Q Link Wireless, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continuation

Revenue Recognition

Revenues on its platform and are recognized when services are rendered.

Cost of Revenues

Direct Costs of Revenues consists primarily of termination costs, toll-free costs, and network costs, including customer/carrier interconnect charges and leased fiber circuit charges.

Advertising

Advertising costs are expensed when incurred.

Regulation

The Company's primary activity is prepaid wireless telecommunications carrier designated as an Eligible Telecommunications Carrier ("ETC") solely for the purpose of participating in the Lifeline program. The local and long distance telecommunications services we provide are regulated by federal, state, and, to some extent, local government authorities.

Universal Service Fund

The Company is exempt from Universal service contribution requirements imposed on Lifeline program ("USF").

Income Taxes

The Company is taxed partnership in lieu of corporation income taxes, the members of the limited liability are taxed on the entity's taxable income. Therefore, no provision or liability for federal income taxes has been included in the financial statements.

Fair Value of Financial Instruments

At December 31, 2012 the carrying value for the Company's accounts receivable, current assets, accounts payable, accrued expenses and liabilities and other current assets and liabilities approximate fair value.

NOTE C - CONCENTRATIONS OF RISK

The Company maintains cash balances at a financial institution in Miami. Accounts at each institution are insured by the Federal Deposit Insurance Corporation [redacted] The Company's balances may at times exceed this limit.

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Q Link Wireless, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of December 31,

	Estimated Useful Life (Years)	2012
Vehicle		[redacted]
Furniture and office equipment		
Computer software		
Accumulated depreciation and amortization		
Property and equipment, net		

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NOTE F – NOTES PAYABLES ON OBLIGATIONS

The Company leases office and warehouse space, on a month-to-month basis of approximately [redacted] month.

NOTE G – ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consist of the following as of December 31:

	2012
Accrued payroll, consulting and other expenses	[redacted]

The Company owes accrued consulting fees to its sole members [redacted] due at December 31, 2012.

Q Link Wireless, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

NOTE H - RELATED PARTY BALANCES AND TRANSACTIONS

The Company has note payable to the sole members, totaling [redacted] with zero interest payments due at prime at December 31, 2012.

The Company entered into a promissory note agreement (the 'Note') through its Parent, totaling [redacted] with zero interest payments due at prime at December 31, 2012.

NOTE H – SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 15, 2013, the date on which the financial statements were available to be issued.

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