimation process related to allowances for doubtful accounts. In addition, the Company regularly assesses the state of its billing operations in order to identify issues, which may impact the collectability of these receivables or reserve estimates.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Capital assets are being depreciated over their estimated useful lives of three to seven years using the straight-line method of depreciation for book purposes.

Revenue Recognition

Revenue is recognized when it is earned. Revenues are primarily generated from our inside sales team and dealer network. Most of the clients are consumer based and financed by large well-known finance companies.

Income Taxes

Income taxes are computed under the sub s method of taxation. For the year ending 09/30/2017 taxes for the companies' income or loss are passed onto the individual shareholders.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions have been made in determining the carrying value of assets, depreciable and amortizable lives of tangible and intangible assets, the carrying value of liabilities, the amount of revenue to be billed, and the timing of revenue recognition and related revenue share expenses. Actual results could differ from these estimates.

Concentration of Credit Risks

The Company maintains its cash and cash equivalents in bank deposit accounts, which, at times, may exceed federally insured limits. The majority of the Company accounts receivable are centered between 5 finance companies. Risk is mitigated as amounts are evenly distributed to several individual consumers or commercial accounts that lowers any concentration risk.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Issued Accounting Guidance

The Company does not expect the adoption of recently issued accounting pronouncements to have a significant impact on the Company's results of operations, financial position or cash flow.

NOTE 3– PROPERTY AND EQUIPMENT

The Company owned equipment recorded at cost which consisted of the following as of September 30,2017 before depreciation of \$2,728,645

Fixed Assets

Trucks & automobile assets	1,202,783
Computers & Office Equipment	197,878
Software & Licenses	733,660
Machinery & Equipment	2,259
Office Furniture	11,349

Leaseholder Improvements	16,280
Software Development	130,000
· Customer Lists	343,352
Less· Accumulated Depreciation/Amortization	(1,207,335)
Total Net Fixed Assets	<u>1,521,310</u>

NOTE 4 – OTHER ASSETS

The Company has the following Other Assets of \$871,085 as of September 30,2017.

Deposits and Prepayments	23,516
Long Term Accounts	847,568

NOTE 5 UNEARNED REVENUE

For the year ended December 31 ,2016 the Company deducted as a onetime event from current revenue of \$1,226,699.

As of September 30 2017, the balance has been reduced to \$865,204 as jobs were earned and collected.

NOTE 6 VEHICLE LEASES

For the year ending September 30, 2017 Vehicle Leases were capitalized under the rules of FASB 19 and were previously expensed. Leases are amortized over 36 months at various interest rates, and as of September 30,2017 the amount owing to finance companies was \$604,643.

NOTE 7 CANCELLED JOBS

This represents customers who have entered finance contracts but have cancelled. Subsequently certain amounts were paid to the Company by three finance companies. Except for one finance company, the amount reduces by future payments from the finance companies and totals \$916,438 as of September 30, 2017.

NOTE 8 LONG TERM DEBT FINANCE COMPANY

During the past quarter, the Company entered into long term financing agreement with a factoring company. The agreement includes a \$4mm finance line to factor current accounts and a \$1mm term loan facility. As of September 30, 2017, the amount owing under the finance line was \$3,973,590 and the term loan had a balance of \$ 705,884. Initial proceeds were used pay off previous bank credit facilities.

NOTE 9 INVESTMENT FROM CUSTOMER

For the year ending 2015 and 2016, the Company received a total \$2,228,567 in funds from a customer under a partnership agreement. The balance as of September 30, 2017 is \$2,188,068. See also Note 12 legal action.

NOTE 10 – MAJOR CUSTOMERS

The Company had 5 major customers that are in the business of financing individual consumer contracts. These clients accounted for 90 percent of the revenues for the year ending September 30 2017.

NOTE 11 – INCOME TAXES

As of December, 31 2016, the Company operated under a Sub Chapter S status. For the upcoming tax year ending December 31, 2017 the Company, under advice by the Companies Tax CPA could change its reporting status.

NOTE 12– COMMITMENTS AND CONTINGENT LIABILITIES

- Legal Action –
 - The Company is currently undergoing discussions and discovery associated with a claim for payment by SUNNOVA. SYNTROL contends that they were severely financially damaged, together with other contracts when the SUNNOVA Work Portal collapsed. This collapse stopped all construction for the company, impacted bank funding and crippled ongoing sales through SUNNOVA. Currently, the company are in arbitration for settlement for cross claims of damages.
 - The Company is currently under review by the CSLB – California State License Board for sales related violations. While the Company is reasonably confident that any adverse judgement against the company would result in probation, there is a potential that the Company Contractor License could be suspended. If this were to happen, the Company would replace the brand with an affiliate, which is in good standing with the CSLB.

Contingent Warranties –

- The Company provides Product and Workmanship warranties on an ongoing basis relating to both the Solar and HVAC Business Units. Presently, the Company does not create reserves for warranty claims, so the Company does have unreserved liability as these claims occur.