THE CHRON ORGANIZATION, INC.

CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

For the twelve months ended December 31, 2016 and 2015

Trading Symbol: CHRO

THE CHRON ORGANIZATION, INC.

CONSOLIDATED FINANCIAL STATEMENTS

For the twelve months ended December 31, 2016 and 2015

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MONTGOMERY COSCIA GREILICH LLP
972.748.0300 p
972.748.0700 f

INDEPENDENT AUDITOR'S REPORT

To the Members of
The Chron Organization, Inc.:

We have audited the accompanying consolidated financial statements of The Chron Organization, Inc.(the "Company"), which comprise the consolidated balance sheets as of December 31, 2016 and 2015, and the related consolidated statements of operations and changes in members' equity, and cash flows for the year ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Chron Organization, Inc. as of December 31, 2016 and 2015, and the result of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Montgomery Coscia Greilich LLP

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Plano, Texas
April 12, 2017

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THE CHRON ORGANIZATION, INC.
BALANCE SHEETS

	December 31, 2016	December 31, 2015
ASSETS		
Current Assets		
Cash and cash equivalents	$ 51,710	$ -
Other assets	12,000	-
Prepaid expenses	28,750	-
Total current assets	92,460	-
Fixed Assets		
Software	66,710	-
Total fixed assets	66,710	-
Total assets	$ 159,170	$ -
LIABILITIES & SHAREHOLDERS' DEFICIT		
Liabilities		
Current Liabilities		
Accounts payable	$ 111,207	$ -
Accrued interest	20,382	7,298
Accrued payroll	212,000	
Other current liabilities	15,005	-
Note payable	-	68,000
Subscription liabilities	75,000	
Related party convertible promissory note, net	188,342	10,423
Convertible promissory note, net	-	54,500
Total current liabilities	621,936	140,221
Long-term Liabilities		
Convertible promissory note, net	233,836	-
Total long-term liabilities	233,836	-
Total Liabilities	855,772	140,221
Mezzanine Equity		
Beneficial conversion feature	413,231	160,109
Warrants	80,892	25,391
Total Mezzanine equity	494,123	185,500
Shareholders' deficit		
Class A Common stock par value $.001, 1,000,000,000 shares authorized, 853,262,525 and 540,552,127, respectively issued and outstanding	853,262	540,552
Class B Common stock par value $.001, 10,000,000 shares authorized, 10,000,000 and 0, issued and outstanding respectively	10,000	-
Additional paid-in capital (deficit)	274,903	(309,121)
Accumulated deficit	(2,328,890)	(557,152)
Total shareholders' deficit	(1,190,725)	(325,721)
TOTAL LIABILITIES & SHAREHOLDERS' DEFICIT	$ 159,170	$ -

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

THE CHRON ORGANIZATION, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	Twelve Months Ended December 31, 2016	Twelve Months Ended December 31, 2015
Continuing Operations		
Revenue	$ 5,051	$ -
Cost of goods sold	20,431	-
Gross profit	(15,380)	-
Operating expenses		
Selling, general and administrative expenses	1,522,183	62,546
Total Operating Expense	1,522,183	62,546
Operating loss	(1,537,563)	(62,546)
Other expense		
Interest expense	(234,175)	(68,718)
Loss from continued operations	(1,771,738)	(131,264)
Loss from discontinued operations	-	(184,592)
Net loss	$ (1,771,738)	$ (315,856)
Per share information:		
Basic and diluted losses from discontinued operations per common share	$ (0.00)	$ (0.00)
Basic and diluted losses from continuing operations per common share	$ (0.00)	$ (0.00)
Weighted average shares outstanding - basic	605,975,340	450,043,140
Weighted average shares outstanding - diluted	727,142,007	535,543,140

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

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THE CHRON ORGANIZATION, INC.
CONSOLIDATED STATEMENTS OF CHANGE IN SHAREHOLDERS' DEFICIT

	Class A Common Stock		Class B Common Stock				
	Shares	Amount	Shares	Amount	Accumulated Deficit	Additional Paid-in Capital	Total
December 31, 2014	142,368,027	$ 142,368	-	$ -	$ (241,296)	$ 26,035	$ (72,893)
Net Loss	-	-	-	-	(315,856)	-	(315,856)
Conversion of notes payable	398,184,100	398,184	-	-	-	(335,156)	63,028
December 31, 2015	540,552,127	$ 540,552	-	$ -	$ (557,152)	$ (309,121)	$ (325,721)
Net Loss	-	-	-	-	(1,771,738)	-	(1,771,738)
Common stock issued for service	2,368,300	2,368	-	-	-	40,132	42,500
Conversion of notes payable	27,588,888	27,589	-	-	-	149,411	177,000
Stock issued	282,753,210	282,753	10,000,000	10,000	-	394,481	687,234
December 31, 2016	853,262,525	$ 853,262	10,000,000	$ 10,000	$ (2,328,890)	$ 274,903	$ (1,190,725)

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

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THE CHRON ORGANIZATION INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	December 31, 2016	December 31, 2015
OPERATING ACTIVITIES		
Net Loss	$ (1,771,738)	$ (131,264)
Adjustments to reconcile net loss to net		
Cash used in operating activities		
Amortization of debt discount	212,877	64,923
Changes in operating assets and liabilities		
Prepaid expenses and other assets	(40,750)	-
Accounts payable and other current liabilities	126,212	-
Accrued interest	13,085	-
Accrued payroll	212,000	3,795
Services paid in stock	42,500	-
Net cash used in provided in operating activities	(1,205,814)	(62,546)
INVESTING ACTIVITIES		
Software	(66,710)	-
Net cash used in investing activities	(66,710)	-
FINANCING ACTIVITIES		
Proceeds from issuance of stock	687,234	-
Proceeds from subscription issuance	75,000	
Proceeds from notes payable	-	61,638
Proceeds from convertible promissory notes	500,000	54,500
Proceeds from related party convertible promissory notes and warrants	62,000	131,000
Net cash provided by financing activities	1,324,234	247,138
CASHFLOWS FROM DISCONTINUED OPERATIONS		
Net loss from discontinued operations	-	(184,592)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	$ -	$ -
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 51,710	$ -
Supplemental disclosure of non cash transactions		
Conversion of notes payable to common stock	$ 122,500	$ 63,028
Cash paid for interest expense	$ 1,179	$ -

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

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THE CHRON ORGANIZATION, INC.
NOTES TO CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

1. Organization – Nature of Operations

The Chron Organization, Inc. (the "Company" or "CHRO") was incorporated under the laws of the State of Nevada on July 28, 1999. On March 24, 2016 FINRA (Financial Industry Regulatory Authority, Inc.) approved the name and CUSIP change from USA Restaurant Funding, Inc. to The Chron Organization, Inc. (OTC PINK: CHRO). The Company amended its Articles of Incorporation to change its name to "The Chron Organization, Inc.", to reflect the change in direction of the Company's business to smart home technologies and the next generation in energy utility services.

While the FINRA-registered name prior to March 24, 2016 and other registrations may imply and continue to imply an association with the restaurant industry, the Company has no plans or intentions to develop any business within that industry. Further, the entirety of the management team formally associated with the restaurant industry have resigned and new management has been brought in to transition the Company into a different industry entirely.

During the twelve months ended December 31, 2016 the Company formed a wholly owned subsidiary, Zen Technologies, Inc. The Company intends to provide home automation and energy conservation services to home owners through Zen Technologies, Inc. The services will include but are not limited to security, monitoring, and automation control that will enable the customer base to run a safe and efficient home. In addition to these services the Company will also provide electricity needs to its customer base through its retail electricity provider subsidiary.

2. Summary of Significant Accounting Policies

Principals of Consolidation – The accompanying consolidated financial statements include the accounts of The Chron Organization, Inc. and its wholly owned subsidiary Zen Technologies, Inc. All significant intercompany transactions and balances have been eliminated.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of sales and expenses during the reporting periods. Key estimates in the accompanying financial statements include, among others, revenue recognition, allowances for doubtful accounts, valuation of long-lived assets, and deferred income tax asset valuation allowances.

The financial statements are presented on the basis of the Company's ability to continue as a going concern. Other than continued current involvement, some transactions prior to December 31, 2015 have been reclassified as discontinued operations in these financial statements. See further information in Note 7. *Discontinued Operations*.

Cash and Cash Equivalents – The Company considers all highly-liquid investments with a maturity of three months or less, when purchased, to be cash equivalents.

Prepaid Expenses – As of December 31, 2016 prepaid expenses totaled $40,750. The balance of prepaid expenses as of December 31, 2016, consists of business insurance and rent related expenses. There were no prepaid expenses at December 31, 2015.

Fair Value of Financial Instruments - The Company calculates the fair value of its assets and liabilities which qualify as financial instruments and includes this information in the notes to consolidated financial statements when the fair value is different than the carrying value of those financial instruments. The estimated fair value of accounts receivable, prepaid and other current assets, and accounts payable and accrued expenses approximate the carrying amounts due to the relatively short maturity of these instruments. As stated above, the Company has discontinued its restaurant activities and as such has determined that the restaurant related assets have no future value and therefore have been written off at December 31, 2015. The carrying value of short- and long-term debt also approximates fair value since these instruments bear market rates of interest. None of these instruments are held for trading purposes.

Basic and Diluted Net Loss per Common Stock – Basic net loss per common share is computed by dividing net loss by the weighted-average number of common shares outstanding during the period. Diluted net loss per common share is determined using the weighted-average number of common shares outstanding during the period, adjusted for the dilutive effect of common stock equivalents. In periods when losses are reported, the weighted-average number of common shares outstanding excludes common stock equivalents because their inclusion would be anti-dilutive. The dilutive shares outstanding at December 31, 2016 and 2015 are as follows:

	December 31, 2016	December 31, 2015
Convertible promissory notes	22,924,901	20,000,000
Related party convertible promissory notes	64,333,333	43,666,667
Related Party Warrants	32,166,667	21,833,333
Warrants	10,000,000	-
Diluted shares outstanding	129,424,901	85,500,000

Income Taxes – The Company estimates its current tax position together with its future tax consequences attributable to temporary differences resulting from differing treatment of items, such as depreciation and other reserves for tax and accounting purposes. These temporary differences result in deferred tax assets and liabilities. Management must then assess the likelihood that its deferred tax assets will be recovered from future taxable income, prior year carryback, or future reversals of existing taxable temporary differences. To the extent management believes that recovery is unlikely, management establishes a valuation allowance against these deferred tax assets. Significant judgment is required in determining the Company's provision for income taxes, its deferred tax assets and liabilities, and any valuation allowance recorded against its deferred tax assets. At December 31, 2016 and 2015, the Company has recorded a full valuation allowance against its net deferred tax assets due to the uncertainty these assets will be used in the future.

Revenue Recognition - The Company recognizes sales, which include shipping fees where applicable, net of estimated returns, at the time the customer takes possession of merchandise or receives services. When the Company collects payments from customers prior to the transfer of ownership of merchandise or the performance of services, the amounts received are generally recorded as deferred sales, included in other current liabilities on the consolidated balance sheets, until the sale or service is completed. The Company reserves for estimated sales returns based on historical trends in merchandise returns, net of the estimated net realizable value of merchandise inventories to be returned and any estimated disposition costs. Amounts collected from members, which under common trade practices are referred to as sales taxes, are recorded on a net basis.

Software Development Costs – The Company capitalizes certain expenditures to the development of its software application. Capitalization begins when technological feasibility is established. Capitalized costs are amortized using the straight-line method over the estimated useful life of the developed product.

Beneficial Conversion Feature - The Company accounts for convertible notes payable in accordance with the guidelines established by the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") Topic 470-20, Debt with Conversion and Other Options, Emerging Issues Task Force ("EITF") 98-5, Accounting for Convertible Securities with Beneficial Conversion Features or Contingently Adjustable Conversion Ratios, and EITF 00-27, Application of Issue No 98-5 To Certain Convertible Instruments. The Beneficial Conversion Feature ("BCF") of a convertible note is normally characterized as the convertible portion or feature of certain notes payable that provide a rate of conversion that is below market value or in-the-money when issued. The Company records a BCF related to the issuance of a convertible note when issued and records the estimated fair value of any warrants issued with those convertible notes. Beneficial conversion features that are contingent upon the occurrence of a future event are recorded when the contingency is resolved.

The BCF of a convertible note is measured by allocating a portion of the note's proceeds to the warrants, if applicable, and as a discount on the carrying amount of the convertible note equal to the intrinsic value of the conversion feature, both of which are credited to mezzanine equity. The value of the proceeds received from a convertible note is then allocated between the conversion features and warrants and the debt on an allocated fair value basis. The allocated fair value is recorded in the financial statements as a debt discount (premium) from the face amount of the note and such discount is amortized over the expected term of the convertible note (or to the conversion date of the note, if sooner) and is charged to interest expense.

Classification -. Pursuant to ASC 480-10-S99-3A, the SEC finds that a BCF should be separated from a convertible instrument and recorded in additional paid-in capital. However, Company's filing with the SEC should present BCF as mezzanine equity in order to distinguish them from permanent equity. The balance sheet reflects the redeemable equity instruments as mezzanine equity separate from permanent equity.

3. Going Concern

The Company's financial statements for the twelve months ended December 31, 2016 and 2015 have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company reported a net loss of $1,771,738 and $315,856 for the twelve months ended December 31, 2016 and 2015, respectively, and an accumulated deficit of $2,328,890 and $557,152 for the twelve months ended December 31, 2016 and 2015, respectively. At December 31, 2016 and 2015, the Company had a working capital deficit of $529,476 and $140,221 respectively, and negative cash flow from continuing operating activity of $1,205,814 and $62,546, respectively, for the twelve months ended December 31, 2016 and 2015.

The Company's ability to continue as a going concern may be dependent on the success of management's plan. The financial statements do not include any adjustments relating to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

During the 2016 fiscal year, the Company intends to continue its efforts to raise funds to support its efforts through the sale of equity and/or debt securities. During the twelve months ended December 31, 2016, the Company has raised $687,234 from sales of its common stock.

To the extent the Company's operations are not sufficient to fund the Company's capital requirements, the Company may attempt to enter into a revolving loan agreement with financial institutions or attempt to raise capital through the sale of additional capital stock or through the issuance of debt. At the present time, the Company does not have a revolving loan agreement with any financial institution.

4. Notes Payable

Line of Credit

On November 13, 2014, the Company entered into an unsecured line of credit (the "Line of Credit") with a third-party for up to $68,000. The Line of Credit carried an interest rate of 3% per annum. In the event of a default under the Line of Credit, the interest rate on the Line of Credit would increase to the lower of 12% per annum or the maximum amount allowed by law. During the twelve months ended December 31, 2016, the Company settled the note payable in the amount of $68,000 with the issuance of 7,588,888 shares of the Company's common stock, par value $0.001 per share. With the issuance of the shares, the Company was released of all existing and potential claims.

5. Related Party Convertible Promissory Note

As of December 31, 2016 and 2015, the Company had an outstanding related party convertible promissory note of $193,000 and $131,000, respectively, with a maximum availability of $200,000 (the "Related Party Convertible Promissory Notes"). See Note 8. *Related Party Transactions.*

On November 20, 2015, the Company issued a Convertible Promissory Note to a related party (the "Related Party Convertible Promissory Note"). The Related Party Convertible Promissory Note accrues interest at a rate of 2% per annum. The principal balance and accrued interest under the Related Party Convertible Promissory Note at December 31, 2016 and 2015 was $193,000 and $131,000, and $3,358 and $264, respectively, and is due on April 30, 2017.

The Holder of the Related Party Convertible Promissory Note has the right to convert all or any part of the outstanding principal and accrued interest to shares of common stock of the Company. The Related Party Convertible Promissory

Note can be converted by the Holder in part from time to time after the issuance date by submitting notice of conversion. The November 2015 Convertible Promissory Note is convertible at a $0.003 per share conversion price.

The Related Party Convertible Promissory Note contained a beneficial conversion feature which resulted in a debt discount of $155,650 which was recorded as a reduction in carrying value of the Related Party Convertible Promissory Note and offset in mezzanine equity during the twelve months ended December 31, 2016 and 2015. During the twelve months ended December 31, 2016 and 2015 a charge to debt discount in the amount of $143,011 and $10,423, respectively and was expensed as interest expense. At December 31, 2016 and 2015, the debt discount was $1,986 and $95,186, respectively.

In connection with the Related Party Convertible Promissory Note, the Holder was issued a total of 32,166,667 warrants exercisable at $0.05 expiring in November 2020 (the "Warrants"). The Company determined the fair value of the warrants which resulted in a debt discount of $37,366 which was recorded as a reduction in carrying value of the Related Party Convertible Promissory Note and offset in mezzanine equity during the twelve months ended December 31, 2016 and 2015. During the twelve months ended December 31, 2016 a charge to debt discount in the amount of 34,695 and was expensed through interest expense. The balance at December 31, 2016 and 2015 was $2,671, and $25,391, respectively.

Related Party Convertible Promissory Note Summary

The fair value of the embedded beneficial conversion features and the fair value of the warrants underlying the Related Party Convertible Promissory Notes were calculated pursuant to the Black-Scholes Model. The following table summarizes the carrying value of the Convertible Promissory Notes as of December 31, 2016 and December 31, 2015:

	December 31, 2016	December 31, 2015
Related Party 2015 Convertible Promissory Note	$ 193,000	$ 131,000
Less: debt discount	(1,986)	(95,186)
Warrants	(2,672)	(25,391)
Total net carrying value	$ 188,342	$ 10,423

6. Convertible Promissory Notes

On January 8, 2015, the prior management team of the Company issued a Convertible Promissory Note totaling $54,500 to a third-party (the "January 2015 Convertible Promissory Note"). The January 2015 Convertible Promissory Note matured on January 8, 2016, and accrued interest at a rate of 8% per annum. As of December 31, 2016 and 2015, the outstanding balance was $0 and $54,500, respectively.

During the twelve months ended December 31, 2016, the Company settled the January 2015 Convertible Promissory Note. The Holder of the January 2015 Convertible Promissory Note was issued 20,000,000 shares of the Company's common stock, par value $0.001 per share in full settlement of the company's obligations

On September 6, 2016, the Company issued a Convertible Promissory Note totaling $300,000 to a third-party (the "September 2016 Convertible Promissory Note"). The September 2016 Convertible Promissory Note matures on September 5, 2018, and accrues interest at a rate of 10% per annum. As of December 31, 2016, the outstanding principal and accrued interest balance was $300,000 and $14,795, respectively.

The Holder of the Convertible Promissory Note has the right to convert all or any part of the outstanding principal and accrued interest to shares of common stock of the Company. The Convertible Promissory Note can be converted by the Holder in part from time to time after the issuance date by submitting notice of conversion. The September 2016 Convertible Promissory Note is convertible at the option of the Holder into that number of shares of the Company's common stock determined by dividing such principal amount and accrued interest by the Conversion Rate. The Conversion Rate is defined as seventy percent (70%) of the volume weighted average price over the prior ten (10) day trading period from the date of notice of conversion, but in no event shall the Conversion price be less than $0.02.

The September 2016 Convertible Promissory Note contained a beneficial conversion feature which resulted in a debt discount of $158,688 which was recorded as a reduction in carrying value of the September 2016 Convertible Promissory Note and offset in mezzanine equity during the twelve months ended December 31, 2016. A charge to debt discount in the amount of $25,621 was expensed through interest expense. At December 31, 2016, the debt discount was $133,067.

In connection with the September 2016 Convertible Promissory Note, the Holder was issued 6,000,000 warrants exercisable at $0.05 expiring in September 2018 (the "Warrants"). The Company determined the fair value of the warrants which resulted in a debt discount of $30,117, recorded as a reduction to the carrying value of the September 2016 Convertible Promissory Note and offset in mezzanine equity and is being amortized over the life of the warrants. The balance of the fair value of the warrants at December 31, 2016 was $25,254.

On November 25, 2016, the Company issued two Convertible Promissory Notes totaling $200,000 to third-parties (the "November 2016 Convertible Promissory Notes"). The November 2016 Convertible Promissory Notes mature on November 24, 2017, and accrues interest at a rate of 10% per annum. As of December 31, 2016, the outstanding principal and accrued interest balance was $200,000 and $1,644, respectively.

The Holder of the November 2016 Convertible Promissory Notes have the right to convert all or any part of the outstanding principal and accrued interest to shares of common stock of the Company. The November 2016 Convertible Promissory Notes can be converted by the Holder in part from time to time after the issuance date by submitting notice of conversion. The November 2016 Convertible Promissory Notes are convertible at the option of the Holder into that number of shares of the Company's common stock determined by dividing such principal amount and accrued interest by the Conversion Rate. The Conversion Rate is defined as seventy percent (70%) of the volume weighted average price over the prior ten (10) day trading period from the date of notice of conversion, but in no event shall the Conversion price be less than $0.02.

The November 2016 Convertible Promissory Notes contained a beneficial conversion feature which resulted in a debt discount of $99,123 which was recorded as a reduction in carrying value of the November 2016 Convertible Promissory Notes and offset in additional mezzanine equity during the twelve months ended December 31, 2016. A charge to debt discount in the amount of $4,130 was expensed through interest expense. At December 31, 2016, the debt discount was $94,993.

In connection with the November 2016 Convertible Promissory Notes, the Holders were issued 4,000,000 warrants exercisable at $0.05 expiring in November 2019 (the "Warrants"). The Company determined the fair value of the warrants which resulted in a debt discount of $13,409, recorded as a reduction to the carrying value of the November 2016 Convertible Promissory Note and offset in mezzanine equity and is being amortized over the life of the warrants. The balance of the fair value of the warrants at December 31, 2016 was $12,850.

Convertible Promissory Note Summary

The fair value of the embedded beneficial conversion features and the fair value of the warrants underlying the Convertible Promissory Notes were calculated pursuant to the Black-Scholes Model. The following table summarizes the carrying value of the Convertible Promissory Note as of December 31, 2016:

	December 31, 2016	
Convertible Promissory Note	$	500,000
Less: debt discount		(228,059)
Warrants		(38,105)
Total net carrying value	$	233,836

7. Income Taxes

No provision for federal income taxes has been recognized for the twelve months ended December 31, 2016 and 2015, as the Company has a net operating loss carry forward for income tax purposes available in each period. Additionally, it is uncertain if the Company will have taxable income in the future so a valuation allowance has been established for the full value of net tax assets. The deferred tax asset consists of net operating loss carry forwards and the Company has no deferred tax liabilities.

At December 31, 2016 and 2015, the Company has net operating loss carry forwards of $713,387 and $189,432, respectively for federal income tax purposes. This net operating loss carry forwards may be carried forward in varying amounts until 2036 and may be limited in their use due to significant changes in the Company's ownership.

	December 31, 2016	December 31, 2015
Net operating loss carryforwards	$ 713,387	$ 189,432
Less: valuation allowance	(713,387)	(189,432)
Net deferred tax asset	$ -	$ -

The Company has valued its net deferred tax asset at zero with a valuation allowance due to the substantial doubt taxable income will be generated in the future to utilize the deferred tax asset.

8. Related Party Transactions

During the twelve months ended December 31, 2016, the Company issued the Chairman of the Board a convertible promissory note, (the "Related Party Convertible Promissory Note") in an amount up to $200,000 along with 32,166,667 warrants. The note accrues interest at 2% per annum. The issuance of the financial instruments was made in the ordinary course of business, and were given fair market treatment. The Related Party Convertible Promissory Note matures on April 30, 2017. See Note 5. *Related Party Convertible Promissory Note.*

Additionally, the Company merged with a company controlled by related parties. See Note 10. *Merger.*

9. Discontinued Operations

The Company has accounted for discontinued operations prior to January 1, 2016 under Accounting Standards Update No. 2014-08, *Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*. Under this guidance, a discontinued operation is defined as a strategic shift that has (or will have) a major effect on an entity's operations and financial results. As described in Note 1. the Company has exited the restaurant industry and has shifted its strategy to home automation and energy conservation services. Management believes this adequately qualifies as a strategic shift under Update No. 2014-08. As of December 31, 2015, the Company had not generated any revenue from its new services. A reconciliation of amounts included in the statements of operations for the years ended December 31, 2015 as follows:

Revenue	$ 20,100
Selling general and administrative expenses	(201,161)
Other Expenses	(3,531)
Loss from continued operations	$(184,592)

10. Merger

On July 1, 2016, the Company exchanged 165,000,000 shares of the Company's unregistered shares of common stock for 100% of the outstanding common stock of Chron Energy, Inc. ("CEI"), a Nevada corporation to related parties (consisting of the company's Chief Compliance Officer and an LLC managed by the Company's President). CEI possessed intellectual property and strategic relationships (the "Assets") that are integral to the Company's entrance into the home automation and retail electric provider markets. Generally, the total acquisition consideration price would be allocated to the assets acquired and liabilities assumed based on their estimated fair values. The excess of the purchase price over the total of estimated fair values assigned to tangible and identifiable intangible assets acquired and liabilities assumed would then be recognized as goodwill. CEI had no liabilities and the Assets had no carrying value on the books. Since the acquisition was with related parties, no increase in the carrying value of the Assets or goodwill can be realized on the books of the Company.

There was no change of control of the Company as a result of the Merger. See Note 8. *Related Party Transitions*.

11. Shareholder Equity

On February 11, 2016, the Company amended and restated its Articles of Incorporation. The Company was authorized to issue two classes of stock to be designated, respectively "Common Stock" and "Preferred Stock." The total number of shares which the Company is authorized to issue is one billion five hundred ten million (1,510,000,000) shares each with a par value of $0.001 per share. One billion (1,000,000,000) shares shall be Class A Common Stock, ten million (10,000,000) shares shall be Class B Common Stock, and five hundred million (500,000,000) shares shall be Preferred

Stock. As of December 31, 2016, there are 853,262,525 Class A Common Stock shares issued, ten million (10,000,000) Class B Common Stock shares issued, and there has been no issuance of Preferred Stock. Each share of Class A Common Stock shall have one vote and each share of Class B Stock shall have 200 votes. The votes of Class A and Class B Common Stock shall vote together as a single class.

Issuances of Class A Common Stock, par value $0.001:

During the twelve months ended December 31, 2016, the Company issued 2,368,300 shares to providers of professional services to the Company, in lieu of the payment of cash for such services. The value of the transactions total approximately $42,500.

During the twelve months ended December 31, 2016, the Company has issued 282,753,210 shares for cash considerations totaling $687,234.

Issuances of Class B Common Stock, par value $0.001:

During the twelve months ended December 31, 2016, the Company issued 10,000,000 shares to related parties for cash considerations totaling $30,000.

12. Contingencies

In the ordinary course of conducting its business, the Company may be subject to loss contingencies including possible disputes and lawsuits. Management believes that any outcome of such contingences will not have a material impact on the Company's financial position or results of future operations.

13. Subsequent Events

Amended and Restated Articles of Incorporation

Effective March 2, 2017, the Company amended Articles Five and Seven of the corporation's Amended and Restated Articles of Incorporation.

Article Five was amended to set the aggregate number of shares which the Corporation shall have the authority to issue at 1,500,000,000 shares, of which 1,450,000,000 shares shall be Class A Common Stock, par value $.001 per share (the "Class A Common Stock"), 10,000,000 shares shall be Class B Common Stock, par value $.001 per share (the "Class B Common Stock") and 40,000,000 shares shall be Preferred Stock, par value $.001 per share (the "Preferred Stock") of which, 2,000,000 shares are designated as "Series A Preferred Stock". The rights, preferences and restrictions for the Series A Preferred Stock are set forth in the new Article Five, Section C which includes the following:

1. DESIGNATION OF SERIES. (a) There shall be a series of the Preferred Stock of the Corporation which shall be designated as the "Series A Preferred Stock," $0.001 par value, and the number of shares constituting such series shall be Two million (2,000,000). Such number of shares may be increased or decreased by resolution of the Board of Directors; provided, however, that no decrease shall reduce the number of shares of Series A Preferred Stock to a number less than that of the shares then outstanding. The Series A Preferred Stock shall have the rights, preferences, restrictions and other terms relating to such series of preferred stock as set forth in the Certificate of Designation of Preferences, Rights and Limitations of Series A Preferred Stock attached hereto as Exhibit A and incorporated herein by reference.

2. DIVIDENDS. The holders of Series A Preferred Stock shall not be entitled to receive dividends paid on the Common Stock.

3. LIQUIDATION PREFERENCE. The holders of Series A Preferred Stock shall not be entitled to any liquidation preference.

4. VOTING. Except as otherwise expressly set forth herein or as required by law, the holders of the Series A Preferred Stock shall not entitle the holders thereof to vote on any matter submitted for shareholder action, and the consent of the holders thereof shall not be required for the taking of any corporate action.

5. CONVERSION RIGHTS. The holders of the shares of Series A Preferred Stock shall have the right to convert the Series A Preferred Stock into Class A Common Stock at the rate of ten (10) common shares for each preferred share (10-1 conversion rate) (the "Conversion Right"). The holder of the Series A Preferred Stock shall be entitled to exercise the Conversion Right one year from purchase date of the Series A Preferred Stock.

6. REDEMPTION RIGHTS; REDEMPTION. To the extent not prohibited by law, all or a portion of the then-outstanding shares of Series A Preferred Stock may be redeemed by the Corporation for a period of one year from the date of issuance at an amount equal to one hundred thirty percent (130%) of the original issue price.

Article Seven was amended by deleting the existing Article Seven and adding a new Article 7 as follows:

Rights of Holders of Common Stock. The following rights, powers, privileges and restrictions, qualifications, and limitations apply to the Common Stock.

(a) General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and privileges of the holders of the Series A Preferred Stock.

(b) Voting. The holders of the Class A Common Stock are entitled to one vote for each share of Class A Common Stock held at all meetings of stockholders (and written actions in lieu of meetings) and the holders of the Class B Common Stock are entitled to 200 votes for each share of Class B Common Stock held at all meetings of stockholders (and written actions in lieu of meetings). Unless required by law, there shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one or more series of Series A Preferred Stock that may be authorized by the Board) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote. Further, holders of the Common Stock shall have no right to vote on the designations, preferences, limitations and relative or other rights of the Series A Preferred Stock or any series thereof (collectively, the "Preferences"), or on any amendment, alteration or repeal of the Preferences or the Series A Preferred Stock, at any time, whether before or after the issuance thereof.

Retail Electric Provider Acquisition

The Company entered into an agreement on January 20, 2017 to acquire eighty percent (80%) of Enertrade Electric, LLC, a Texas licensed Retail Energy Provider ("REP") engaged in the business of providing retail electricity and electric services to residential and commercial consumers within the State of Texas. The purchase price totals $1,500,000 with the initial payment of $500,000 at closing (subject to certain adjustments that may increase or decrease the initial amount) and a $1,000,000 promissory note without interest (subject to adjusted downward for any increase in the initial payment) and payable in two equal installments, the first of which is due ninety (90) days from the closing date and the second due one hundred and eighty (180) days from the closing date. Conditions precedent to closing the transaction include, but not limited to, (i) the Sellers obtaining all material consents, approvals, permits, authorization from, notifications to and filings with any Governmental Entities including, without limitations, the Texas Public Utilities Commission and (ii) all approvals, consents and waivers shall have been obtained from the REP's primary supplier. On March 27, 2017, the Company received the approval of the Texas Public Utilities Commission.

Securities Purchase Agreement

On March 17, 2017, the Company entered into a Securities Purchase Agreement containing convertible promissory notes (the "Notes") and "Warrants."

The aggregate principal amount of the Notes is $165,000 to be taken down in two $82,500 tranches. The Notes are due one year from issuance, have an original issue discount of 10%, an annual interest rate of 12%, a prepayment penalty of 20% if paid prior to the maturity date and are convertible into shares of common stock of the Company with a "Conversion Price" equal to the lower of $.03 per share or 60% of the lowest closing price for the Company's Common Stock on the Trading Market for the 20 Trading Days prior to the conversion, provided however the Conversion Price shall not be lower than $.001 per share.

The aggregate number of shares of common stock of the Company issuable upon the exercise of the Warrants is 1,000,000 shares. The Warrants are to be issued in two 500,000 tranches in connection with the Notes, are exercisable at any time on or after the six-month anniversary of the issue date and on or prior to the anniversary of the issue date and have an "Exercise Price" of $0.03 for the first 500,000 tranche shares and $0.05 for the second 500,000 tranche. The Warrants are exercisable for (i) cash or (ii) cashless by exchange of all or some of the Warrant for shares of Common Stock equal to the value of the amount of the Warrant being exchanged on the date of exchange.

Sale of Common Stock

Subsequent to the year ended December 31,2016, the Company sold a total of 4,333,334 shares of its restricted Class A Common Stock for $65,000 in private placements subject to Rule 144.