

# **Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines**

## **Leaf of Faith Beverage, Inc., Trading Symbol (LOFB)**

**BOON INDUSTRIES, INC.**  
an Oklahoma Corporation

---

110 Spring Hill Drive, Suite #16  
Grass Valley, CA 95945  
Office: 530-648-1333  
Website: <http://www.boonindustries.com>  
Email: [info@boonindustries.com](mailto:info@boonindustries.com)  
SIC Code: 5199

As of April 30, 2020, the number of shares outstanding of our Common Stock was:

30,306,681

As of March 31, 2020, the number of shares outstanding of our Common Stock was:

30,306,681

As of December 31, 2019, the number of shares outstanding of our Common Stock was:

306,681

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

Yes:  No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes:  No:

Indicate by check mark whether a Change in Control<sup>1</sup> of the company has occurred over this reporting period:

Yes:  No:

<sup>1</sup> "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

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

The current name of the Company is Boon Industries, Inc. Listed below are the dates of any predecessor entities for the past five years and their names:

Parent and Successor Issuer: On March 02, 2020, Boon Industries, Inc., became the parent and successor issuer of Leaf of Faith Beverage, Inc., Trading Symbol (LOFB), pursuant to an Agreement with Leaf of Faith Beverage, Inc., an Oklahoma corporation.

**Incorporation:** Boon Industries, Inc. (“Boon Industries” or “Boon Industries (OK)”) was incorporated in Oklahoma on March 02, 2020

**From date of incorporation, March 02, 2020,** Boon Industries, Inc., on the day of its incorporation, has had ongoing operations and is therefore an “Issuer” that is not, and has never been a “Shell Company” or ever was a “Former Shell Company” as defined in Rule 144(i) of the Act.

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

Yes  No:

Boon Industries, Inc. has no predecessor. However, a “predecessor issuer” to Boon did previously enter a receivership.

Receivership: On November 5, 2015, Robert L. Stevens was appointed as the receiver (the “Receiver”) of Vision Plasma Systems, Inc. pursuant to an “Order For Appointment of Receiver” by the District Court of Clark County, Nevada, Case No. A-15-718459-C which granted broad powers to the Receiver to “do any acts necessary and convenient”, “that the Receiver deems necessary to manage and preserve the Receivership Property”, and to “terminate all previously known and unknown officers and directors”.

2) **Security Information**

Trading Symbol:	LOFB
Exact title and class of securities outstanding:	Common Shares
CUSIP:	52177L 10 1
Par or stated value:	\$0.0001 USD
Total shares authorized:	529,999,000 as of date: April 30, 2020
Total shares outstanding:	30,306,681 as of date: April 30, 2020
Number of shares in the Public Float:	90,838 as of date: April 30, 2020
Total numbers of shareholders of record:	298 as of date: April 30, 2020
<i>Additional class of securities</i>	
Trading symbol:	LOFB
Exact title and class of securities outstanding:	Preferred Stock
Par or stated value:	\$0.0001 USD
Total shares authorized:	20,001,000 as of date: April 30, 2020
Series A Preferred Stock Authorized:	20,000,000 as of date: April 30, 2020
Series A Preferred Stock issued and outstanding:	367,500 as of date: April 30, 2020
Series B Preferred Stock Authorized:	1,000 as of date: April 30, 2020
Series B Preferred Stock issued and outstanding:	1,000 as of date: April 30, 2020

Transfer Agent

Signature Stock Transfer, Inc.

Office in the Park

14673 Midway Road Suite #220

Addison, Texas 75001

Tel: 972 612-4120

Email: info@signaturestocktransfer.com

Website: http://signaturestocktransfer.com

Is the Transfer Agent registered under the exchange act? Yes X No \_\_\_

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

**Certificate of Designation:** On March 02, 2020, Boon Industries, Inc. (OK) filed a Certificate of Designation of Preferences, Rights and Limitations of Series "A" Preferred Stock designating Twenty Million (20,000,000) shares of Preferred Stock as Series "A" Preferred Stock. The Certificate of Designation of Series "A" Preferred Stock, granted conversion rights holder to convert into Common Shares of the company.

**Certificate of Designation:** On March 02, 2020, Boon Industries, Inc. (OK) filed a Certificate of Designation of Preferences, Rights and Limitations of Series "B" Preferred Stock designating One Thousand (1,000) shares of Preferred Stock as Series "B" Preferred Stock. The Certificate of Designation of Series "B" Preferred Stock granted special voting rights to any holder.

**Holding Company Parent Subsidiary Formation:** On March 02, 2020, Boon Industries, Inc. (OK) became the parent/successor issuer pursuant to Section 1081(g) of the Oklahoma Act titled "Agreement of Merger" ("Parent Subsidiary Formation") which was executed by Leaf of Faith Beverage, Inc. (OK), Boon Industries, Inc. (OK), and Leaf of Faith Beverage MergerSub, Inc. (OK). Under the Agreement, Leaf of Faith Beverage, Inc. (OK) merged into Leaf of Faith Beverage MergerSub, Inc. (OK) and Leaf of Faith Beverage, Inc. (OK) ceased to exist, wherein Leaf of Faith Beverage MergerSub, Inc. (OK) became the survivor and successor under Section 1088 of the Oklahoma Act, having acquired all of Leaf of Faith Beverage, Inc. (OK) assets, rights financial statements, obligations, and liabilities as the constituent or resulting corporation. Boon Industries, Inc. (OK) became the parent and the holding company of Leaf of Faith Beverage MergerSub, Inc. (OK) under the Parent Subsidiary Formation which was in compliance with Section 1081(g) of the Oklahoma Act. At the time of the Parent Subsidiary Formation, Boon Industries, Inc. (OK) as successor issuer had less than Three Hundred (300) shareholders.

Upon consummation of the Parent Subsidiary Formation, each issued and outstanding equity of the former Leaf of Faith Beverage, Inc. (OK) was transmuted into and represented the identical equity structure of Boon Industries, Inc. (OK) (on a share-for-share basis) being of the same designations, rights, powers and preferences, and qualifications, limitations and restrictions. Upon consummation, Boon Industries, Inc. (OK), was the issuer since the former Leaf of Faith Beverage, Inc. (OK) equity structure was transmuted pursuant to Section 1081(g) as the current issued and outstanding equities of Boon Industries, Inc. (OK). The Parent Subsidiary Formation was exempt from the registration requirements of the Securities Act of 1933 ("Act") as there was no "offer" or "sale" as defined in Section 2(3) of the Act to invoke the requirements of Rule 145, also under the Act.

Under the terms of the Parent Subsidiary Formation Agreement, the shareholders and equity holders of the former Leaf of Faith Beverage, Inc. (OK) had no appraisal rights or rights to a shareholder vote and consequently no investment decision was made by the shareholders. Pursuant to Rule 144(d)(3)(ix) of the Act, the holding periods for the issued equities of Boon Industries, Inc. (OK) are the same and "tack" to the original holding periods of the equities transmuted from the former Leaf of Faith Beverage, Inc. (OK). Further, the transaction complied with the provisions of Rule 144(D)(3)(x) titled "Holding Company Formation".

2 To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

**Change of Control/ Asset Purchase:** On March 02, 2020, Boon Industries, Inc. completed an Asset Purchase

Agreement with Matrix of Life Tech Trust, an Oregon Trust, a Trust with ongoing operations. The Asset Purchase was in compliance with Section 368(a)(1)(B) of the Internal Revenue Code of 1986, as amended and resulted in a change in control of Boon Industries, Inc. Boon Industries, Inc., is an operating business with ongoing operations since its date of incorporation on March 02, 2020, to present. From the date of incorporation, Boon Industries, Inc., has had ongoing operations and is therefore an “Issuer” that is not, and has never been a “Shell Company” or ever was a “Former Shell Company” as defined in Rule 144(i) of the Act.

**Corporate Separation:** On March 02, 2020, the Board of Directors determined in the best interest of Boon Industries, Inc. (OK) to no longer own its subsidiary Leaf of Faith Beverage MergerSub, Inc. (OK). The Board executed resolutions to this effect. As of March 02, 2020, Leaf of Faith Beverage MergerSub, Inc. (OK), is no longer wholly owned subsidiary of Boon Industries, Inc. (OK).

On March 02, 2020, The Board of Directors accepted the resignation of Mike Schatz, President, CEO, Secretary, Treasurer and Director and appointed Justin Gonzalez, CEO, CFO, Chairman, President, Secretary, Treasurer and Director and Eric Watson, as Director.

**Reverse Stock Split:** On July 16, 2018, Leaf of Faith, a predecessor issuer, implemented a reverse stock split by filing a Certificate of Amendment with the Oklahoma Secretary of State. Pursuant to the terms of the Reverse Stock Split, Leaf of Faith issued and outstanding capital shares of common and preferred stock shall be reverse split on a One Thousand Three Hundred Fifty (1,350) to One (1) [1,350 to 1] basis. As a result, stockholders will own One (1) share of capital stock for every One Thousand Three Hundred Fifty (1,350) currently owned. No fractional shares will be issued. Instead, all fractional shares will be rounded to the next whole number.

On January 9, 2019, The Reverse Split and Issuer Name Change Effective Date: Total Number of Shares Issued and Outstanding Reported (305,113). Issuer Name Changed from Leaf of Faith Beverage, Inc. (LOFB).

On January 29, 2019, the Company changed Transfer Agents from First American Stock Transfer, Inc. to Signature Stock Transfer, Inc.

On March 11, 2019, The Symbol Change Effective Date: Issuer Symbol Changed from Boon Industries, Inc., Trading Symbol (LOFB) to Boon Industries, Inc., Trading Symbol (LOFB).

On April 4, 2019, The Board of Directors accepted the resignation of Lawrence Twombly as Director and CFO and Michael Boris was appointed CEO, Chairman and Director, Christopher Davis Cope, President, CFO and Director, Jason Christopher Jones, COO and Director, Natalie Irene Hodges, Secretary and Treasurer, Randy Villarba, CMO and Director and Martin Archer, as Director.

On August 22, 2019, The Board of Directors accepted the resignation of Michael Boris as CEO, Chairman and Director, Christopher Davis Cope, as President, CFO and Director, Jason Christopher Jones, as COO and Director, Natalie Irene Hodges, as Secretary and Treasurer, Randy Villarba, as CMO and Director and Martin Archer, as Director and appointed Michael Boris, CEO, Chairman and Director and Christopher Davis President, CFO, Secretary, Treasurer and Director.

On August 29, 2019, The Board of Directors accepted the resignation of Michael Boris, as CEO, Chairman and Director, Christopher Davis, as President, CFO, Secretary, Treasurer and Director and appointed Mike Schatz, CEO, Secretary, Treasurer and Director, Michael Boris, Director and Christopher Davis, Director.

On October 21, 2019, The Board of Directors accepted the resignation of Michael Boris, as Director, Christopher Davis, as Director and appointed Mike Schatz, President, CEO, Secretary, Treasurer and Director.

On March 02, 2020, The Board of Directors accepted the resignation Mike Schatz, President, CEO, Secretary, Treasurer and Director and appointed Justin Gonzalez, CEO, CFO, Chairman, President, Secretary, Treasurer and Director and Eric Watson, as Director.

### 3) Issuance History

On June 5, 2018, Vision Plasma Systems, Inc., issued Twenty Million (20,000,000), Series "A" Preferred Shares, to James B. Frack, acquired from Robert Stevens, its court-appointed receiver, and White Tiger Partners LLC, its judgment creditor, 100% owns of VLNX Preferred stock and appointment to all offices and as director of VLNX, for the initiation and completion of Parent Subsidiary Formation.

On June 8, 2018, Leaf of Faith Beverage, Inc. (OK) issued Nineteen Million One Hundred Thousand Nine Hundred Ninety-Nine (19,101,999), Series "B" Convertible Preferred Shares, Per the terms of Share Exchange Agreement, dated as of June 8, 2018 by and among Leaf of Faith Beverage, Inc. (OK) and Leaf of Faith Beverage Operations, Inc. (OK), the identified Equity Holders owning 100% of the (19,101,999) issued and outstanding shares of Leaf of Faith Beverage Operations, Inc. (OK).

On June 8, 2018, upon completion of Parent Subsidiary Formation, the company approved the Reissuance of James B. Frack, (20,000,000) Vision Plasma Systems, Inc.(OK), Series "A" Preferred certificate and Issued (4) James B. Frack, Twenty Million (20,000,000), Leaf of Faith Beverage, Inc. (OK), Series "A" Preferred certificate.

On March 9, 2019, Leaf of Faith, approved an Amendment to the Share Exchange Agreement, to correct the number of shares that were to be issued under the originally agreed to capitalization structure as provided by the management of V Group on June 8, 2018. To confirm the correct number of shares, V Group's Transfer Agent, Signature Stock Transfer, Inc., was contacted and confirmation via email was received on February 26, 2019, Using the last day of September 2017 to the following adjustment to the issued Preferred Series "B" Shares such that, (17,795,999) shares were canceled (1) V Group, Inc. (16,468,308) and Lawrence L. Twombly (1,327,691) Preferred Series "B" Shares.

On March 9, 2019, Leaf of Faith, approved the Amendment to the Share Exchange Agreement to reissue new Series B Shares to reflect February 26, 2019 amended number of shares issued to (1) V Group, Inc., (Shareholders) Seven Million Six Hundred Eighteen Thousand Three Hundred Nine (7,618,309) and (2) V Group, Inc., (Management) Three Million Four Hundred Sixteen Thousand Six Hundred Sixty-Six (3,416,666) Preferred Series "B" Shares.

On March 9, 2019, Leaf of Faith, approved an Amendment to the Asset Purchase Agreement, to correct number of shares issued to Michael Boris for Voting Control of LOFB (OK), provided by the management of V Group, Inc., for the cancellation of (35,787,872) Control Shares, of Matrix of Life Tech, Trust, an Oregon Trust; approved the following adjustment cancelling (4) Michael Boris (1,205,000) Preferred Series "B" Shares and issued to (4) Michael Boris, (18,865,025) Preferred Series "B" shares of LOFB (OK) and issuance of (7,200,000) Restrictive Common Shares of LOFB(OK) on March 11, 2019, for completion of Asset Purchase Voting Control Boon Industries, Inc. (OK) as originally agreed on March 02, 2020.

On March 11, 2019, the Company received written notification of Preferred Series "B" Shares conversion the company approved conversion as set forth in Certificate of Designations Michael Boris, One Hundred Eighty-Eight Million Six Hundred Fifty Thousand Two Hundred Fifty (188,650,250), (1) V Group, Inc., Seventy-Six Million One Hundred Eighty-Three Thousand Eighty-Three (76,183,083), V Group, Inc., (Management) Thirty-Four Million One Hundred Sixty-Six Thousand Six Hundred Sixty-Six (34,166,666) and Antonio J Renteria, One Million (1,000,000) Restrictive Common Shares.

On August 16, 2019, (1) V Group, Inc. - 76,183,083 Shares and (2) V Group, Inc.– 34,166,666 Book Entered common shares were returned to LOFB treasury stock. On December 12, 2019, LOFB settled debt owed to V Group, Inc, an Oklahoma. Per the term of Replacement Convertible Promissory Note agreement negotiated by Lawrence L. Twombly, V Group, Inc., President & CEO, for All parties, any/all agreements, notes, invoices and common stock value pertaining to V Group Inc.; have been settled and exchanged for Convertible Promissory Note; whereas LOFB promises to pay to the order of V Group, Inc., an Oklahoma corporation, or registered assigns (the "Holder" or "Holders") the sum of US \$150,000.00.

On August 27, 2019, Per the terms of Stock Cancellation Agreement, between Michael Boris, and Leaf of Faith Beverage, Inc., Michael Boris, owner and holder of (195,850,250) Book Entered common share company had requested were Returned to Company Treasury to complete contemplated Merger.

On August 28, 2019, Leaf of Faith, Inc., issued One Thousand (1,000), Series "B" Preferred Shares, to Mike Schatz, in exchange for services, to complete contemplated Share Exchange or Asset Purchase.

On March 02, 2020, Mike Schatz, Returned to Company Treasury, One Thousand (1,000), Series "B" Preferred Shares, per the terms of Asset Purchase Agreement.

On March 02, 2020, Boon Industries, Inc. (OK) issued Thirty Million (30,000,000) Common Shares, Fifty Thousand (50,000) Series "A" Preferred Shares and One Thousand (1,000), Series "B" Preferred Shares:

30,000,000	Common Shares to Justin Gonzalez
50,000	Series "A" Preferred Shares to Justin Gonzalez
1,000	Series "B" Preferred Shares to Justin Gonzalez

Per the terms of Asset Purchase Agreement, dated as of March 02, 2020 by and among Boon Industries, Inc. (OK) and Matrix of Life Tech, Trust, an Oregon Trust, the identified seller, assigner and transferor of all its right, title and interest to its IP, fixed assets and "Know-How" of Matrix of Life Tech, Trust, an Oregon Trust which specializes in water treatment technologies and emulsion technologies.

On March 02, 2020, the Board of Directors of Boon Industries, Inc., acknowledged (3) Michael Boris (12,500) Series "A" Preferred shares, (5) Christopher Davis Cope (5,000) Series "A" Preferred shares and James B. Frack, (300,000), Series "A" Preferred shares as the issued and Outstanding Series "A" Preferred Stock of Leaf of Faith Beverage, Inc. (OK), / Boon Industries, Inc. (OK).

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services. Using the tabular format below, please describe these events.

#### A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods:

Shares Outstanding as of Second Most Recent Fiscal Year End:			*Right-click the rows below and select "Insert" to add rows as needed.						
Opening Balance									
December 31, 2018 Common: 411,902,087 Preferred A: 20,000,000 Preferred B: 19,101,999									
Date of Transaction	Transaction type (e.g. new issuance, cancellation, Shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of Shares issued (\$/per share) at Issuance	Were the Shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
June 5, 2018	Issued	20,000,000	VLNX Preferred A Shares	\$0.0001	No	(4) James B. Frack	Change of Control	Preferred A Designation	
June 8, 2018	Issued	16,468,308	Preferred B Shares	\$0.0001	No	(1) V Group, Inc.	Shares Exchange	Restricted	368(a)(I)(B)
June 8, 2018	Issued	1,327,691	Preferred B Shares	\$0.0001	No	Lawrence Twombly	Share Exchange	Restricted	368(a)(I)(B)
June 8, 2018	Issued	1,205,000	Preferred B Shares	\$0.0001	No	(3) Michael Boris	Share Exchange	Restricted	368(a)(I)(B)
June 8, 2018	Issued	100,000	Preferred B Shares	\$0.0001	No	Anthony J Renteria	Share Exchange	Restricted	368(a)(I)(B)
June 8, 2018	Returned for Reissuance	20,000,000	VLNX Preferred A Shares	\$0.0001	No	(4) James B. Frack	Reissuance	Restricted	

June 8, 2018	Reissued	20,000,000	LOFB Preferred A Shares	\$0.0001	No	(4) James B. Frack	New Company Name	Preferred A Designation	
Shares Outstanding on January 9, 2019	Common: 305,113 Preferred A: 20,000,000 Preferred B: 19,101,999					Reverse of Common Shares 1 for 1,350			
March 9, 2019	Canceled	16,468,308	Preferred B Shares	\$0.0001	No	(1) V Group, Inc.	Shares Exchange	Restricted	368(a)(l)(B)
March 9, 2019	Issued	7,618,309	Preferred B Shares	\$0.0001	No	(1) V Group, Inc.	Amended Shares Exchange	Restricted	368(a)(l)(B)
March 9, 2019	Issued	3,416,666	Preferred B Shares	\$0.0001	No	(2) V Group, Inc.	Amended Shares Exchange	Restricted	368(a)(l)(B)
March 9, 2019	Canceled	1,327,691	Preferred B Shares	\$0.0001	No	Lawrence Twombly	Share Exchange	Restricted	368(a)(l)(B)
March 9, 2019	Canceled	1,205,000	Preferred B Shares	\$0.0001	No	(3) Michael Boris	Share Exchange	Restricted	368(a)(l)(B)
March 9, 2019	Issued	18,865,025	Preferred B Shares	\$0.0001	No	(3) Michael Boris	Amended Shares Exchange	Restricted	368(a)(l)(B)
March 11, 2019	Canceled	7,618,309	Preferred B Shares	\$0.0001	No	(1) V Group, Inc.	Amended Shares Exchange	Restricted	368(a)(l)(B)
March 11, 2019	Issued	76,183,083	Common Shares	\$0.0001	No	(1) V Group, Inc.	Conversion Preferred B Shares	Restricted	
March 11, 2019	Canceled	3,416,666	Preferred B Shares	\$0.0001	No	(2) V Group, Inc.	Amended Shares Exchange	Restricted	368(a)(l)(B)
March 11, 2019	Issued	34,166,666	Common Shares	\$0.0001	No	(2) V Group, Inc.	Conversion Preferred B	Restricted	
March 11, 2019	Canceled	18,865,025	Preferred B Shares	\$0.0001	No	(3) Michael Boris	Amended Exchange	Restricted	368(a)(l)(B)
March 11, 2019	Issued	195,850,250	Common Shares	\$0.0001	No	(3) Michael Boris	Conversion Preferred B & common Shares	Restricted	
March 11, 2019	Canceled	100,000	Preferred B Shares	\$0.0001	No	Anthony J Renteria	Share Exchange	Restricted	368(a)(l)(B)
March 11, 2019	Issued	1,000,000	Common Shares	\$0.0001	No	Anthony J Renteria	Conversion Preferred B Shares	Restricted	
August 16, 2019	Returned to Treasury	76,183,083	Common Shares	\$0.0001	No	(1) V Group, Inc.	Promissory Note Agreement		
August 16, 2019	Returned to Treasury	34,166,666	Common Shares	\$0.0001	No	(2) V Group, Inc.	Promissory Note Agreement		
August 27, 2019	Returned to Treasury	1,000,000	Common Shares	\$0.0001	No	Anthony J Renteria	Contemplated Share Exchange		
August 27, 2019	Returned to Treasury	195,850,250	Common Shares	\$0.0001	No	(3) Michael Boris	Agreement	Restricted	
August 28, 2019	Split Certificate	20,000,000	Preferred A Shares	\$0.0001	No	(4) James B. Frack	Agreement	Restricted	
August 28, 2019	Issued	12,500	Preferred A Shares	\$0.0001	No	(3) Michael Boris	Boris Cancellation Value	Preferred A Designation	
August 28, 2019	Issued	5,000	Preferred A Shares	\$0.0001	No	(5) Christopher Davis Cope	Resignation Value	Preferred A Designation	

August 28, 2019	Balance of Certificate	19,982,500	Preferred A Shares	\$0.0001	No	(4) James B. Frack	Agreement	Preferred A Designation	
August 28, 2019	Issued	1,000	Preferred B Shares	\$0.0001	No	(6) Mike Schatz	Contemplated Share Exchange	Preferred B Designation	
December 4, 2019	Returned to Treasury	19,682,500	Preferred A Shares	\$0.0001	No	(4) James B. Frack	Agreement Asset Purchase	Split Certificate	
December 4, 2019	Balance of Certificate	300,000	Preferred A Shares	\$0.0001	No	(4) James B. Frack	Agreement Asset Purchase	Preferred A Designation	
March 02, 2020	Returned to Treasury	1,000	Preferred B Shares	\$0.0001	No	(6) Mike Schatz	Per Asset Purchase Agreement		
March 02, 2020	Issued	1,000	Preferred B Shares	\$0.0001	No	(7) Justin Gonzalez	Asset Purchase	Preferred B Designation	
March 02, 2020	Issued	50,000	Preferred A Shares	\$0.0001	No	(7) Justin Gonzalez	Asset Purchase	Preferred A Designation	
March 02, 2020	Issued	30,000,000	Common Shares	\$0.0001	No	(7) Justin Gonzalez	Asset Purchase	Restricted	368(a) (l)(B)
Shares Outstanding on Date of This Report									
Ending Balance:									
April 30, 2020:	Common: 30,306,681								
	Preferred A: 367,500								
	Preferred B: 1,000								

**Example:** A company with a fiscal year end of December 31st, in addressing this item for its quarter ended September 30, 2018, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2016 through September 30, 2018 pursuant to the tabular format above.

(1) V Group, Inc. - 76,183,083 Shares and (2) V Group, Inc.– 34,166,666, book entry common shares were returned to treasury stock. On December 12, 2019, LOFB predecessor issuer settled debt owed to V Group, Inc, an Oklahoma company. Per the term of Replacement Convertible Promissory Note agreement negotiated by Lawrence L. Twombly, V Group, Inc., President & CEO, for all parties, any/all agreements, notes, invoices and common stock value pertaining to V Group Inc. these have been settled and exchanged for Convertible Promissory Note; whereas LOFB promised to pay to the order of V Group, Inc., an Oklahoma corporation, or registered assigns (the "Holder" or "Holders") the sum of US \$150,000.00.

(7) Voting Control Boon Industries, Inc. - 30,000, 000 Common Shares - Justin Gonzalez

(7) Voting Control Boon Industries, Inc. - 1,000 Series "B" Preferred Shares - Justin Gonzalez

(3) Voting Control - 12,500 Series "A" Preferred Share - Michael Boris

(4) Voting Control - 300,000 Series "A" Preferred Sharee - James B. Frack



**B. Debt Securities, Including Promissory and Convertible Notes**

Use the chart and additional space below to list and describe any issuance of promissory notes, convertible notes or convertible debentures in the past two completed fiscal years and any subsequent interim period.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements:

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
12/12/19	150,000	150,000	625	12/12/20	38% discount on VWAP 2,078,625 common shares	V Group Lawrence Twombly	Convertible Settlement Agreement
12/10/19	110,000	110,000	507	12/10/20	40% discount on VWAP 1,547,098 common shares	La Jolla IPO Inc. Edward Monet	Convertible Replacement Note
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

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

On December 10, 2019 the Company's predecessor issuer issued a Replacement Note to La Jolla IPO.

On December 12, 2019 the Company's predecessor issuer entered into a Settlement Agreement with V Group

**4) Financial Statements**

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

- U.S. GAAP
- IFRS complete

B. The financial statements for this reporting period were prepared by:

Name: Justin Gonzalez  
 Title: President  
 Relationship to Issuer: Director

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Financial notes; and
- G. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report", "Quarterly Report" or "Interim Report").

**ATTACHED**

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below.

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

## 5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

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

On March 02, 2020, Boon Industries, Inc. completed an Asset Purchase Agreement with Matrix of Life Tech Trust, doing business as "Matrix of Life". Matrix of Life had previous ongoing operations which are continuing under Boon Industries, Inc. Prior to acquiring assets and business of Matrix of Life, it operated a product production and water bottling facility in Grants Pass, Oregon. Currently the business manufactures customized "white label" products for the food and beverage, health and wellness and chemical industries. The Company not only wholesales its products to outside specialized distributors, but also has its own customer base to which it directly distributes. The company currently operates the business at a product production and water bottling facility under license from Matrix of Life Tech, LLC in Grants Pass, Oregon.

### Matrix Technologies

Matrix of Life Tech ("Matrix") specializes in creating and integrating proprietary formulas and technologies for the Food and Beverage, Chemical, and Health and Wellness Industries.

Matrix has integrated, what may be referred to as unique and proprietary technologies including: (a) electro static treatment systems, (b) rare paramagnetic materials applications, (c) in line cavitation systems, and (d) chemical formulas – all of which have been used in common water and chemical treatment systems – integrated and modified them to help improve bottling performance, product performance and product stability.

These chemical and product formulas are combined with electrical and mechanical devices to help create desired outcomes and often unique product applications as requested by our customer base.

Matrix developed what has been considered a unique approach to creating nano-emulsifications through ultrasonic transduction and super cavitation. This technology is currently being used to produce nutraceuticals and other specialized food-supplement combinations that may not have been previously offered to the industry. These products seem to improve homogenization and stabilization to enhance product shelf-life.

In addition to Matrix's propriety formulas and technologies, Matrix has developed a water treatment and bottle-cleaning system that is operational in Oregon and the Country of Ecuador. Matrix has also helped design and build a chemical production facility that specializes in non-toxic, biodegradable chemicals for cleaning and disinfection. That facility is operational in Tumbaco, Ecuador in conjunction with LogiChem S.A.

The underlying applications developed by Matrix may have many other potential uses in the chemical and food-supplements industries. These applications could be used by established back-end supply providers and production ready product lines suppliers that are available to bring new products to both the commercial and consumer markets.

B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of such entity's business, contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

See Above

C. Describe the issuers' principal products or services, and their markets;

The principal products are Food and Beverage products intended for the Health and Wellness industry.

## 6) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

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

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

The Issuer's primary address is 110 Spring Hill Drive, Suite #16, Grass Valley, CA 95945. The Issuer rents this facility for the purpose of coordinating the day-to-day operations.

Production of products is conducted on a contract packing basis. Primary co-packing is currently conducted in Ramona California with plans to contract with facilities on the East Coast

## 7) Officers, Directors, and Control Persons

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

Using the tabular format below, please provide information regarding any person or entity owning 5% or more of the issuer, as well as any officer, and any director of the company, regardless of the number of shares they own. If any listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.

Justin Gonzalez	CEO, CFO, Chairman, President, Secretary, Treasurer Director
Eric Watson	Director

### **Justin Gonzalez - CEO**

Has over 20 years of executive experience as an owner of a chemical engineering and product distribution company. With specific experience in water treatment, chemical formulation, and extraction sciences, Gonzalez has been a strategic advisor in the oil and gas, water bottling, waste water treatment, and food and beverage industries. As chief technical officer to several companies, he has an intimate knowledge of product and consumer trends and has designed and built large facilities for chemical manufacturing, bottling water, and botanical extractions. Currently he is a partner in an equipment manufacturing & systems integration company that produces systems for the food and beverage industry. He lives in Nevada City California and serves on the board of two non-profits.

Education: Graduated from the University of Louisiana in 2004 with a B.A. in History and English

### **Eric Watson – Director**

Watson has founded multiple successful businesses including the New York based entertainment company Protozoa Pictures and the Los Angeles based Green Door Hydro & Solar, the flagship of a national retail chain. He has

produced over ten feature films with Warner Brothers, 20th Century Fox, Universal Pictures, Lionsgate and others. He is a partner in the investment firm West Portal Partners providing strategic and financial advice to a wide range of companies in Oil & Gas, Tech, Hemp, Agriculture and Beverage industries. He most recently provided strategic business advisory and brand consultant services to Flying Embers, a Hard Kombucha beverage company based in Ojai, CA.

Born July 17, 1968 - BA in Broadcast Communication Arts from San Francisco State University. Graduate Studies in Film Production at the American Film Institute

Guest Lecturer at Columbia University, New York University, University of Southern California, and the University of California at Los Angeles among others.

Using the tabular format below, please provide information regarding any person or entity owning 5% or more of the issuer, as well as any officer, and any director of the company, regardless of the number of shares they own. If any listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
(7) Justin Gonzalez	Officer/Director	106 NW F St Suite @151 Grants Pass, OR	30,000,000	Common Shares	98.99%	
(7) Justin Gonzalez	Officer/Director	106 NW F St Suite @151 Grants Pass, OR	1,000	Series B Preferred	100%	

(7) Voting Control Boon Industries, Inc. - 30,000, 000 Common Shares - Justin Gonzalez

(7) Voting Control Boon Industries, Inc. - 1,000 Series "B" Preferred Share - Justin Gonzalez

The Registered Agent of the Company is: National Registered Agents, Inc., with an address of 115 SW 89th Street, Oklahoma City, Oklahoma 73139

## 8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses); **NO**
2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities; **NO**
3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or **NO**
4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities. **NO**

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

the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities. NONE

## 9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

### Securities Counsel

Heskett & Heskett  
John Heskett  
2401 Nowata Place Ste. A.  
Bartlesville, OK 74006  
Telephone (918) 336-1773  
Facsimile (918) 336-3152  
[jheskett@hesklaw.com](mailto:jheskett@hesklaw.com)

Accountant or Auditor NONE

Investor Relations Consultant NONE

### Other Service Providers

Provide the name of any other service provider(s), including, counsel, advisor(s) or consultant(s) that assisted, advised, prepared or provided information with respect to this disclosure statement, or provided assistance or services to the issuer during the reporting period. NONE

## 10) Issuer Certification

### *Principal Executive Officer:*

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities).

The certifications shall follow the format below:

I, Justin Gonzalez certify that:

1. I have reviewed this Disclosure Statement for Year Ended December 31, 2019;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, 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.

April 30, 2020

/s/Justin Gonzalez

Justin Gonzalez, CEO

*Principal Financial Officer:*

I, Justin Gonzalez certify that:

1. I have reviewed this Initial Disclosure Statement for Year Ended December 31, 2019.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, 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.

April 30, 2020

/s/Justin Gonzalez

Justin Gonzalez, CFO

**BOON INDUSTRIES, INC.**  
formerly Matrix of Life Tech Trust

**FINANCIAL STATEMENTS**

for the year ended December 31, 2019

BOON INDUSTRIES, INC.  
formerly Matrix of Life Tech Trust

BALANCE SHEET  
As of December 31, 2019

Assets		2019	2018
Current assets			
Cash and cash equivalents		\$ 2,439	\$ 4,036
Prepaid Interest		<u>1,668</u>	
Total current assets		4,107	4,036
Property and equipment, net		<u>105,000</u>	116,000
<b>Total assets</b>		<u>109,107</u>	<u>120,036</u>
Liabilities and trust equity (deficit)			
Long term liabilities			
Loans payable		117,500	110,000
Interest payable			<u>6,000</u>
Total liabilities		<u>117,500</u>	<u>116,000</u>
Trust equity			
Trust capital (deficit)		(8,393)	<u>4,036</u>
Total trust equity (deficit)		<u>(8,393)</u>	<u>4,036</u>
<b>Total liabilities and <i>trust</i> equity (deficit)</b>		<u>\$ 109,107</u>	<u>\$ 120,036</u>



BOON INDUSTRIES, INC.  
formerly Matrix of Life Tech Trust

STATEMENT OF OPERATIONS  
AND CHANGES IN TRUST EQUITY  
for the year ended December 31, 2019

	2019	2018
Revenues		
Sales	\$ 81,456	\$ 85,652
Cost of sales	15,514	18,195
Gross Profit	65,942	67,457
Costs and Expenses		
Selling Costs	18,415	12,857
Auto and truck	638	1,397
Occupancy Cost	24,000	24,000
Interest	11,508	11,508
Depreciation	11,000	11,000
Insurance	1,874	1,843
Supplies	36	264
Repairs & Maintenance	1,341	231
Legal and Professional	600	755
Bank Charges	881	166
Telecommunications	2,590	1,509
Utilities	2,592	2,701
Medical		22
Total Costs and Expenses	75,475	68,253
Operating income (loss) before income taxes	(9,533)	(796)
Income taxes		
Net income after other income and income taxes	(9,533)	(796)
Beginning trust capital	4,036	14,207
Contributions to capital	1,000	5,500
Distributions from capital	(3,896)	(14,875)
Ending trust capital	\$ (8,393)	\$ 4,036

BOON INDUSTRIES, INC.  
formerly Matrix of Life Tech Trust

STATEMENT OF CASH FLOWS  
For the year ended December 31, 2019

	2019	2018
Cash flows from operating activities		
Net income (loss) after income taxes	\$ (9,533)	\$ (796)
Adjustments to reconcile net income (loss) to cash provided by operating activities		
Depreciation	11,000	11,000
Change in operating assets and liabilities		
Prepaid interest	(1,668)	
Loans Payable	7,500	
Interest payable	(6,000)	1,500
Total Adjustments	10,832	12,500
Net cash provided (used) by operating activities	1,299	11,704
Cash flows from capital activities		
Contributions to capital	1,000	5,500
Distributions	(3,896)	(14,875)
Net cash provided (used) by capital activities	(2,896)	(9,375)
Net increase (decrease) in cash and cash equivalents	(1,597)	2,329
Cash and cash equivalents at beginning of year	4,036	1,707
Cash and cash equivalents at end of year	\$ 2,439	\$ 4,036

BOON INDUSTRIES, INC.  
formerly Matrix of Life Tech Trust

AUXILIARY STATEMENTS OF EXPENSES

For the year ended December 31, 2019

---

COST OF SALES

	2019	<u>2018</u>
Supplies	11,971	17,720
Chemicals	1,681	
Contract Labor	<u>1,862</u>	<u>475</u>
	<u>15,514</u>	<u>18,195</u>

	<u>2019</u>	<u>2018</u>
Web Hosting, Internet & Cable	2,530	1,773
Advertising	51	627
Shipping	4,557	3,502
Consulting	300	
Travel	8,791	4,311
Lodging	1,678	801
Meals & Entertainment	<u>508</u>	<u>1,843</u>
	18,415	12,857

**BOON INDUSTRIES, INC.**  
**formerly**  
**MATRIX OF LIFE TECH**  
**An Oregon Irrevocable Trust**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

**NOTE 1 – NATURE OF ORGANIZATION**

Matrix of Life Tech was formed by Declaration of Trust in Josephine County, Oregon on October 14, 2011 as an irrevocable trust. On March 02, 2020, Boon Industries, Inc. completed an Asset Purchase Agreement with Matrix of Life Tech Trust, doing business as “Matrix of Life”. Matrix of Life had previous ongoing operations which are continuing under Boon Industries, Inc. Currently the business manufactures customized “white label” products for the food and beverage, health and wellness and chemical industries. The Company not only wholesales its products to outside specialized distributors, but also has its own customer base to which it directly distributes. The company currently operates the business at a product production and water bottling facility under license from Matrix of Life Tech in Grants Pass, Oregon.

The Company operates a similar chemical production facility in Tumbaco, Ecuador in conjunction with LogiChem S.A. The Company is specializing in creating and integrating proprietary formulas and technologies for the nano-emulsification and water treatment industries. It has integrated unique and proprietary technologies including electro-static treatment systems, rare paramagnetic materials applications, inline cavitation systems, and unique chemical formulas with widely used water and chemical treatment systems that have been modified to improve bottling performance, product performance and stability. The Company has also developed a unique approach to creating nano-emulsifications through ultrasonic transduction and super cavitation. This technology is currently being used to produce nutraceuticals and other unique food-supplement combinations in forms not previously offered in the industry.

Along with its propriety formulas and technologies, the Company has developed its own unique bottle-cleaning system that is in operation in both Oregon and Ecuador. In addition to the bottling facilities, the Company has helped design and build a chemical production facility that specializes in non-toxic, biodegradable chemicals. The underlying applications developed by the Company have many other potential uses in the chemical and food-supplements industries. These applications are supported by established back-end supply providers, manufacturing capacity and production ready product lines ready for market.

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States. A precise determination of many periods necessarily involves the use of estimates which have been made using careful judgment.

### Use of Estimates

The financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assertions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual results could differ from those estimates.

The financial statements have, in management's opinion, been properly prepared within the framework of materiality and within the framework of the significant accounting policies summarized below.

### Accounting Method

Matrix' financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

### Revenues

Revenues are wholesale sales to order of white label bottled water and sport drinks. Customers may provide specialized ingredients for the manufacture.

### Impairment of Long-Lived Assets

The carrying value of long-lived assets are reviewed on a regular basis for the existence of facts and circumstances that may suggest impairment. The Company recognizes impairment when the sum of the expected undiscounted future cash flows is less than the carrying amount of the asset over its estimated fair value.

### Equipment and Fixtures

Equipment and fixtures are recorded at cost. Depreciation is provided using accelerated and straight line methods over the estimated useful lives of the related assets as follows:

Asset Category	Balance	Balance	Estimated Useful Life (Years)
	2019	2018	
Emulsification Equipment	\$ 150,000	\$ 150,000	15
Truck	10,000	10,000	10
	\$ 160,000	\$ 160,000	
Accumulated depreciation	(55,000)	(44,000)	
	\$ 105,000	\$ 116,000	

### Income Taxes

The trust for tax purposes treats the business activity an unincorporated business entity owned by the trust. FASB ACS 740 Income Taxes is utilized which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the difference between the tax basis of assets and liabilities and their financial reporting amounts based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when, in the opinion of management; it is more likely than not that some or all deferred tax assets will not be realized.

Interest and penalties on tax deficiencies recognized in accordance with ACS accounting standards are classified as income taxes in accordance with ACS topic 740-10-50-19.

A variety of proposed or otherwise potential accounting standards are currently under study by standard setting organizations and various regulatory agencies. Due to the tentative and preliminary nature of those proposed standards, management has not determined whether implementation of such standards would be material to its financial statements.

### **NOTE 3 – CASH AND CASH EQUIVALENTS**

Cash equivalents consist primarily of certificates of deposit and other securities with original maturities of 90 days or less. Investments consist of certificates of deposit with original maturities over 90 days. Investments are considered to be held to maturity. Investment income is recorded as it is earned. Investments are carried at cost.

The cash and investment account balances of the business as of December 31, 2017 is as follows:

Institution	Interest Rate	Maturity Date	Balance
Bank of America	–	–	\$ 2,439

#### **NOTE 4 - CONCENTRATION OF CREDIT REISK**

The Federal Deposit Insurance Coverage (FDIC) standard amount is \$250,000 per depositor, per insured bank. As of December 31, 2019, the business had deposits with the Bank of America that did not exceed the FDIC coverage limit.

#### **NOTE 5 – LONG TERM DEBT**

	<u>2019</u>
Long term debt payable to Carolyn Hamburger, an individual	\$ 100,000
Long term debt payable to Doris Notter, an individual	<u>17,500</u>
	<u>\$ 117,500</u>

\$100,000 long term debt is evidenced by a note for \$100,000 issued by Matrix on December 12, 2014. Interest rate is 10%. The term is 5 years, which matured December 12, 2019. Management is negotiating an extension. It is secured by the emulsification equipment of the trust's facility. The lender is a related person to the trust. This Note does not convert into stock, it is a debt only satisfied with repayment of cash.

\$17,500 long term debt is evidenced by a note issued by Matrix on December 31, 2014, for \$10,000. The interest rate is 15%. The term is five years, which matured December 31, 2019. The loan is unsecured. A catchup payment for unpaid interest of \$7,500 was added to the loan on December 31, 2019. An accommodation had been reached with the lender to defray interest payments by periodic additions to the loan. The lender, Doris Notter, is a related person to the trust. This Note does not convert into stock, it is a debt only satisfied with repayment of cash.

#### **Financial Instruments**

Fair value is defined as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing asset the asset volatility not on assumptions specific to the entity. In addition, the fair value of liabilities should include consideration of non-performance risk including our own credit risk.

In addition to defining fair value, the standard expands the disclosure requirements around the value and establishing a fair value hierarchy for valuation inputs is expanded. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring the value are observable in the market. Each fair value measurement is reported in one of the three levels and which is determined by the lowest level input that is significant for the fair Value measurement in its entirety.

These levels are:

Level 1 – Inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.

#### **(Financial instruments – Continued**

Level 2 – Inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in market that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable

market data for substantially the full term of the assets or liabilities.

Level 3 – Inputs are generally unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models and similar techniques.

The carrying amounts of the Company’s financial instruments as of December 31, 2019 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash, Cash Equivalent	\$ 1,707	\$ -	\$ -	\$ 1,707
Prepaid Interest	1,668	-	-	1,668
\$100,000 Note Payable	(100,000)	-	-	(100,000)
\$17,500 Note Payable	-	(17,500)	-	( 17,500)
	<u>\$ ( 96,625)</u>	<u>\$ (17,500)</u>	-	<u>\$ (114,125)</u>

#### **NOTE 6 - CAPITAL STRUCTURE**

The legal structure of Matrix of Life Tech is a trust. As such its residual equity is a unity, Capital, owned jointly by the two trustees.

#### **NOTE 7 - COMMITMENTS AND CONTINGENCIES**

The trust assumed a lease from a previous tenant for land and building for its business activities on October 11, 2011, (date of trust formation). Monthly lease rent is \$2,000 on a month to month basis. There are no provisions related to term, rent escalation, property tax or operating costs.

The financial commitment is as follows;

<u>Year</u>	<u>Amount</u>
2020	\$ 24,000
2021	24,000
2022	24,000
2023	24,000
2024	<u>24,000</u>
	<u>\$ 120,000</u>

#### **NOTE 8 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events and transactions for potential recognition disclosure in the financial statements through April 30, 2020, the date the financial statements were available to be issued. Management found no subsequent events to be disclosed.