

**BARISTAS COFFEE COMPANY, INC.**

**QUARTERLY REPORT**

For the Period Ending September 30, 2018

November 20, 2018

**BARISTAS COFFEE COMPANY, INC.**

(Exact name of issuer as specified in its charter)

**19930 68<sup>th</sup> Avenue N.E.  
Kenmore, WA 98028**

(Address of principal executive offices)

**(206) 579-0222**

(Issuer's telephone number)

The number of shares outstanding of each of the Issuer's classes of common equity, as of the date of this Quarterly Report, are as follows:

TRADING SYMBOL: BCCI	CUSIP: 067594 30 9
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CLASS OF SECURITIES QUOTED:	Common Stock	\$0.001 Par Value
	Preferred Stock	\$0.001 Par Value
NUMBER OF SHARES OUTSTANDING:	Common Stock	125,801,306
	Preferred Stock	27,328,358

## PART A GENERAL COMPANY INFORMATION

### Item 1. Name of the issuer and its predecessor (if any).

The name of the issuer is Baristas Coffee Company, Inc. (“Baristas” or “Company”) which was incorporated in the State of Nevada on October 18, 1996.

### Item 2. Address of the issuer’s principal executive offices.

The address of Baristas’ principal executive offices and other pertinent information is as follows:

Baristas Coffee Company, Inc.  
19930 68<sup>th</sup> Avenue N.E.  
Kenmore, Washington 98028  
Phone No.: (206) 579-0222

There is no IR Contact available for Baristas.

## PART B SHARE STRUCTURE

### Item 3. Security Information.

Trading Symbol:	BCCI
Exact title and class of securities outstanding:	Common Stock
CUSIP:	067594 30 9
Par or Stated Value:	\$0.001
Total Shares Authorized (1)	600,000,000 as of November 20, 2018
Total Shares Outstanding:	125,801,306 as of November 20, 2018

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Trading Symbol:	None
Exact title and class of securities outstanding:	Preferred Stock
CUSIP:	None
Par or Stated Value:	None
Total Shares Authorized:	30,000,000 as of November 20, 2018
Total Shares Outstanding:	27,328,358 as of November 20, 2018

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The name and address of Baristas' transfer agent is:

Continental Stock Transfer & Trust Company  
17 Battery Pl,  
New York, NY 10004  
Phone (212) 509-4000

Baristas' transfer agent is registered under the Securities Exchange Act of 1934, as amended, and the SEC is its regulatory authority.

List any restrictions on the transfer of security:

As of November 20, 2018, Baristas has a total of 23,118,307 shares of common stock which contain restrictive legends which thereby restrict transfer of such shares except as permitted by Rule 144 of the Securities Act of 1934, as amended.

Describe any trading suspension order 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.

None

Baristas Coffee Company, Inc. ("BCCI") fiscal year end date is December 31st. Neither the issuer nor any of its predecessors has ever been in bankruptcy, receivership or any other similar proceeding.

The Company was originally formed as InfoSpi.com in 1996, and developed software programs, hired programmers and procured funding from a venture capital group prior to merging with Innovative Communications Technologies in 2001. At this time the company was renamed Innovative Communications Technologies, Inc. In 2009, Innovative Communications Technologies, Inc. was looking for new opportunities, as its discount long distance business was decreasing and winding down. Pangea was accumulating coffee shops, formulating a business model and procedures for the Baristas brand. On December 22, 2009, Innovative Communications Technologies, Inc. acquired greater than a 60% interest in Pangea Networks, Inc. ("Pangea"), DBA Baristas Inc., including numerous coffee stands in the greater Seattle area, for cash, stock and other consideration. The transaction was structured as a partial stock purchase. After the acquisition, the assets and operations were transferred to Innovative Communications Technologies, Inc. In May, 2010, the Company changed its name to Baristas Coffee Company. In April 2010, Pangea became inactive.

The Company is not in default on the terms of any indebtedness or financing arrangement requiring it to make payments, nor has it had a change of control.

In conjunction with the above discussed acquisition of Pangea, the acquisition of certain coffee shops and the conversion of debt to equity, the Company issued common stock shares that increased the number of shares outstanding by more than 10%. The Company effected a 20:1 reverse split resulting in the number of shares outstanding at June 30, 2010, being more than 10% less than the number of shares outstanding at December 31, 2009.

On March 15, 2017, the Company filed a Form 15-12G, Certificate and Notice of Termination of Registration under Section 12(g) of the Securities Exchange of the 1934 Act. The Form 15-12G terminates the registration of the Company's Common Stock which was registered under 12(g) of the Securities Exchange Act of 1934 on July 24, 2015.

#### **Item 4. Issuance History.**

The following provides a list, in chronological order, of events resulting in changes in the total shares outstanding by the Company during the past two fiscal years and any interim period: including debt convertible into equity securities and any other securities or options to acquire such securities:

On January 20, 2016, a corporation converted \$31,071 of principal and interest into 310,706 shares of the Company's common stock at \$0.10 per share to fully satisfy a convertible promissory note dated June 26, 2015.

On January 21, 2016, the Company executed and delivered a Convertible Promissory Notes for \$2,500 to an individual. The note funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transaction by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date in June 2016 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.008 per share. The conversion rate on the note was changed to .0025 on August 18, 2017 by the Company. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On January 28, 2016, the Company issued 100,000 restricted shares of the Company's common stock to a consultant for services accrued at \$18,300 or \$0.183 per share. The subject shares were not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

During January 2016, the Company executed and delivered a Convertible Promissory Notes for \$7,500 to an individual. The note funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity dates in July 2016 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.008 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During February 2016, the Company executed and delivered a Convertible Promissory Notes for \$2,500 to an individual. The note funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date in August 2016 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.008 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On February 24, 2016, the Company executed and delivered a \$10,000 Convertible Promissory Note to the Company's CEO, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of August 23, 2016 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On February 24, 2016, the Company executed and delivered a \$2,500 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of August 23, 2016 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On February 25, 2016, the Company executed and delivered a \$5,000 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of August 24, 2016 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On February 23, 2016, the Company executed and delivered a \$10,000 Convertible Promissory Note to the Company's President, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of August 23, 2016 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On February 26, 2016, a corporation converted \$21,803 of principal and interest into 1,453,516 shares of the Company's common stock at \$0.015 per share to fully satisfy a convertible promissory note dated January 15, 2015.

On February 28, 2016, the Company executed and delivered a \$10,000 Convertible Promissory Note to an individual, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of August 27, 2016 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On February 29, 2016, the Company issued 10,000,000 restricted shares of the Company's common stock to the Company's President for services to the Company. The stock was valued at \$226,010 or \$0.023 per share. The subject shares were not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

On March 14, 2016, a corporation converted \$8,200 of principal and interest into 1,093,333 shares of the Company's common stock at \$0.0075 per share to fully satisfy a convertible promissory note dated August 25, 2015.

On March 16, 2016, the Company executed and delivered a \$5,000 Convertible Promissory Note to an individual, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of September 8, 2016 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.02 per share. The conversion rate on the note was changed to .0025 on October 6, 2017 by the Company. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On March 22, 2016, the Company executed and delivered a \$4,000 Convertible Promissory Note to an individual, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of September 22, 2016 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.06 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On March 24, 2016, the Company executed and delivered a \$7,500 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of September 25, 2016 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.06 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On March 30, 2016, a corporation converted \$18,835 of principal and interest into 1,883,466 shares of the Company's common stock at \$0.01 per share to fully satisfy a convertible promissory note dated August 3, 2015.

On March 30, 2016, the Company executed and delivered a \$10,000 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of October 1, 2016 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.05 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On April 11, 2016, the Company executed and delivered an \$8,000 Convertible Promissory Note to a related corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of April 11, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On April 15, 2016, a corporation converted \$11,005 of principal and interest into 611,397 shares of the Company's common stock at \$0.018 per share to fully satisfy a convertible promissory note dated February 12, 2014.

On April 19, 2016, the Company executed and delivered a \$2,500 Convertible Promissory Note to an individual, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of October 18, 2016 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.05 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On April 20, 2016, the Company issued 400,000 restricted shares of the Company's common stock to two attorneys for services to Company from June 6, 2015 through March 3, 2016. The stock was valued at \$75,500 or \$0.189 per share. The subject shares were not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

On April 20, 2016, an individual converted \$6,103 of principal and interest into 305,148 shares of the Company's common stock at \$0.02 per share to fully satisfy a convertible promissory note dated January 17, 2014.

On April 20, 2016, an individual converted \$37,388 of principal and interest into 1,555,875 shares of the Company's common stock at \$.02 to \$0.025 per share to fully satisfy five (5) convertible promissory notes dated February 4, 2014 through March 11, 2014.

On May 3, 2016, a corporation converted \$8,200 of principal and interest into 1,640,000 shares of the Company's common stock at \$0.005 per share to fully satisfy a convertible promissory note dated November 3, 2015.

On May 3, 2016, a corporation converted \$10,750 of principal and interest into 2,150,000 shares of the Company's common stock at \$0.005 per share to fully satisfy a convertible promissory note dated October 22, 2015.

On May 9, 2016, the Company executed and delivered a \$10,000 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of November 9, 2016 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.0375 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On May 20, 2016, the Company Authorized the Assignment of \$20,000 Value of \$300,000 Convertible Promissory Note issued to Baristas Coffee Company, Inc., and made by ReelTime Rentals, Inc. to a corporation, for \$20,000 cash which was funded on or about its issuance date. A Partial Assignment of Promissory Note was provided evidencing payment of the funds and allowing all conversion rights to RLTR Common Stock at a conversion price of .002 as provided on the Note. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transaction by an issuer not involving any public offering.

On May 20, 2016, the Company Authorized the Assignment of \$2,000 Value of \$300,000 Convertible Promissory Note issued to Baristas Coffee Company, Inc., and made by ReelTime Rentals, Inc. to an individual for \$2,000 cash which was funded on or about its issuance date. A Partial Assignment of Promissory Note was provided evidencing payment of the funds and allowing all conversion rights to RLTR Common Stock at a conversion price of .002 as provided on the Note. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transaction by an issuer not involving any public offering.

On May 20, 2016, the Company executed and delivered a \$2,000 Convertible Promissory Note to a related corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of February 20, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.02 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On May 27, 2016, the Company Authorized the Assignment of \$2,500 value of a \$300,000 Convertible Promissory Note issued to Baristas Coffee Company, Inc., and made by ReelTime Rentals, Inc. to the President, for \$2,500 cash which was funded on or about its issuance date. A Partial Assignment of Promissory Note was provided evidencing payment of the funds and allowing all conversion rights to RLTR Common Stock at a conversion price of .002 as provided on the Note. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transaction by an issuer not involving any public offering.

On May 27, 2016, the Company Authorized the Assignment of \$2,500 value of a \$300,000 Convertible Promissory Note issued to Baristas Coffee Company, Inc., and made by ReelTime Rentals, Inc. to the CEO, for \$2,500 cash which was funded on or about its issuance date. A Partial Assignment of Promissory Note was provided evidencing payment of the funds and allowing all conversion rights to RLTR Common Stock at a conversion price of .002 as provided on the Note. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transaction by an issuer not involving any public offering.

On June 3, 2016, the Company issued 50,000 restricted shares of the Company's common stock to an employee for services to the Company. The stock was valued at \$6,000 or \$0.12 per share. The subject shares were not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

During June 2016, the Company's CEO converted \$86,904 of principal and interest into 3,819,540 restricted shares of the Company's common stock at \$0.02 to \$0.025 per share to fully satisfy six (6) convertible promissory notes dated September 5, 2014 through May 5, 2015.

During June 2016, the Company's President converted \$103,864 of principal and interest into 5,058,427 restricted shares of the Company's common stock at rates from \$.01 to \$0.03 per share to fully satisfy fourteen (14) convertible promissory notes dated December 31, 2012 through August 30, 2015. The subject shares were not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

During June 2016, a corporation converted \$22,673 of principal and interest into 1,271,266 shares of the Company's common stock at \$0.015 & \$0.02 per share to fully satisfy two convertible promissory note dated March 27, 2015 and May 29, 2015.

During June 2016, a corporation converted \$42,429 of principal and interest into 2,121,461 shares of the Company's common stock at \$0.02 per share to fully satisfy six (6) convertible promissory notes dated October 3, 2014 through April 20, 2015.

On June 13, 2016, the Company executed and delivered a \$7,500 Convertible Promissory Note to a related corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of June 12, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.0275 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On July 7, 2016, the Company executed and delivered a \$5,000 Convertible Promissory Note to a related corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of July 6, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On July 25, 2016, a corporation converted \$11,437 of principal and interest into 457,466 shares of the Company's common stock at \$0.025 per share to fully satisfy a convertible promissory note dated March 4, 2015.

On July 29, 2016, the Company Authorized the Assignment of \$2,500 Value of \$300,000 Convertible Promissory Note issued to Baristas Coffee Company, Inc., and made by ReelTime Rentals, Inc. to a corporation, for \$2,500 cash which was funded on or about its issuance date. A Partial Assignment of Promissory Note was provided evidencing payment of the funds and allowing all conversion rights to RLTR Common Stock at a conversion price of .002 as provided on the Note. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transaction by an issuer not involving any public offering.

On August 4, 2016, a corporation converted \$16,568 of principal and interest into 1,656,781 shares of the Company's common stock at \$0.01 per share to fully satisfy a convertible promissory note dated July 24, 2015.

On August 5, 2016, the Company executed and delivered a \$25,000 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 8% and has a maturity date of August 5, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.01 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On August 30, 2016, the Company executed and delivered a \$5,000 Convertible Promissory Note to an individual, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 10% and has a maturity date of August 30, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.01 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On October 11, 2016, the Company executed and delivered a \$15,000 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of October 10, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.0075 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On November 28, 2016, the Company executed and delivered a \$4,000 Convertible Promissory Note to a related corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of November 28, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.01 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On December 2, 2016, a corporation converted \$11,000 of principal and interest into 2,200,000 shares of the Company's common stock at \$0.005 per share to fully satisfy a convertible promissory note dated November 3, 2015.

On December 09, 2016, a corporation converted \$13,456 of principal and interest into 1,794,110 shares of the Company's common stock at \$0.0075 per share to fully satisfy a convertible promissory note dated September 8, 2015.

On December 15, 2016, the Company executed and delivered a \$2,000 Convertible Promissory Note to a related corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of December 15, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.0075 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On December 28, 2016, the Company executed and delivered a \$7,000 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of December 28, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.0075 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On December 30, 2016, an individual converted \$38,737 of principal and interest into 3,873,700 shares of the Company's common stock at \$0.01 per share to fully satisfy a convertible promissory note dated April 24, 2014.

During January 2017, a corporation converted \$8,859 of principal and interest into 1,771,836 shares of the Company's common stock at \$0.005 per share to fully satisfy a convertible promissory note dated December 31, 2015.

During January 2017, a corporation converted \$13,816 of principal and interest into 1,842,192 shares of the Company's common stock at \$0.0075 per share to fully satisfy a convertible promissory note dated September 15, 2015.

On January 25, 2017, the Company executed and delivered a \$2,000 Convertible Promissory Note to an individual, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of January 25, 2018 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.0075 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During February 2017, a corporation converted \$2,753 of principal and interest into 550,616 shares of the Company's common stock at \$0.005 per share to fully satisfy a convertible promissory note dated February 24, 2015.

On February 20, 2017, the Company executed and delivered an \$11,000 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of February 19, 2018 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During March 2017, a corporation converted \$8,964 of principal and interest into 1,792,876 shares of the Company's common stock at \$0.005 per share to fully satisfy a convertible promissory note dated January 9, 2016.

During March 2017, an individual converted \$11,041 of principal and interest into 2,208,220 shares of the Company's common stock at \$0.005 per share to fully satisfy a convertible promissory note dated February 28, 2016.

During March 2017, an individual converted \$29,748 of principal and interest into 3,690,790 shares of the Company's common stock at rates from \$0.005 to \$0.01 per share to fully satisfy five (5) convertible promissory notes dated from April 7, 2014 – December 29, 2015.

On March 15, 2017, the Company executed and delivered a \$10,000 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of September 15, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During April 2017, a corporation converted \$19,304 of principal and interest into 3,860,888 shares of the Company's common stock at \$0.005 per share to fully satisfy two convertible promissory notes dated March 24, 2016 and March 31, 2016.

During June 2017, a corporation converted \$11,166 of principal and interest into 2,233,288 shares of the Company's common stock at \$0.005 per share to fully satisfy a convertible promissory note dated May 9, 2016.

On June 5, 2017, the Company executed and delivered a \$5,000 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of December 4, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During June 2017, an individual converted \$4,537 of principal and interest into 1,814,904 shares of the Company's common stock at \$0.0025 per share to fully satisfy a convertible promissory note dated March 22, 2016.

On June 14, 2017, the Company executed and delivered a \$2,200 Convertible Promissory Note to an individual, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of December 13, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.01 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On June 21, 2017, the Company executed and delivered a \$5,000 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of December 20, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.01 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On June 28, 2017, the Company executed and delivered a \$1,500 Convertible Promissory Note to a related corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of December 28, 2017 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.01 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During June 2017, an individual converted \$5,760 of principal and interest into 2,303,972 shares of the Company's common stock at \$0.0025 per share to fully satisfy a convertible promissory note dated February 25, 2016.

On July 13, 2017, the Company executed and delivered a \$1,000 Convertible Promissory Note to an individual, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of July 12, 2018 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.01 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On July 18, 2017, the Company executed and delivered a \$500 Convertible Promissory Note to an individual, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of July 17, 2018 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.01 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On July 27, 2017, the Company executed and delivered a \$1,500 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of January 2, 2018 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.015 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On August 2, 2017, the Company executed and delivered a \$1,000 Convertible Promissory Note to an individual, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of August 1, 2018 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.015 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During August 2017, a corporation converted \$27,031 of principal and interest into 2,703,082 shares of the Company's common stock at \$0.01 per share to fully satisfy a convertible promissory note dated August 5, 2016.

On August 10, 2017, the Company executed and delivered a \$4,000 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of August 9, 2018 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.015 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On August 21, 2017, the Company executed and delivered a \$12,500 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of August 20, 2018 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.01 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On September 12, 2017, the Company executed and delivered a \$2,000 Convertible Promissory Note to a related corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of September 11, 2018 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.01 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On September 25, 2017, the Company executed and delivered a \$12,500 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of September 24, 2018 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.0075 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During September 2017, an individual converted \$8,824 of principal and interest into 3,529,520 shares of the Company's common stock at \$0.0025 per share to fully satisfy two convertible promissory notes dated March 8, 2016 and April 19, 2016. The subject shares were issued in November 2017.

During October 2017, a corporation converted \$15,854 of principal and interest into 2,113,882 shares of the Company's common stock at \$0.0075 per share to fully satisfy a convertible promissory note dated October 11, 2016.

On November 7, 2017, the Company executed and delivered a \$10,000 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of November 6, 2018 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.0075 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During December 2017, the Company's president and treasurer converted \$5,506 of principal and interest into 1,101,232 shares of the Company's common stock at \$0.005 per share to partially satisfy a convertible promissory note dated February 25, 2016.

On December 15, 2017, the Company executed and delivered a \$7,500 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of December 14, 2018 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.0075 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During January 2018, a corporation converted \$7,371 of principal and interest into 1,474,218 shares of the Company's common stock at \$0.005 per share to fully satisfy a convertible promissory note dated December 28, 2016.

During January 2018, an individual converted \$26,231 of indebtedness due on 4 promissory notes into 4,848,729 shares of the Company's common stock at \$0.0053 per share to fully satisfy two convertible promissory notes dated October 22, 2015 and December 15, 2015. The remaining two notes were noted to have indebtedness previously converted into shares of the Company's common stock. During March 2018, it was discovered the individual had inadvertently converted \$26,825.20 in indebtedness due and owing on four (4) convertible promissory notes into 3,301,040 shares of the Company's common stock. Two of these notes were converted during 2017, in addition to the two notes mentioned above. On May 7, 2018, the Company and individual agreed to consolidate four (4) demand notes with an aggregate principle amount of \$256,915.07 into a single consolidated convertible promissory note and reduce the principle balance by \$26,825.20 arising from the inadvertent duplicate conversion of amounts due and owing under the four (4) convertible notes which has been previously converted by the individual as mentioned above. The four (4) demand promissory notes consolidated into a single consolidated convertible promissory note are as follows:

1. \$53,174.34 promissory note dated December 31, 2016;
2. \$74,373.65 promissory note dated July 2, 2012;
3. \$58,860.00 promissory note dated September 17, 2012;
4. \$70,507.08 promissory note dated December 14, 2012.

The new Consolidated Convertible Promissory Note dated May 7, 2018 was executed and delivered to the individual with principal in the amount of \$230,089.87 (\$256,915.07 less \$26,825.20). The Consolidated Convertible Note bears interest at 5% and has a maturity date of May 7, 2019 at which time all principal and accrued interest shall be due and payable in full. After maturity, the interest rate increases to 10%. Prepayment is permitted without penalty. The Consolidated Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$0.025 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Consolidated Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On January 17, 2018, the Company executed and delivered a \$10,000 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 8% and has a maturity date of January 16, 2019 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During February 2018, a corporation converted \$11,559 of principal and interest into 2,311,808 shares of the Company's common stock at \$.005 per share to fully satisfy a convertible promissory note dated February 20, 2017.

On February 21, 2018, the Company executed and delivered a \$5,000 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 8% and has a maturity date of February 20, 2019 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On March 7, 2018, the Company executed and delivered a \$5,000 Convertible Promissory Note to an individual, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of March 7, 2019 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 10%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.0025 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During March 2018, a Company's CEO converted \$5,531 of principal and interest into 1,106,164 shares of the Company's common stock at \$.005 per share to partially satisfy a convertible promissory note dated February 23, 2016.

On April 2, 2018, the Company executed and delivered a \$5,000 Convertible Promissory Note to the Company's President, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of April 1, 2019 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On May 7, 2018, the Company executed and delivered a \$1,500 Convertible Promissory Note to the Company's President, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of May 7, 2019 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On June 29, 2018, the Company executed and delivered a \$2,000 Convertible Promissory Note to the Company's President, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of June 28, 2019 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.0035 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During July 2018, a corporation converted \$11,459 of principal and interest into 2,291,800 shares of the Company's common stock at \$0.005 per share to fully satisfy a convertible promissory note dated March 15, 2017. In addition, the corporation converted \$5,646 of principal and interest into 1,129,200 shares of the Company's common stock at \$0.005 per share to fully satisfy a convertible promissory note dated June 5, 2017.

On July 23, 2018, the Company executed and delivered a \$1,500 Convertible Promissory Note to an individual, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of July 23, 2019 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.0035 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On September 5, 2018, the Company executed and delivered a \$1,500 Convertible Promissory Note to a corporation, which was funded on or about its issuance date. The Convertible Note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The Convertible Note bears interest at 5% and has a maturity date of September 4, 2019 at which time all principal and accrued interest shall be due and payable in full. After maturity the interest rate increases to 15%. Prepayment is permitted without penalty. The Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of \$.0025 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During October 2018, a corporation converted three convertible promissory into shares of the Company's common stock as follows:

- \$5,864 of principal and interest into 586,400 shares of the Company's common stock at \$0.01 per share to fully satisfy a convertible promissory note dated June 21, 2017.
- \$2,010 of principal and interest into 134,000 shares of the Company's common stock at \$0.015 per share to fully satisfy a convertible promissory note dated July 27, 2017.
- \$5,144 of principal and interest into 342,950 shares of the Company's common stock at \$0.015 per share to fully satisfy a convertible promissory note dated August 10, 2017.

During October 2018, the Company modified a \$12,500 convertible promissory note to a corporation dated August 27, 2018 and reduced the conversion rate from \$.01 to \$.005 per share. The corporation converted \$14,029 of principal and interest into 2,805,820 shares of the Company's common stock at \$0.005 per share to fully satisfy the convertible promissory.

## **Item 5. Financial Statements.**

Financial information for the nine months ended September 30, 2018 and 2017, are attached hereto as Exhibit A, and such financial information is incorporated herein by this reference.

## PART C BUSINESS INFORMATION

### Item 6. Describe the Issuer's Business, Products and Services.

#### A. Description of the Issuer's Business Operations.

Baristas is a national Coffee Company that is recognized throughout the US. Baristas gained mainstream exposure when it was the subject of "Grounded in Seattle" the reality show special feature which aired on WE TV. Formerly, Baristas provided customers the ability to drive up and order their choice of a custom-blended espresso drinks, freshly brewed coffee or other beverages through its drive-thru locations. The Company sold its last retail location on June 2, 2017 for \$68,000 and existed the retail business

During 2016, Baristas refocused its business to concentrate on its wholesale and direct to consumer coffee based products under the Baristas brand such as single serve coffee pods compatible with the Keurig 2.0 brewing system. The Baristas special "Espresso Blend" and its revolutionary "White Coffee" single serve cups have become strong sellers, with the lightly roasted 3X the caffeine, "White Coffee" becoming the bestselling product in the nation in its category. The Company has also started to provide media services to clients.

Baristas obtains its raw material from a variety of suppliers that are very competitive and reasonably generic in offering. We do not anticipate any disruption in obtaining raw goods for our coffee related products. The Company is not dependent on one or a few major customers.

On Oct. 23, 2018 the Company announced creating a new line of infused coffee called Baristas "EnrichaRoast" that promotes healthy living. The new blends are infused with substances that promote weight loss, vitality, sensuality, and recovery from hangovers as well as potentially other health benefits. Some other potential benefits may or may not include the slowing of cancer cells, prevention of Alzheimer's, treatment of Glaucoma, relief from Arthritis, decreased Anxiety, and reportedly other healthy effects.

#### *Material Contracts*

On March 1, 2015, the Company signed five-year Executive Employment Contracts for the Company's CEO and President. Each Executive was compensated with 3,000,000 shares for an aggregate of 6,000,000 unregistered shares of the Company's common stock for services performed from March 1, 2009 to February 28, 2015. These shares were issued in 2015 and valued at \$2,304,000 or \$0.384 per share. In addition, each executive will be compensated with 500,000 unregistered shares of the Company's common stock payable on each anniversary beginning March 1, 2015. On September 16, 2015 each Executive was issued 500,000 shares for an aggregate of 1,000,000 unregistered shares of the Company's common stock for services performed from March 1, 2015 to February 28, 2016. These shares were valued at \$222,160 or \$0.221 per share. On October 10, 2017, the Company amended the employment agreements to increase the number of shares from 500,000 per Executive to 5,000,000 shares per Executive for an aggregate of 10,000,000 unregistered shares of the Company's common stock for services performed each year starting March 1, 2016 to February 29, 2020, an aggregate of four years or 40,000,000 unregistered shares of the Company's common stock. The Executives earned 10,000,000 unregistered shares valued at \$953,568 or \$.0954 per share for the year March 1, 2016 through February 28, 2017 and earned 10,000,000 unregistered shares valued at \$74,500 or \$.00745 per share for the year March 1, 2017 through February 28, 2018. The February 28, 2017 & 2018 shares have not been issued as of November 20, 2018. The subject shares were not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a) (2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

The foregoing stock compensation constitutes the entirety of compensation for both the CEO and President of the Company. No cash or other cash equivalent compensation has been given or earned during the term of the subject Executive Employment Contracts.

### ***Safe Harbor For Forward-Looking Statements***

When used in this Report, the words “may,” “will,” “except,” “anticipate,” “continue,” “estimate,” “project,” “intend” and similar expressions are intended to identify forward-looking statements within the meaning of Section 27(a) of the Securities Act of 1933 and Section 21(e) of the Securities Exchange Act of 1934 regarding events, condition, and financial trends that may affect the Company’s future plans of operations, business strategy, operating results, and financial position. Persons reviewing this report are cautioned that and forward-looking statements are not guarantees of future performance and are subject to risk and uncertainties and those actual results may differ materially from those include within the forward-looking statements as a result of varying factors. Such factors include among other things, uncertainties, relating to our success in judging consumer preferences, financing our operations, entering into strategic partnerships, engaging management, seasonal and period to period fluctuations in sales, failure to increase market share or sales inability to service outstanding debt obligations dependents on a limited number of customers, increased production costs or delays in production of new products intense competition within the industry, inability to protect the intellectual property in the international market for our products, changes in market conditions and other matters disclosed by us in our public filings from time to time, Forward-looking statements speak only as to the date they are made. The Company does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.

### **Management’s Discussion and Analysis or Plan of Operation.**

A. Plan of Operation. The Company sold its last retail stands on June 2, 2017 and now focusing upon developing e-commerce sales of its coffee related products and developing media opportunities. For the nine months ended September 30, 2018 and 2017, our revenues were \$3,450, and \$205,759 respectively, and we incurred a net loss of \$173,460 and \$232,600 for nine months ended September 30, 2018 and 2017, respectively. We have an accumulated deficit since inception of \$13,488,770

For the foreseeable future, our operating plan is dependent upon both the ability to conserve existing cash resources and the ability to obtain additional capital through equity financing and/or debt financing to provide the necessary funds and cash flow to meet our obligations on a timely basis and to execute our business plan. In the event that we are unable to conserve existing cash resources and/or obtain the additional and necessary capital, the Company may have to cease its operations. This would materially impact the Company’s ability to continue as a going concern for a reasonable period of time.

#### **Liquidity and Capital Resources**

We eliminated our final operating coffee stand in June 2017 and reported \$3,450 of revenues for the nine months ended September 30, 2018 compared to one operating coffee stand and bartering revenues which resulted in total revenues of \$205,759 for the nine months ended September 30, 2017. At September 30, 2018, we have an accumulated deficit since inception of \$13,488,770. These factors, among others, indicate that the Company might be unable to continue as a going concern for a reasonable period of time.

As of September 30, 2018, we had cash of \$-0- and working capital deficit of \$1,427,741. This compares to cash of \$902 and a working capital deficit of \$1,377,074 at December 31, 2017.

Based on anticipated operating and administrative expenses, the Company will not have sufficient cash resources to finance its operations except for several months unless we are able to raise additional equity financing and/or debt financing in the immediate future. We have commenced, and will continue to pursue, efforts to raise additional equity financing and/or debt financing from a variety of sources and means. There are no assurances that we will be able to obtain any additional financing and, even if obtained, that such financing will be in a sufficient amount to be able to continue operations for a sufficient period until the Company is able to generate sufficient revenues and become profitable.

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

**Results of Operations for the three months ended September 30, 2018 compared to the three months ended September 30, 2017:**

*Overview.* Baristas Coffee Company, Inc., is a Nevada corporation, originally formed on October 18, 1996, doing business as Baristas. During June 2017, we sold our last retail stand to focus on developing e-commerce opportunities for the sale of our coffee related products and developing media opportunities. As attributable to the factors discussed below, our revenues and losses have decreased significantly comparing the three months ended September 30, 2018 to the three months ended September 30, 2017.

*Revenues.* We had revenues from operations of \$510 and \$133,611 for the three months ended September 30, 2018 and 2017, respectively. The reduction of \$133,101 is primarily attributable to \$128,000 of bartering revenues during the three months ended September 30, 2017 and -0- bartering revenues in the three months ended September 30, 2018.

*Operating Expenses.* Our operating expenses were \$48,968 and \$81,746 for the three months ended September 30, 2018 and 2017, respectively. The decrease of \$32,778 was attributable a decrease of approximately \$38,000 for direct expenses, an approximate \$4,000 decrease in depreciation and amortization expenses, an approximate \$6,000 decrease in professional fees, offset by an approximate \$14,000 increase in compensation expenses primarily for executive stock compensation and an approximate \$1,000 increase in general and administrative expenses. These factors are primarily a result of our operating one coffee stand during the three months ended September 30, 2017 compared to not operating any coffee stands after June 2017. In addition, we had bartering direct costs of approximately \$29,000 during the three months ending September 30, 2017.

*Other (Income) Expense.* Our total other (income) expense was \$14,590 and \$28,437 for the three months ended September 30, 2018 and 2017, respectively. The decrease of \$13,847 in expense was attributable to a \$2,061 increase on interest income from increased related party notes receivable and an \$11,786 decrease in interest expense on notes payable from investors and related parties.

**Results of Operations for the nine months ended September 30, 2018 compared to the nine months ended September 30, 2017:**

*Overview.* Baristas Coffee Company, Inc., is a Nevada corporation, originally formed on October 18, 1996. During June 2017, we sold our last retail stand to focus on developing e-commerce opportunities for the sale of our coffee related products and developing media opportunities. As attributable to the factors discussed below, our revenues and losses have decreased significantly comparing the nine months ended September 30, 2018 to the nine months ended September 30, 2017.

*Revenues.* We had revenues from operations of \$3,450 and \$205,759 for the nine months ended September 30, 2018 and 2017, respectively. The reduction of \$202,309 is attributable to our closing our last retail coffee stand during June 2017 and \$128,000 of bartering revenues during the nine months ended September 30, 2017 and -0- bartering revenues in the nine months ended September 30, 2018.

*Operating Expenses.* Our operating expenses were \$124,015 and \$424,065 for the nine months ended September 30, 2018 and 2017, respectively. The decrease of \$300,050 was attributable a decrease of approximately \$53,000 for direct expenses, an approximate \$16,000 decrease in compensation expenses, an approximate \$15,000 decrease in depreciation and amortization expenses, an approximate \$34,000 decrease in general and administrative expenses, an approximate \$12,000 decrease in professional fees and a \$169,740 impairment charge as we wrote-off fixed assets related to the coffee stands during the nine months ended September 30, 2017. These factors are primarily a result of our reduction in operating one coffee stand during the June 2017 compared to not operating any coffee stands after June 2017. In addition, we had bartering direct costs of approximately \$29,000 during the nine months ending September 30, 2017.

*Other (Income) Expense.* Our total other (income) expense was \$52,895 and \$14,294 for the nine months ended September 30, 2018 and 2017, respectively. The increase of \$38,601 in expense was attributable to a \$12,417 increase on interest income from increased related party notes receivable and a \$16,982 decrease in interest expense on notes payable from investors and related parties, offset by a \$68,000 gain from the sale of our last operating stand during the nine months ended September 30, 2017.

## Capital Structure and Resources

We had total assets of \$3,327,073 as of September 30, 2018, which consisted of cash of \$-0-, inventory of \$3,402, barter exchange of \$67,200, related party notes receivable of \$459,741 (including accrued interest), property and equipment of \$9,200 (net of accumulated depreciation), goodwill of \$2,770,651 and intangible assets of \$16,879 (net of accumulated amortization).

We had total liabilities of \$1,958,084 as of September 30, 2018 consisting of accounts payable of \$94,696, accrued expenses of \$1,385,318, notes payable of \$41,250, related party convertible notes payable of \$95,605 (net of discount) and convertible notes payable of \$341,215 (net of discount). For further information and details on convertible notes and notes payable which have been issued, see Note 6 (Notes Payable) to the financial statements attached hereto as Exhibit A and information set forth in Item 4 above.

At September 30, 2018, we had total stockholders' equity of \$1,368,989. We have had net losses since inception and had an accumulated deficit of \$13,488,770 and accumulated other comprehensive loss of 1,916 at September 30, 2018.

We had net cash used in operating activities of \$23,802 for the nine months ended September 30, 2018. Net cash of \$10,600 was used by investing activities for the nine months ended September 30, 2018 from related party notes receivable. Net cash of \$33,500 was provided by financing activities for the nine months ended September 30, 2018 as provided by loans from related parties, corporations and an individual of \$35,800 less repayment of \$2,300 to related parties.

### **B. Off-Balance Sheet Arrangements.**

We have no material off-balance sheet transactions, arrangements or obligations.

C. **Date and State (or Jurisdiction) of Incorporation.**

Baristas is a Nevada corporation that was originally formed on October 18, 1996.

D. **Issuer's Primary and Secondary SIC Codes.**

Baristas' primary SIC Code is 514909 (Coffee and Tea)

E. **Issuer's fiscal year end date.**

Baristas' fiscal year end is at December 31<sup>st</sup> of each year.

F. **Principal Products or Services, and Their Markets.**

In furtherance of its business as described in section 6A above, Baristas is primarily focused on producing and selling coffee related products under the Baristas brand and developing media opportunities for clients.

**Item 7. Describe the Issuer's Facilities.**

*Description of Corporate Offices*

Baristas' corporate offices are located at 19930 68<sup>th</sup> Avenue N.E., Kenmore, Washington 98028, being provided at no charge by the Company's CEO, Barry Henthorn.

We believe that our current facilities are adequate for our operations as currently conducted. If additional facilities are required, we could obtain them at commercially reasonable prices.

**PART D MANAGEMENT STRUCTURE AND FINANCIAL INFORMATION**

**Item 8. Officers, Directors and Control Persons.**

A. **Name of Officers, Directors and Control Persons.** The names of each of the Company's executive officers, directors and control persons (control persons are beneficial owners of more than ten percent (10%) of any class of the Company's equity securities) as of the date of this Quarterly Report are as follows:

<u>Name</u>	<u>Age</u>	<u>Date First Elected or Appointment</u>	<u>Position</u>
Barry Henthorn	51	July 10, 2000	CEO, CFO, Principal Accounting Officer, Secretary, Director
Scott Steciw	53	May 5, 2010	President, Treasurer, Director

B. Legal/Disciplinary History. At no time in the last five years, has any officer or member of the board of directors, or any control person, been the subject of any of the following:

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

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

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

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

C. Beneficial Shareholders.

The following table sets forth certain information regarding the beneficial ownership of our common stock as of November 20, 2018, by each person who, to our knowledge, owns more than 10% of any class of our common stock. The table also includes our executive officers. Unless otherwise indicated in the footnotes to the following tables, each person named in the table has sole voting and investment power, except to the extent such power may be shared with a spouse.

<b>Name and Address of Beneficial Owner</b>	<b>Amount and Nature of Beneficial Ownership<sup>+</sup></b>	<b>Percentage of Class<sup>+</sup></b>
Barry Henthorn 19930 68 <sup>th</sup> Ave. N.E. Kenmore, WA 89028	7,265,045 Common Shares Direct Ownership	5.8%
T. Scott Steciw 19930 68 <sup>th</sup> Ave. N.E. Kenmore, WA 89028	10,264,244 Common Shares Direct Ownership	8.2%
<b><i>Directors and Executive Officers as a Group</i></b>	<b><i>17,529,289 Common Shares</i></b>	<b><i>13.9%</i></b>

<sup>+</sup> Based on 125,801,306 shares of common stock issued and outstanding as of November 20, 2018.

The following table sets forth certain information regarding the beneficial ownership of our preferred stock as of November 20, 2018, by each person who, to our knowledge, owns more than 10% of any class of our preferred stock. Unless otherwise indicated in the footnotes to the following tables, each person named in the table has sole voting and investment power, except to the extent such power may be shared with a spouse.

<b>Name and Address of Beneficial Owner</b>	<b>Amount and Nature of Beneficial Ownership<sup>c</sup></b>	<b>Percentage of Class<sup>+</sup></b>
Barry Henthorn 19930 68 <sup>th</sup> Ave. N.E. Kenmore, WA 89028	13,001,108 Preferred Shares Direct Ownership	47.6%
T. Scott Steciw 19930 68 <sup>th</sup> Ave. N.E. Kenmore, WA 89028	12,866,000 Preferred Shares Direct Ownership	47.1%
<b><i>Directors and Executive Officers as a Group</i></b>	<b><i>25,867,108 Preferred Shares</i></b>	<b><i>94.7%</i></b>

\* Based on 27,328,358 shares of preferred stock issued and outstanding as of November 20, 2018.

**Item 9. Third Party Providers**

1. Counsel: Patrick J. Russell, Esq.  
Allen Vellone Wolf Helfrich & Factor, P.C.  
1600 Stout Street, Suite 1100  
Denver, Colorado 80202  
Phone no.: (303) 534-4499
  
2. Accountant: Rick Basse, CPA  
Rick Basse Consulting, PLLC  
244 Majestic Oak Drive  
New Braunfels, Texas 78132  
Phone no.: (210) 347-0374
  
3. Auditor: None
4. Investor Relations Consultant: None
5. Other Advisors: None

**Item 10. Issuer's Certifications.**

**The undersigned**, Barry Henthorn, as CEO and CFO, and Scott Steciw, as President, certify that:

1. We have reviewed this Quarterly Report of Baristas Coffee Company, Inc.

2. Based on our knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on our knowledge, the restated financial statement, 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.

Dated: November 20, 2018

BARISTAS COFFEE COMPANY, INC.

By       /s/ Barry Henthorn        
Barry Henthorn, Chief Executive Officer, Chief Financial  
Officer, Director

By       /s/ Scott Steciw        
Scott Steciw, President, Director

**Exhibit A**

**BARISTAS COFFEE COMPANY, INC.**  
19930 68<sup>th</sup> Avenue N.E.  
Kenmore, WA 98028

**Financial Statements and Notes**  
**For the Three and Nine months ended September 30, 2018**

## BARISTAS COFFEE COMPANY INC.

Consolidated Balance Sheets (Unaudited)

	September 30, 2018	December 31, 2017
<b>Assets</b>		
Current assets:		
Cash	\$ -	\$ 902
Inventory	3,402	5,354
Barter exchange	67,200	67,200
Notes receivable - related parties	459,741	419,552
Total current assets	530,343	493,008
Other assets		
Property and equipment, net	9,200	13,340
Goodwill	2,770,651	2,770,651
Intangible assets, net	16,879	37,133
Total other assets	2,796,730	2,821,124
<b>Total Assets</b>	<b>\$ 3,327,073</b>	<b>\$ 3,314,132</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 94,696	\$ 80,539
Accrued expenses	1,385,318	1,314,617
Notes payable	41,250	39,250
Related party convertible notes, net of discount of \$4,495 and \$6,459 at September 30, 2018 and December 31, 2017, respectively	95,605	83,653
Convertible notes, net of discount of \$11,275 and \$37,249 at September 30, 2018 and December 31, 2017, respectively	341,215	352,023
Total current liabilities	1,958,084	1,870,082
Commitments and contingencies		
Stockholders' Equity:		
Series A preferred stock, \$0.001 par value; 30,000,000 shares authorized, 27,328,358 Preferred stock shares issued and outstanding as of September 30, 2018 and December 31, 2017	27,328	27,328
Common stock, \$0.001 par value, 600,000,000 shares authorized, 122,380,306 and 112,528,407 issued and outstanding as of September 30, 2018 and December 31, 2017, respectively	125,801	112,528
Additional paid-in capital	14,706,546	14,621,420
Accumulated other comprehensive loss	(1,916)	(1,916)
Accumulated deficit	(13,488,770)	(13,315,310)
Total stockholders' equity	1,368,989	1,444,050
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 3,327,073</b>	<b>\$ 3,314,132</b>

The accompanying notes are an integral part of these consolidated financial statements.

**BARISTAS COFFEE COMPANY INC.**

Consolidated Statements of Operations (unaudited)

	For the Three Months Ended		For the Nine Months Ended	
	<u>September 30, 2018</u>	<u>September 30, 2017</u>	<u>September 30, 2018</u>	<u>September 30, 2017</u>
Revenue	\$ 510	\$ 133,611	\$ 3,450	\$ 205,759
Operating expenses:				
Direct costs	943	37,742	2,220	55,782
Compensation	32,251	18,625	82,270	97,942
Depreciation and amortization	8,131	12,505	24,394	39,415
General and administrative	4,378	3,171	(4,955)	28,907
Professional expenses	3,265	9,703	20,086	32,279
Impairment expense	-	-	-	169,740
Total operating expenses	<u>48,968</u>	<u>81,746</u>	<u>124,015</u>	<u>424,065</u>
Net operating loss	(48,458)	51,865	(120,565)	(218,306)
Other (income) expense:				
Interest income	(10,068)	(8,007)	(29,589)	(17,172)
Interest expense	24,658	36,444	82,484	99,466
Gain on disposal of assets	-	-	-	(68,000)
Total other (income) expense	<u>14,590</u>	<u>28,437</u>	<u>52,895</u>	<u>14,294</u>
Net loss	\$ (63,048)	\$ 23,428	(173,460)	(232,600)
Other comprehensive income (loss)				
Realized gain on sales of marketable securities	-	-	-	-
Unrealized (income) loss on marketable securities	-	62	-	20
Net other comprehensive income (loss)	<u>-</u>	<u>62</u>	<u>-</u>	<u>20</u>
Net loss and other comprehensive loss	<u>(63,048)</u>	<u>23,366</u>	<u>(173,460)</u>	<u>(232,620)</u>
Basic income loss per share	\$ <u>(0.001)</u>	\$ <u>0.000</u>	\$ <u>(0.001)</u>	\$ <u>(0.002)</u>
Weighted average number of common shares outstanding - basic and diluted	125,355,089	104,152,986	122,462,175	95,139,219
Weighted average number of common shares outstanding - diluted	N/A	142,513,481	N/A	N/A

The accompanying notes are an integral part of these consolidated financial statements.

# BARISTAS COFFEE COMPANY INC.

## Statements of Cash Flow (Unaudited)

	For the Nine Months Ended	
	September 30, 2018	September 30, 2017
Cash flows from operating activities:		
Net loss	\$ (173,460)	\$ (232,600)
Adjustments to reconcile net loss to net cash used in operating activities:		
Non-cash interest	92,484	99,466
Depreciation and amortization	24,394	39,415
Interest Income	(29,589)	(17,172)
Impairment expense	-	169,740
Changes in operating assets and liabilities:		
Inventory	1,952	4,984
Prepaid expenses	-	5,205
Barter Exchange	-	(99,200)
Accrued expenses and other current liabilities	60,417	(86,614)
Net cash used in operating activities	(23,802)	(116,776)
Cash flows from investing activities:		
Proceeds from sale of assets	-	68,000
Payment for related party notes receivable	(10,600)	(14,500)
Net cash provided by investing activities	(10,600)	53,500
Cash flows from financing activities:		
Proceeds from issuance notes payable	4,300	-
Repayment on notes payable	(2,300)	-
Proceeds from issuance of convertible notes payable	23,000	61,500
Proceeds from issuance of related party convertible notes payable	8,500	11,750
Repayment on related party convertible notes payable	-	(5,550)
Net cash provided by financing activities	33,500	67,700
Net increase (decrease) in cash	(902)	4,424
Cash - beginning of the year	902	4,470
Cash - end of the year	\$ -	\$ 8,894
Supplemental disclosures:		
Interest paid	\$ 75	\$ -
Cash paid for income taxes	\$ -	\$ -
Supplemental disclosure for non-cash financing activities:		
Convertible notes payable settled by common shares	\$ 67,797	\$ 173,164

The accompanying notes are an integral part of these consolidated financial statements.

**BARISTAS COFFEE COMPANY, INC.**  
**Notes to Financial Statements (Unaudited)**  
**As of September 30, 2018**

**NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION BASIS**

***Description of Business***

Baristas Coffee Company, Inc. ("Baristas" "The Company") is a Nevada C Corporation that was originally formed as InfoSpi.com on October 18, 1996. On December 22, 2009, it acquired greater than a 60% interest in Pangea Networks, Inc. ("Pangea")/ DBA Baristas Inc., and numerous coffee stands in the greater Seattle area, for cash, stock and other consideration. In May of 2010, the Company changed its name to Baristas Coffee Company, Inc. The Company's fiscal year end is December 31.

Baristas is a national Coffee Company that is recognized throughout the US. Baristas gained mainstream exposure when it was the subject of "Grounded in Seattle" the reality show special feature which aired on WE TV. Formerly, Baristas provided customers the ability to drive up and order their choice of a custom-blended espresso drinks, freshly brewed coffee or other beverages through its drive-thru locations. The Company sold its last retail location on June 2, 2017 for \$68,000 and existed the retail business.

During 2016, Baristas refocused its business to concentrate on its wholesale and direct to consumer coffee based products under the Baristas brand such as single serve coffee pods compatible with the Keurig 2.0 brewing system. The Baristas special "Espresso Blend" called "White Coffee" are single serve cups with the lightly roasted coffee and 3X the caffeine. The Company has also started to provide media services to clients.

***Basis of Presentation***

The Company prepares its financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP").

***Reclassifications***

Certain prior year amounts have been reclassified to conform to the current year presentation for comparative purposes.

***Estimates and Assumptions***

Preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Examples include, but are not limited to, estimates for asset and goodwill impairments, stock-based compensation forfeiture rates, future asset retirement obligations, and inventory reserves; assumptions underlying self-insurance reserves and income from unredeemed stored value cards; and the potential outcome of future tax consequences of events that have been recognized in the financial statements. Actual results and outcomes may differ from these estimates and assumptions.

***Cash and Cash Equivalents***

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents. At September 30, 2018 and December 31, 2017, the Company had \$-0- and \$902 cash, respectively.

***Marketable Securities***

The Company's marketable equity securities have been classified and accounted for as available-for-sale. Management determines the appropriate classification of its investments at the time of purchase and reevaluates the designations at each balance sheet date. The Company classifies its marketable equity securities as either short-term or long-term based on the nature of each security and its availability for use in current operations. The Company's marketable equity securities are carried at fair value, with the unrealized gains or losses reported as a component of shareholder's equity except impairment. The marketable security was disposed of at December 31, 2017.

Adjustments resulting from the change in fair value, included in accumulated other comprehensive income in shareholder's equity, were an unrealized loss on marketable securities of \$-0- and \$62 for the three months ended September 30, 2018 and 2017, respectively, and \$-0- and \$20 on marketable securities for the nine months ended September 30, 2018 and 2017, respectively.

### ***Fair Value of Financial Instruments***

The carrying amount of the Company's cash, accounts payables and accrued liabilities approximates their estimated fair values due to the short-term maturities of those financial instruments.

The Company has adopted a single definition of fair value, a framework for measuring fair value, and providing expanded disclosures concerning fair value whereby estimated fair value is the price to be paid for an asset or the amount to settle a liability in an orderly transaction between market participants at the measurement date. Accordingly, fair value is a market-based measurement and not an entity-specific measurement.

The Company utilizes the following hierarchy in fair value measurements:

Level 1 – Inputs use quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

Level 2 – Inputs use other inputs that are observable, either directly or indirectly. These inputs include quoted prices for similar assets and liabilities in active markets as well as other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 – Inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

### ***Inventories***

Inventories are stated at the lower of cost or market. Cost is computed using weighted average cost, which approximates actual cost, on a first-in, first-out basis. Inventories on hand are evaluated on an on-going basis to determine if any items are obsolete or in excess of future needs. Items determined to be obsolete are reserved for. The Company provides for the possible inability to sell its inventories by providing an excess inventory reserve. As of September 30, 2018, the Company determined that no reserve was required.

### ***Property, Plant and Equipment***

Property, plant and equipment are carried at cost less accumulated depreciation. Cost includes all direct costs necessary to acquire and prepare assets for use, including internal labor and overhead in some cases. Depreciation of property, plant and equipment, which includes assets under capital leases, is provided on the straight-line method over estimated useful lives, generally ranging from 3 to 5 years for equipment and 5 years for buildings. Leasehold improvements are amortized over the shorter of their estimated useful lives or the related lease life, generally 5 years. For leases with renewal periods at our option, we generally use the original lease term, excluding renewal option periods, to determine estimated useful lives. If failure to exercise a renewal option imposes an economic penalty to us, we may determine at the inception of the lease that renewal is reasonably assured and include the renewal option period in the determination of the appropriate estimated useful lives. The costs of repairs and maintenance are expensed when incurred, while expenditures for refurbishments and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. When assets are retired or sold, the asset cost and related accumulated depreciation are eliminated with any remaining gain or loss recognized in net earnings.

The Company recorded \$1,380 depreciation for the three months ended September 30, 2018, and 2017, and 4,140 and \$6,040 depreciation for the nine months ended September 30, 2018, and 2017, respectively.

### ***Goodwill***

We test goodwill for impairment on an annual basis, or more frequently if circumstances, such as material deterioration in performance or a significant number of store closures, indicate reporting unit carrying values may exceed their fair values. When evaluating goodwill for impairment, we may first perform a qualitative assessment to determine if the fair value of the reporting unit is more likely than not greater than its carrying amount. If we do not perform a qualitative assessment or if the fair value of the reporting unit is not more likely than not greater than its carrying amount, we calculate the implied estimated fair value of the reporting unit. If the carrying amount of goodwill exceeds the implied estimated fair value, an impairment charge to current operations is recorded to reduce the carrying value to the implied estimated fair value. There were no goodwill impairment charges recorded during the nine months ended September 30, 2018 and 2017.

### ***Other Intangible Assets***

Definite-lived intangible assets, which mainly consist of acquired rights, trade secrets, trademarks and copyrights, are amortized over their estimated useful lives, and are tested for impairment when facts and circumstances indicate that the carrying values may not be recoverable. At December 31, 2017, it was determined certain intangible assets related to the coffee stands were impaired. On December 31, 2017, the Company recorded an impairment charge for \$24,159 to the accompanying statement of operations. There were no other intangible asset impairment charges recorded during the nine months ended September 30, 2018 and 2017.

### ***Long-lived Assets***

Long-lived assets such as property, equipment and identifiable intangibles are reviewed for impairment whenever facts and circumstances indicate that the carrying value may not be recoverable. When required impairment losses on assets to be held and used are recognized based on the fair value of the asset. The fair value is determined based on estimates of future cash flows, market value of similar assets, if available, or independent appraisals, if required. If the carrying amount of the long-lived asset is not recoverable from its undiscounted cash flows, an impairment loss is recognized for the difference between the carrying amount and fair value of the asset. When fair values are not available, the Company estimates fair value using the expected future cash flows discounted at a rate commensurate with the risk associated with the recovery of the assets. On June, 2, 2017, the Company recorded an impairment charge for \$169,740 to write-off the remaining assets related to the coffee stands.

### ***Revenue Recognition***

The Company's revenues consist of sales by Company-operated coffee stores and e-commerce.

The Company recognizes revenues from the sales of our products or services using the following criteria for recognition:

- 1) Persuasive evidence of an arrangement exists;
- 2) delivery has occurred or services have been rendered;
- 3) the seller's price to the buyer is fixed or determinable, and
- 4) collectable is reasonably assured.

Barter transactions represent the exchange of Company services for other services. These transactions are recorded at the estimated fair market value of the services provided or the fair value of the services received, whichever is most readily determinable. Revenue is recognized on barter and trade transactions when the services are provided. Expenses are recorded ratably over a period that estimates when the service received is utilized, or when the event occurs. Barter and trade revenues and expenses from continuing operations are included in revenue and cost of revenues, respectively.

### ***Marketing & Advertising***

Advertising costs are expensed as incurred. Advertising costs totaled \$-0- three months ended September 30, 2018, and 2017, and \$-0- and \$1,974 for the nine months ended September 30, 2018, and 2017, respectively.

### ***Stock-based Compensation***

The Company accounts for employee stock-based compensation to employees, including grants of employee stock options, based on their fair values. The fair value of the equity instrument is charged directly to compensation expense and credited to additional paid-in capital over the period during which services are rendered.

Stock options and warrants issued to consultants and other non-employees are accounted for based upon the fair value of the services provided or the estimated fair market value of the option or warrant, whichever can be more clearly determined.

Stock-based expenses to employees and consultants for general and administration services totaled \$32,250 and \$18,625 for the three months ended September 30, 2018 and 2017, respectively, and totaled \$82,270 and \$55,875 for the nine months ended September 30, 2018 and 2017, respectively.

### ***Earnings per Share***

Basic net loss per common share is computed using the weighted average number of common shares outstanding. Diluted earnings per share (EPS) include additional dilution from common stock equivalents, such as stock issuable pursuant to the exercise of stock options warrants and convertible notes. Common stock equivalents are not included in the computation of diluted earnings per share when the Company reports a loss because to do so would be anti-dilutive for periods presented. As of September 30, 2018, the Company has no options or warrants outstanding. At September 30, 2018, the total shares issuable upon conversion of convertible notes payable and to officers, directors and third parties would be approximately 61,121,000 shares of the Company's common stock.

### **Recent Accounting Pronouncements**

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606), which supersedes the revenue recognition requirements in ASC 605, *Revenue Recognition*. This guidance is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This guidance also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. This guidance can be adopted either retrospectively to each prior reporting period presented, or retrospectively with a cumulative-effect adjustment recognized as of the date of adoption. The original effective date of this guidance for public entities was for annual reporting periods beginning after December 15, 2016. In August 2015, the FASB issued ASU 2015-14, *Revenue from Contracts with Customers* (Topic 606), to defer the effective date of this guidance by one year, to the annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period. A reporting entity may choose to early adopt the guidance as of the original effective date. The Company has implemented the standard and has no impact on the financial statements.

In January 2017 the FASB issued ASU No. 2017-04, *Intangibles – Goodwill and Other (Topic 350)*. The amendments in ASU 2017-04 simplify the measurement of goodwill by eliminating Step 2 from the goodwill impairment test. Instead, under these amendments, an entity should perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. An entity should recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss should not exceed the total amount of goodwill allocated to that reporting unit. The amendments are effective for public business entities for the first interim and annual reporting periods beginning after December 15, 2019.

Accounting standards that have been issued by the FASB or other standards setting bodies that do not require adoption until a future date are being evaluated by the Company to determine whether adoption will have a material impact on the Company's financial statements.

### **NOTE 2 – GOING CONCERN**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the liquidation of liabilities in the normal course of business. As of September 30, 2018, the Company has a loss from operations of \$173,460 and an accumulated deficit of \$13,488,770. The Company intends to fund operations through equity financing arrangements, which may be insufficient to fund its capital expenditures, working capital and other cash requirements for the year ending December 31, 2018.

The ability of the Company to fully commence its operations is dependent upon, among other things, obtaining additional financing to continue operations, and execution of its business plan. In response to these concerns, management intends to raise additional funds through public or private placement offerings and through loans from officers and directors.

These factors, among others, 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. There can be no assurance that management's plan will be successful.

### **NOTE 3 – INVENTORY**

Inventories were comprised of:

	<u>September 30, 2018</u>	<u>December 31, 2017</u>
Coffee and merchandise held for sale	<u>\$ 3,402</u>	<u>\$ 5,354</u>

#### NOTE 4 – INTANGIBLE ASSETS AND GOODWILL

	<u>September 30, 2018</u>	<u>December 31, 2016</u>
Goodwill	\$ 2,770,651	\$ 2,770,651
	<u>September 30, 2018</u>	<u>December 31, 2016</u>
Trademarks	\$ 100,000	\$ 100,000
Logo	80,000	80,000
Website	27,500	27,500
Policies and procedures	-	-
Ice cream intangibles	-	-
	<u>207,500</u>	<u>207,500</u>
Accumulated amortization	<u>(190,621)</u>	<u>(170,367)</u>
Definite-lived intangibles, net	<u>16,879</u>	<u>37,133</u>
Total goodwill and intangible assets	<u>\$ 2,787,530</u>	<u>\$ 2,807,784</u>

The Company recorded \$6,751 and \$11,125 amortization for the three months ended September 30, 2018 and 2017, respectively, and \$20,254 and \$33,375 amortization for the nine months ended September 30, 2018 and 2017, respectively. At December 31, 2017, it was determined the policies and procedures and ice cream intangible assets related to the coffee stands were impaired. On December 31, 2017, the Company recorded an impairment charge for \$24,159 to the accompanying statement of operations.

##### ***Goodwill***

The intangible assets were purchased along with the hard assets, in December 2009, for \$3.5 million in our common stock. After the assets and intangible assets were identified, the remaining \$2,770,651 was recorded as goodwill. The Company does not amortize goodwill. Instead, the Company evaluates goodwill annually in the fourth quarter and whenever events or changes in circumstances indicate that it is more likely than not that an impairment loss has been incurred.

As at December 31, 2017, the Company determined that no such impairment existed based on the following financial and non-financial considerations:

- As at December 31, 2017 the company's market capitalization was approximately \$1,600,000 and has historically exceeded the Company's carrying value.
- Management has been actively building brand awareness through obtaining a brand patent and periphery product branding.
- The Company is expanding into additional product lines and actively developing additional sources of revenues.

#### NOTE 5 – RELATED PARTY TRANSACTIONS

##### *Accrued expenses*

On March 1, 2015, the Company signed five-year Executive Employment Contracts for the Company's CEO and President. Each Executive was compensated with 3,000,000 shares for an aggregate of 6,000,000 unregistered shares of the Company's common stock for services performed from March 1, 2009 to February 28, 2015. These shares were issued in 2015 and valued at \$2,304,000 or \$0.384 per share. In addition, each executive will be compensated with 500,000 unregistered shares of the Company's common stock payable on each anniversary beginning March 1, 2015. On September 16, 2015 each Executive was issued 500,000 shares for an aggregate of 1,000,000 unregistered shares of the Company's common stock for services performed from March 1, 2015 to February 28, 2016. These shares were valued \$222,160 or \$0.221 per share.

On October 10, 2017, the Company amended the employment agreements to increase the number of shares from 500,000 per Executive to 5,000,000 shares per Executive for an aggregate of 10,000,000 unregistered shares of the Company's common stock for services performed each year starting March 1, 2016 to February 28, 2020, an aggregate of four years or 40,000,000 unregistered shares of the Company's common stock. The Executives earned 10,000,000 unregistered shares valued at \$953,568 or \$.0954 per share for the year March 1, 2016 through February 28, 2017 and earned 10,000,000 unregistered shares valued at \$74,500 or \$.00745 per share for the year March 1, 2017 through February 28, 2018. The February 28, 2017 & 2018 shares have not been issued as of November 20, 2018 and the amounts due to the Executives were recorded as accrued expenses in the accompanying balance sheet. The Company has recorded \$32,250 and \$82,270 for the three and nine months ended September 30, 2018, respectively, for the Executives compensation for the March 1, 2018 through February 28, 2019 year in the accompanying statement of operations. The stock to be issued after February 28, 2019 is valued at \$.0129 per share.

#### *Notes Receivable*

The Company has various notes receivable from ReelTime Rental Inc., a related corporation, for services and cash advances. The loan bears interest at 5% to 10% and have various maturity date through April 2, 2019. After maturity, the interest rate generally increases to 10% or 15%. In addition, at any time, the Company may convert the notes into shares of the related party's common stock at various exercise prices between \$0.00025 to \$0.01 per share. The balance of the loans receivable with accrued interest was \$459,741 and \$419,552 as September 30, 2018 and December 31, 2017, respectively. The Company will evaluate the collectability of the loan annual. During the three months ending September 30, 2018 and 2017, the Company recognized \$10,068 and \$8,007 of interest income, respectively, and during the nine months ending September 30, 2018 and 2017, the Company recognized \$29,589 and \$17,172 of interest income, respectively.

#### *Notes Payable*

On March 2, 2018, the Company issued a \$1,000 promissory note to the Company's President. The promissory note has a 5% loan fee and a maturity date of April 1, 2018. After maturity the interest rate is 15%. The Company repaid \$1,050 of principle and interest on March 8, 2018 to fully settle the obligation.

On March 16, 2018, the Company issued a \$500 promissory note to the Company's President. The promissory note has a 5% loan fee and a maturity date of April 15, 2018. After maturity the interest rate is 15%. The Company repaid \$525 of principle and interest on April 2, 2018 to fully settle the obligation.

During April and May 2018, the Company's President advanced the Company \$800. The advance is non-interest bearing and due on demand. The Company repaid \$800 of principle on May 30, 2018 to fully settle the obligation.

On May 29, 2018, the Company issued a \$2,000 promissory note to a related corporation. The promissory note has a 5% loan fee and a maturity date of June 29, 2018. After maturity the interest rate is 15%. The outstanding balance of principle and interest was \$2,176 at September 30, 2018. The promissory note is reported in Notes payable in the accompanying consolidated balance sheet. The Company is not compliant with the repayment terms of the promissory notes payable.

#### **NOTE 6 NOTE PAYABLE**

##### *Notes payable: non-convertible*

The Company has issued a number of notes with various maturities dates to unrelated parties. These notes are demand notes or cease accruing interest after the initial term. The unpaid balance including accrued interest was \$41,950 at September 30, 2018 and December 31, 2017. The promissory notes are reported in Notes payable in the accompanying consolidated balance sheet.

##### *Notes payable: convertible related parties*

The Company has issued a number of convertible notes with various maturities dates to related parties. The loans bears interest at 5% to 10% and have various maturity date through June 28, 2019. After maturity, the interest rate generally increases to 10% or 15%. In addition, at any time, the related party may convert the note into shares of the Company's common stock at various exercise prices between \$0.0035 to \$0.03 per share. Due to the short-term nature of these loans, they are recorded as current liabilities. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the notes added during the three and nine months ended September 30, 2018 was \$0 and \$7,816, respectively. The debt discounts are amortized through the term of the notes. The outstanding balances including accrued interest at September 30, 2018 and December 31, 2017 was \$131,087 and \$106,132, respectively. The outstanding principle balances, net of debt discount at September 30, 2018 and December 31, 2016 were \$95,605 and \$83,653, respectively. The Company is not compliant with the repayment terms for many of these notes payable.

As of September 30, 2018, the conversion price of the related party convertible notes were fixed and determinable on the date of issuance and as such in accordance with ASC Topic 815 “*Derivatives and Hedging*” (“ASC 815”), the embedded conversion options of the notes were not considered derivative liabilities. The beneficial conversion features of certain convertible notes are at a price below fair market value. The Company recorded interest expense on the debt discount of \$2,322 and \$1,323 for the three months ended September 30, 2018 and 2017, respectively, debt discount of \$14,568 and \$10,968 for the nine months ended September 30, 2018 and 2017, respectively, in the accompanying statement of operations.

*Notes payable: convertible non-related parties*

The Company has issued a number of convertible notes with various maturities dates to non-related parties. The loans bears interest at 5% to 10% and have various maturity date through September 4, 2019. After maturity, the interest rate increases to 10% or 15%. In addition, at any time, the individual or corporation may convert the note into shares of the Company’s common stock at various exercise prices between \$0.0025 to \$0.025 per share. Due to the short-term nature of these loans they are recorded as current liabilities. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company’s common stock into on the date of issuance. The fair value of the conversion option in connection with the notes added during three and nine months ended September 30, 2018 was \$2,786 and \$22,786, respectively. The debt discounts are amortized through the term of the notes. The outstanding balances including accrued interest at September 30, 2018 and December 31, 2017 was \$374,217 and \$399,259, respectively. The outstanding principle balances, net of debt discount at September 30, 2018 and December 31, 2016 was \$341,215 and \$352,023, respectively. The Company is not compliant with the repayment terms for many of these notes payable.

As of September 30, 2018, the conversion price of the non-related party convertible notes were fixed and determinable on the date of issuance and as such in accordance with ASC Topic 815 “*Derivatives and Hedging*” (“ASC 815”), the embedded conversion options of the note were not considered derivative liabilities. The beneficial conversion features of certain convertible notes are at a price below fair market value. The Company recorded interest expense on the debt discount of \$12,913 and \$30,249 for the three months ended September 30, 2018 and 2017, respectively, and \$43,661 and \$68,047 for the nine months ended September 30, 2018 and 2017, respectively, in the accompanying statement of operations.

## **NOTE 7 – STOCKHOLDER’S EQUITY**

### ***Preferred Stock***

The Company has authorized 30,000,000 preferred shares with a par value of \$0.001 per share. Board of Directors are authorized to divide the authorized shares of Preferred Stock into one or more series, each of which shall be so designated as to distinguish the shares thereof from the shares of all other series and classes. The entire 30,000,000 shares of preferred stock were designated to be Series A Convertible Preferred Stock in 2015.

No preferred shares were issued during nine months ended September 30, 2018.

As at September 30, 2018 and December 31, 2016, there were 27,328,358 shares of Series A Convertible Preferred Stock issued and outstanding.

### ***Common Stock***

The Company has authorized 600,000,000 common shares with a par value of \$0.001 per share. Each common share entitles the holder to one vote, in person or proxy, on any matter on which action of the stockholders of the corporation is sought. Holders have equal ratable rights to dividends from funds legally available and are entitled to share in assets available for distribution upon liquidation. Holders do not have preemptive, subscribed, conversion or cumulative voting rights, and there are no redemption or sinking fund provisions or rights. Holders of common stock have the right to approve any amendment of the Articles of Incorporation, elect directors, approve any plan of merger and approve a plan for the sale, lease or exchange of all of the Company's assets as proposed by the Board of Directors. There are no restrictions that limit the Company's ability to pay dividends on its common stock. The Company has not declared any dividends since incorporation.

During the year ended December 31, 2017, the Company issued the following shares of common stock:

- 31,517,298 shares in exchange for principal debt and interest of \$173,164.

During the nine months ended September 30, 2018, the Company issued the following shares of common stock:

- 13,272,899 shares in exchange for principal debt and interest of \$67,797.

There were 125,801,306 and 112,528,407 common shares issued and outstanding at September 30, 2018 and December 31, 2017, respectively.

### ***Comprehensive Income (Loss)***

Comprehensive income (loss) is comprised of net earnings and other comprehensive income (loss). Accumulated other comprehensive loss reported on our balance sheets consists of unrealized losses on available-for-sale securities.

	<u>September 30, 2018</u>	<u>December 31, 2017</u>
Accumulated other comprehensive loss, opening balance	\$ (1,916)	\$ (1,936)
Net unrealized (gain) loss on available-for-sale securities	-0-	20
Accumulated other comprehensive loss, ending	<u>\$ (1,916)</u>	<u>\$ (1,916)</u>

### **NOTE 8– COMMITMENTS AND CONTINGENCIES**

#### ***Legal Matters***

From time to time the Company may become a party to litigation matters involving claims against the Company. Management believes that there are no current matters that would have a material effect on the Company's financial position or results of operations.

### **NOTE 9 – BARTERING TRANSACTIONS**

In July 2017, the Company began providing media services using an on-line bartering website and a third-party provider. The Company achieved \$128,000 in revenue for the three months ended September 30, 2017. The third-party provider fee and administrative cost amounted to 18% of the gross revenue. The unused service received of \$67,200 was recorded as barter exchange on the accompanying consolidated balance sheet. There has been no bartering activity since the three months ended September 30, 2017.

### **NOTE 10 – SUBSEQUENT EVENTS**

During October 2018, a corporation converted three convertible promissory into shares of the Company's common stock as follows:

- \$5,864 of principal and interest into 586,400 shares of the Company's common stock at \$0.01 per share to fully satisfy a convertible promissory note dated June 21, 2017.
- \$2,010 of principal and interest into 134,000 shares of the Company's common stock at \$0.015 per share to fully satisfy a convertible promissory note dated July 27, 2017.
- \$5,144 of principal and interest into 342,950 shares of the Company's common stock at \$0.015 per share to fully satisfy a convertible promissory note dated August 10, 2017.

During October 2018, the Company modified a \$12,500 convertible promissory note to corporation dated August 27, 2018 and reduced the conversion rate from \$.01 to \$.005 per share. The corporation converted \$14,029 of principal and interest into 2,805,820 shares of the Company's common stock at \$0.005 per share to fully satisfy the convertible promissory.

On Oct. 23, 2018 the Company announced creating a new line of infused coffee called Baristas "EnrichaRoast" that promotes healthy living. The new blends are infused with substances that promote weight loss, vitality, sensuality, and recovery from hangovers as well as potentially other health benefits.