

SECURITIES AND EXCHANGE COMMISSION

FORM 10SB12G

Form for initial registration of a class of securities for small business issuers pursuant to  
Section 12(g)

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FILER

**IDGLOBAL CORP**

CIK: [1391143](#) | IRS No.: **000000000** | State of Incorporation: **NY**  
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U.S. SECURITIES AND EXCHANGE COMMISSION

**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-SB**

**GENERAL FORM FOR REGISTRATION OF SECURITIES  
OF SMALL BUSINESS ISSUERS**

**Under Section 12(b) or (g) of the Securities Exchange Act of 1934**

**IDGLOBAL Corp.**

(Name of Small Business Issuer in its charter)

Nevada	20-8531879
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

# 6 1925 Kirshner Road, Kelowna, B.C.	V1Y 4N7 CAN.
(Address of Principal Office)	Zip Code

Issuer's telephone number: 250-862-8933

Securities to be registered under Section 12(b) of the Act:

Title of each class to be so registered - N/A  
Name of each exchange on which each class is to be  
registered - N/A

Securities to be registered under Section 12(g) of the Act:

Common Stock  
(Title of class)

This registration statement is being filed with the Securities and Exchange  
Commission to cause the registrant to become a reporting issuer under the  
Securities Exchange Act of 1934.

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**PART I**

**ITEM 1. DESCRIPTION OF BUSINESS**

**Organization**

IDGLOBAL Corp is a corporation, its predecessor Utah-Idaho Consolidated Uranium Company, Inc. was a

corporation. IDGLOBAL Corp was organized in 2006. Its predecessor Utah-Idaho Consolidated Uranium Company, Inc. was organized in 1954. The Company merged with Utah-Idaho Consolidated Uranium Company in 2006. Incorporation was issued on 3/1/2006 in the state of Nevada. During June, 2006 IDGlobal Corp. acquired Praesidium ID Global Corp. in a reverse merger. Praesidium ID Global (a Canadian corporation) is a wholly owned subsidiary of ID Global Corp. The Company is engaged in the corporate loss prevention business, and in the high security document and anti-counterfeiting business.

## **Overview**

IDGLOBAL Corporation is rapidly emerging as a major player on the frontlines on the global battle against the economic erosion brought on by Counterfeiting and theft. IDGLOBAL is a Kelowna, British Columbia based company specializing in Nano Molecular and related high tech security products and services specifically designed to provide a total solution to the anti counterfeiting, loss prevention and brand authentication idioms.

In 2005, the founders of IDGLOBAL came together to pool their unique talents to form an innovative and highly specialized organization that could capitalize on the dramatic growth plaguing virtually every business sector that possesses brand value, recognition and / or Intellectual property.

At the core of IDGLOBAL's business agenda is the commitment for ongoing development and refinement of its cutting edge Nano Molecular Markers / tagants™, Micro and Nano Particles, tracking (RFID), analysis and identification technologies at IDGLOBAL's secure research facility in Kelowna. Various acquisition candidates are being looked at and considered by the IDGLOBAL Management and shall be pursued at a time commensurate with the opportunity to apply resources to ensure any acquisition is accretive to investors and shareholders.

Perhaps the most significant accomplishment to date is IDGLOBAL's ability to survive through its infancy on a relatively small budget and become cash flow neutral in its second year. Revenues are expected to exceed seven (7) figures with exponential growth possible given the size and number of potential client contracts and proposals currently outstanding as well as a myriad of others in early stage development. The principals of IDGLOBAL bring to the table years of industry contacts, associations and specialized co-branding and co-marketing relationships. This has allowed IDGLOBAL to present its products and services to a growing list of S&P 500 corporate clients.

## **IDGLOBAL's Products**

### **Anti-Counterfeiting - Nano Molecular Markers™**

IDGLOBAL's Nano-Molecular Markers™ are the equivalent of taking the laboratory into the field and providing a 100% verifiable answer as to a products authenticity in a matter of seconds by utilizing proprietary Nano-Molecular Markers™ and handheld scanning technologies. IDGLOBAL provides its Nano-Molecular Markers™ on a global basis to combat counterfeiting and can easily be applied to product runs into the hundreds of millions of units at a cost of a fraction of a penny per unit.

IDGLOBAL has developed a unique set of skills and industry knowledge in tagging and detecting molecular codes that can be embedded in any inorganic product. The company has achieved this through the use of Nano-technology and coded tags; what

IDGLOBAL has branded Nano Molecular Markers. These Nano Molecular markers essentially leave a molecular signature by penetrating the surface of a product or item resulting in an undetectable and permanent tag that is read by the Company's proprietary handheld scanners in real time and 100% accuracy. This handheld scanning technology is fostered through its exclusive agreement in the field of security with Thermo Fisher Scientific ([www.thermofisher.com/global/en/home.asp](http://www.thermofisher.com/global/en/home.asp))

### **Anti-Theft - IDFORENSIX™**

The IDFORENSIX™ product lines are specifically geared towards loss prevention or theft. Applications for these forensic markers include everything from retail theft by consumers and/ or employees to the larger problem of theft in distribution systems and warehouses. The IDGLOBAL's IDFORENSIX products mark, protect and identify merchandise and / or equipment to protect against theft. Literally, truck loads of product are stolen from companies that have very few options in proving and finding their stolen merchandise. Whether its boxes of music CD's or high gauge and expensive electrical wire literally removed from power grid systems, it all amounts to billions of dollars in theft and loss. IDFORENSIX products can also mark and protect everything from oil /gas and mining equipment where millions of dollars of field equipment and tools goes missing to forensically marking dozens, hundreds or even thousands of laptop computers in office environments. The IDFORENSIX markers cannot be removed or tampered with once applied and provide a long term and unequivocal ability for an organization to mark, protect and recover stolen articles and merchandise

The IDFORENSIX™ product is a system that forensically marks your valuable corporate assets. For example, laptop computers are one of the most common assets stolen from companies by their employees or insiders. When the IDFORENSIX system is applied, multiple layers of asset protection are actually applied. These layers include an invisible mark that cannot be seen or removed except by IDGLOBAL's specially designed miniature handheld illumination device that when held over the IDFORENSIX mark, shows the tag on that item. There is also an IDFORENSIX label that visually tells employees that the item is marked and can be identified and prosecution will be taken if stolen and perhaps the most influential aspect of the IDFORENSIX system is the Employee Education Program.

The Employee Education Program notifies all employees that your company has implemented the IDFORENSIX program and has the ability to unequivocally identify and prosecute situations of theft. When employees are aware that your assets are protected, theft is reduced dramatically.

IDGLOBAL's IDFORENSIX products provide a psychological as well as a physical barrier to theft and Nano technologies that furnish the client with irrefutable evidence for successful prosecution in instances of theft.

### **Target Markets for IDGLOBAL'S Nano Molecular, IDFORENSIX and related Technologies**

- Apparel Fashion
- Auto / Aircraft Parts
- Oil and Gas
- ID / Secure Documents
- Textiles
- Pharmaceuticals
- Sports memorabilia
- Fine Art
- Wine
- Currency

Software  
Movies  
Tools and Equipment  
Education  
Health Care

The automobile and aircraft parts industries are key sectors for IDGLOBAL as the liabilities associated with counterfeited parts are crippling the industries through dramatically escalating insurance costs. This is evidenced by IDGLOBAL's early discussions with Boeing and on the table proposals with Ford Motor Global and General Motors.

### **Track 'n' Trace**

IDGLOBAL has recently introduced technologies that allow it to provide 'tracking' as well as its Anti-Counterfeiting Nano Molecular Markers in one deliverable product. Early reaction to this product has garnered significant excitement and interest from the Pharmaceutical and Electronics industries.

Rather than simply marketing anti-counterfeiting products and services to its clients, IDGLOBAL has developed comprehensive programs that provide a complete forensic trail for the life or ownership of a given company asset or product.

### **Research & Development**

R&D is a major part of the company's ongoing protocol. The company is continually looking at developing new products along with continuously re-inventing existing ones. This philosophy is designed to keep the company on the leading edge and to be the industry leader when it comes to offering solutions to its clients.

### **Government Regulation**

The business of IDGLOBAL Corp is not currently subject to substantial federal, state, or local government regulation. We are not subject to any significant environmental laws or regulations, and do not anticipate excessive levels of U.S. federal or state government regulation of our business.

### **Competition**

#### Competitive Technologies

There exist a variety of technologies and systems in place such as: Coded fluids (Organic and Inorganic), Security Labels, Etching (stenciled) Labels, Active Security Tags, Microdots/Microtaggants, and RFID Microchips, to name the most known methods. Coded Fluids: Coded fluids are closest in terms of product similarities with IDGLOBAL. Coded Fluids can be broken into two distinct groups: Organic and Inorganic. Organic compounds do not penetrate the surface of a marked asset, thus susceptible to being easily removed by either water and soap or mild solvent such as brake fluid. IDGLOBAL's security system has an advantage in that our marker fluids do in fact penetrate the surface.

Microdots: A liquid applied by brush that contains very small "dots", which have a unique number code that can be seen with a special microscope viewer. The decoding is quicker than coded fluids because the number can be quoted by telephone to the data base manager for confirmation of ownership. As with coded fluids, the two benefits are theft deterrence when accompanied by warning labels and proof of ownership. IDGLOBAL's security system provides the same deterrence benefits with an added advantage that our identifier can be read on site in real time thus eliminating contacting any data base manager.

**Microchips/RFID:** Almost as small as a grain of rice, the microchip is little more than an electronic circuit and aerial, often encapsulated in a 10mm long glass capsule. It is capable of transmitting a unique number sequence that will identify whatever it is attached to. Unlike a barcode, the "chip" can be placed inside most objects and still be scanned by its reader, giving the device some major advantages compared with "overt" marks such as labels and serial numbers. Being passive, the chip requires no maintenance, and poses no health risks. There are a variety of handheld battery powered reading devices which, when activated near the chip by pressing a button, can energize it so as to display its unique number very quickly. This display is shown on the reader LCD window and at the same time on a computer screen if required. Apart from theft issues the microchip can assist in many business applications. As the chip cannot be scanned behind metallic barriers it is not appropriate for marking items where it would be visible.

**Etching Labels:** A permanent etched mark of a predetermined code is left on the asset by painting chemicals through perforations specially punched in the label. Since the only decoder required is eyesight, it has some advantages but its use fails for most products especially where appearance is important. However, IDGLOBAL's security system has the advantage in that it can be applied to any product and it can complement any etching label marks by adding a further layer of security.

**Security Labels:** These tamper resistant labels are usually toughened plastic tags, bonded to surfaces with very high strength resin adhesives. They can be customized to include company logos and barcodes for asset management. Most suppliers do not have an associated database management system. Attaching these tags is often accompanied by uploading equipment details into an asset register, or audit contracting.

**Active Security Tags:** These are about the size of a book of matches and mainly used in business attached to computers and other high value items that regularly move through doorways. Being battery powered, they have a longer reading range for access control, and often have anti-tampering devices built in. With associated antenna and monitoring equipment, this type of system is closer to the perimeter guarding industry than pure property marking. Unique numbers can be applied and changed at will.

**Security Threads:** Security fibers have been used for making paper based security products more secure. Fibers can be produced in polyamide and viscose fibers in different sizes and colors. Generally there are two or more different fibers to a document. Polymeric transparent with microprint, both direct-viewing and inverse image, which can be implemented into the manufacturing process. Typically, UV active and can be read with 10X microscope.

**Reactive Inks:** Produce imagery that changes color or disappears when exposed to the appropriate solution, used primarily in documents.

**Optically Variable Devices:** OVDs is a device providing bright and easily recognizable visual features that are highly effective in protecting branded products against fraud. Very similar to a hologram (below).

**Holograms:** The distinctive visual characteristics of holograms; the brilliant spectral colors, their movement as you rotate the hologram and the depth of the image are all designed to be clear signals of authenticity. No other print media can achieve these characteristics.

There are several security products of similar type within the marketplace, but IDGLOBAL's inorganic tagging process has significant outright advantages over the majority of the competitors. In the other cases IDGLOBAL's Nano-Molecular Marking system can be used in conjunction with competitor's product thus creating multiple layers of protection that can customize solutions for the needs in the security industry. Few competitors' methods and security systems provide for loss prevention, brand authentication or counterfeit protection for virtually any product, as IDGLOBAL can provide.

The following identifies the strongest marker competition, at the same time it also identifies potential areas where partnerships or strategic alliances may be formed. The Counterfeit Intelligence Bureau (Great Britain) lists critical competitive international counterfeiting firms specifically; the Countertech International Anti-counterfeiting Technologies which displays many companies that

can be direct competition. However, many listed are inks and currency technologies that are excellent opportunities for strategic alliances like Cascade Fine Papers, G & D, De La Rue, SICPA and Inksure.

Companies with similar type of solutions:

**Authentix:** This Company out of Dallas has the capability to be the single most comprehensive competitive technology IDGLOBAL may face. They are well funded, combine significant multiple technologies, already have a range of FDA approved forensic markers (highly probable that they are organic in nature) and utilize simple field verification kits for their optical technologies that have instant detection technology, however lack the absolute instant field verification at the atomic level.

**Stardust Technologies:** Stardust Technologies of Washington (formed 2002) "appears" to have a very similar technology and field application scenario, however, the key word is "optical scanner". Their system reads differing light waves for authentication by using photoluminescence taggant materials which absorb invisible infrared light from a detector and emit visible light.

**BIOCODE Inc.:** A key competitor in Europe is Biocode Inc. (not to be confused with the former Biocode Company that merged with Isotag and Calyx to become Authentix). This company has the following private equity investors -

**APAX:** Partners (London), Mercury Assets Management (London) and Oxford Bioscience (Boston). Their technology is covert marking systems based on molecular binding pair/antibody technology using organic chemicals as markers. The markers are applied in PPb (billion). Their strongest feature is that they can verify the presence or absence of the markers by using test kits containing the specific "recognition" molecule for that marker.

Key benefits

Instant verification by non- technical personnel

Security- marker cannot be detected without specific Biocode test kit

The only drawback and our strong suit here, seems to be yes/no only verification. Actual authentication it would seem is based on the supportive database information that would be held separately from the information contained in the marked item. Our technology has the ability to be instantly verified in the field with key authentication data available simultaneously.

**Flying Null Ltd. (U.K.):** Their technology is based on magnetic sensing and "contact-less" reading of anti-counterfeiting features embedded. The separation distances are in centimeters between the marker and sensor. This is a covert technology that has the ability to be read "through" the media (paper, packaging depths etc.) with no environmental, pressure or temperature susceptibilities.

The "superlative" advantage IDGLOBAL's program has over all competitors is that we can guarantee ownership of a marked product with 100% accuracy, 100% of the time, and make that real-time verification, anywhere in the world, "instantly". Risk Factors

This investment has a high degree of risk. Before you invest you should carefully consider the risks and uncertainties described below and the other information in this prospectus. If any of the following risks actually occur, our business, operating results and financial condition could be harmed and the value of our stock could go down. This means you could lose all or a part of your investment.

### **Short Operating History**

We have a short operating history with our current business model, as a result, we have a very limited operating history for you to evaluate in assessing our future prospects. Our operations since inception have not produced significant revenues, and may not produce

significant revenues in the near term, or at all, which may harm our

ability to obtain additional financing and may require us to reduce or discontinue our operations. You must consider our business and prospects in light of the risks and difficulties we will encounter as an early-stage company in a new and rapidly evolving industry. We may not be able to successfully address these risks and difficulties, which could significantly harm our business, operating results, and financial condition.

### **Unable to Obtain Additional Financing**

We believe we will be required to seek additional capital to sustain or expand our prototype and sample manufacturing, and sales and marketing activities, and to otherwise continue our business operations beyond that date. We have no commitments for any future funding, and may not be able to obtain additional financing or grants on terms acceptable to us, if at all, in the future. If we are unable to obtain additional capital this would restrict our ability to grow and may require us to curtail or discontinue our business operations. Additionally, while a reduction in our business operations may prolong our ability to operate, that reduction would harm our ability to implement our business strategy. If we can obtain any Equity financing, it may involve substantial dilution to our then existing shareholders.

### **Auditors Report**

Our independent auditors stated that our financial statements for the year ended December 31, 2006 were prepared assuming that we would continue as a going concern, and that they have substantial doubt about our ability to continue as a going concern. Our auditors' doubts are based on our incurring net losses of \$511,523 during the period from 2005 to December 31, 2006. We continue to experience net operating losses. Our ability to continue as a going concern is subject to our ability to generate a profit and/or obtain necessary funding from outside sources, including by the sale of our securities, obtaining loans from financial institutions, or obtaining grants from various organizations or governments, where possible. Our continued net operating losses and our auditor's doubts increase the difficulty of our meeting such goals and our efforts to continue as a going concern may not prove successful.

### **Ability to Compete Effectively**

The principal markets for our technology are intensely competitive. We compete with many existing suppliers and new competitors continue to enter the market. Many of our competitors, both in the United States and elsewhere, are major companies, and many of them have substantially greater capital resources, marketing experience, research and development staff, and facilities than we do. Any of these companies could succeed in developing products that are more effective than the products that we have or may develop and may be more successful than us in producing and marketing their existing products. Some of our competitors that operate in the anti-counterfeiting and fraud prevention markets include: Art Guard International, Applied Optical Technologies, Authentix, ChemTAG, Collectors Universe Inc., Cypher Science, Data Dot Technology, Digimarc Corp., DNA Technologies, Inc., Inksure Technologies, L-1 Identity Solutions, NTT DATA Labs, SureTrace, Theft Protection Systems, and Tracetag.

We expect this competition to continue and intensify in the future. Competition in our markets is primarily driven by:

product performance, features and liability;

price;



timing of product introductions;

ability to develop, maintain and protect proprietary products and technologies;

sales and distribution capabilities;

technical support and service;

brand loyalty;

applications support; and

breadth of product line.

If a competitor develops superior technology or cost-effective alternatives to our products, our business, financial condition and results of operations could be significantly harmed.

#### **Need to Expand Sales, Marketing and Support Organizations**

We currently have few sales, marketing, customer service and support personnel and will need to increase our staff to generate a greater volume of sales and to support any new customers or the expanding needs of existing customers. The employment market for sales, marketing, and customer service and support personnel in our industry is very competitive, and we may not be able to hire the kind and number of sales, marketing, customer service and support personnel we are targeting. Our inability to hire qualified sales, marketing, and customer service and support personnel may harm our business, operating results and financial condition. We do not currently have sufficient arrangements with distributors. If we are not able to develop greater distribution capacity, we may not be able to generate sufficient revenue to support our operations.

#### **Our Failure to Manage Our Growth**

Any growth in our operations could place a significant strain on our current management resources. Our future growth, may be attributable to acquisitions of new product lines and new businesses. Future acquisitions, if successfully consummated, would likely create increased working capital requirements, which would likely precede by several months any material contribution of an acquisition to our net income. Our failure to manage growth or future acquisitions successfully could seriously harm our operating results. Also, acquisition costs could cause our quarterly operating results to vary significantly. Furthermore, our stockholders would be diluted if we financed the acquisitions by incurring convertible debt or issuing securities.

#### **Litigation**

We generally may be subject to claims made by and required to respond to litigation brought by customers, former employees, former officers and directors, former distributors and sales representatives, and vendors and service providers. We cannot assure that we will not be subject to claims in the future. In the event that a claim is successfully brought against us, considering our lack of revenue and the losses our business has incurred for the period from our inception to December 31, 2006, this could result in a significant decrease in our liquidity or assets, which could result in the reduction or termination of our business.

#### **Fail to Remain Current on Our Reporting Requirements**

Companies trading on The Over The Counter Bulletin Board (the "OTC Bulletin Board") must be reporting issuers under Section 12 of the Securities Exchange Act of 1934, as amended, and must be current in their reports under Section 13, in order to maintain price quotation privileges on the OTC Bulletin Board. If we fail to remain current on our reporting requirements, we could be removed from the OTC Bulletin Board. As a result, the market liquidity for our securities could be severely adversely affected by limiting the ability of broker-dealers to sell our securities and the ability of stockholders to sell their securities in the secondary market. There can be no assurance that in the future we will always be current in our reporting requirements.

### **Our Common Stock is Subject to the "Penny Stock" Rules**

The SEC has adopted Rule 15g-9 which establishes the definition of a "penny stock," for the purposes relevant to us, as any equity security that has a market price of less than \$5.00 per share or with an exercise price of less than \$5.00 per share subject to certain exceptions. For any transaction involving a penny stock, unless exempt, the rules require:

that a broker or dealer approve a person's account for transactions in penny stocks

the broker or dealer receive from the investor a written agreement to the transaction, setting forth the identity and quantity of the penny stock to be purchased

In order to approve a person's account for transactions in penny stocks, the broker or dealer must:

obtain financial information and investment experience objectives of the person;

make a reasonable determination that the transactions in penny stocks are suitable for that person and the person has sufficient knowledge and experience in financial matters to be capable of evaluating the risks of transactions in penny stocks.

The broker or dealer must also deliver, prior to any transaction in a penny stock, a disclosure schedule prescribed by the SEC relating to the penny stock market, which, in highlight form:

sets forth the basis on which the broker or dealer made the suitability determination; and

that the broker or dealer received a signed, written agreement from the investor prior to the transaction.

Generally, brokers may be less willing to execute transactions in securities subject to the "penny stock" rules. This may make it more difficult for investors to dispose of our common stock and cause a decline in the market value of our stock.

Disclosure also has to be made about the risks of investing in penny stocks in both public offerings and in secondary trading and about the commissions payable to both the broker-dealer and the registered representative, current quotations for the securities and the rights and remedies available to an investor in cases of fraud in penny stock transactions. Finally, monthly statements have to be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks.

### **Investment Risks**

#### **Trading May Lack Liquidity in Shares**

Because in the future, our stock may trade on the over-the-counter bulletin board, our stockholders may have greater difficulty in selling

their shares when they want and for the price they want. The over-the-counter bulletin board is separate and distinct from the NASDAQ stock market. The bulletin board does not operate under the same rules and standards as the NASDAQ stock market, including, for example, order handling rules. The absence of these rules and standards may make it more difficult for a stockholder to obtain execution of an order to trade and to obtain the price they wanted for a trade. This means our shareholders may not be able to sell their shares when they want for a price they want. In addition, because stocks traded on the bulletin board are usually thinly traded, highly volatile have fewer market makers and are not followed by analysts, our stockholders may have greater difficulty in selling their shares when they want and for the price they want. Investors may have greater difficulty in getting orders filled because it is anticipated that if our stock trades on a public market, it

initially will trade on the over-the-counter bulletin board rather than on NASDAQ. Investors' orders may be filled at a price much different than expected when an order is placed. Trading activity in general is not conducted as efficiently and effectively as with NASDAQ-listed securities. Bulletin board transactions are conducted almost entirely manually. Because there are no automated systems for negotiating trades on the bulletin board, they are conducted via telephone. In times of heavy market volume, the limitations of this process may result in a significant increase in the time it takes to execute investor orders. Therefore, when investors place market orders - an order to buy or sell a specific number of shares at the current market price - it is possible for the price of a stock to go up or down significantly during the lapse of time between placing a market order and getting execution. Because bulletin board stocks are usually not followed by analysts, there may be lower trading volume than for NASDAQ-listed securities. Further, a registered broker-dealer must submit an application to the National Association of Securities Dealers to enable our stock to be listed on the bulletin board. Because the National Association of Securities Dealers will conduct their own review of IDGLOBAL CORP. and its business, we cannot assure you that we will be successful in getting IDGLOBAL Corp. listed on the bulletin board or any other quotation medium.

#### **Never Issued a Dividend and Must Rely on Increase in the Share Value**

IDGLOABAL CORP has never issued a dividend and we do not anticipate paying dividends on our common stock in the foreseeable future. Consequently, you should not rely on an investment in IDGLOBAL Corp if you require dividend income. Any return on your investment in IDGLOBAL Corp will come from the potential appreciation in the value of your shares, this is inherently uncertain and unpredictable. Furthermore, we may also be restricted from paying dividends in the future pursuant to subsequent financing arrangements or pursuant to Nevada law.

#### **ITEM 2.**

##### **Management Discussion/ Plan of Operation**

You should read the following discussion of the company's financial condition and results of operations in conjunction with the audited financial statements and related notes included in this registration statement. This discussion may contain forward-looking statements, including, without limitation, statements regarding our expectations, beliefs, intentions, or future strategies that are signified by the words "expects," "anticipates," "intends," "believes," or similar language. Actual results could differ materially from those projected in the forward looking statements. You should carefully consider the information set forth above under Item 1 of this Part I under the caption "Risk Factors" in addition to the other information set forth in this registration statement.

##### **Overview**

IDGLOBAL is a Kelowna, British Columbia-based company that specializes in corporate security marking of products and services, specifically those related to brand authentication, anti-counterfeiting and loss prevention. IDGLOBAL has two primary divisions, its' Nano-Molecular Markers / Tags™ used in anti-counterfeiting applications and its' IDFORENSIX™ products utilized in Loss Prevention.

## **Plan of Operation**

IDGLOBAL started in 2005 and went public in June 2006 based on the rapidly growing, global anti-counterfeit and similarly corporate loss prevention markets. IDGLOBAL's core business growth plan calls for the further R&D development of its two primary divisions products as well exploring and through acquisitions either similar or complimentary products that will increase product breadth, customer base and market share.

Financing will come through the increase revenues from the current contracts that have been signed in both the Anti Counterfeiting and Loss Prevention divisions and management intends to raise via private equity financing or other means and interests that it deems necessary.

## **Brand Authentication / Anti-Counterfeiting**

[www.idglobalcorp.com](http://www.idglobalcorp.com)

IDGLOBAL's Nano-Molecular Markers™ are the equivalent of taking the laboratory into the field and providing a verifiable answer as to a product's authenticity in a matter of seconds by utilizing proprietary Nano-Molecular Markers™ and handheld scanning technologies. IDGLOBAL has developed a unique set of skills in Nano-Molecular Markers that can be embedded in products. Authentication via IDGLOBAL's Nano-Molecular Markers™ system is always 100% accurate. IDGLOBAL provides its Nano-Molecular Markers™ on a global basis and can easily be applied to product runs into the hundreds of millions of units at a cost of a fraction of a penny per unit. IDGLOBAL has established major contracts with clients such as CSA International ([www.csa-international.org](http://www.csa-international.org)), ATL Pharma Security Label Systems and Hockey Canada. The Company is currently in different phases of negotiation and discussion with numerous other major brand companies that have been identified as ones who could benefit from the Nano-Molecular Markers.

## **Loss Prevention IDFORENSIX**

[www.idforensix.com](http://www.idforensix.com)

Since the beginning of 2007, IDGLOBAL's IDFORENSIX™ division has seen significant growth through focusing its efforts in "a few specific verticals", construction, utilities, oil & gas to name a few and marketing success through its third party vendors. IDFORENSIX has established major contracts with clients such as Exxon Mobile, ToolWatch, and Atomic Canada. IDFORENSIX™ anticipates a significant increase in revenue over the next 12 months.

The IDFORENSIX™ loss prevention product lines are receiving heightened attention from current clients as well as new ones given IDFORENSIX™ very high rate of return on capital invested for clients who utilize these forensic markers. Client re-orders rates are in excess of 90% on the IDFORENSIX suite of products.

## **Expansion**

Expansion plans are underway and include human resource additions in strategic locales across North America for direct to market internal sales and marketing efforts. IDGLOBAL is also in the process of adding to its growing list of third party vendors as well as intensifying marketing efforts within its current roster of third party product vendors. The company is currently engaged in numerous projects that are in various stages of development for both divisions and is reviewing key alliance and acquisition opportunities to fast track growth and profitability.

## **Financial Condition and Results of Operations**

The company went public under the trade name IDGJ in June of 2006. Through the issue of stock in private placements the company was able to derive operating capital. Revenue was also generated through the sale to clients the company had prior to going public most of which came through its Loss Prevention Division. The capital was used to finance start up that included legal, consultants, office space and equipment, the hiring of an office manager and chemist, wages for a President and VP of Sales & Marketing. Other costs were incurred in travel and trade shows to initiate contact with major brand manufacturers that could benefit from the company's Nano-Molecular Marking™.

Gross margins were at the 50% and the company anticipates this cost to remain similar and even to increase through improved efficiencies, new procedures, increased R&D.

The company will increase its R&D in the Nano -Technology and other products to combine it with current IDGLOBAL technology or new technology.

The company's future financing will come through the increase of revenues from the current contracts that have been signed in both the Anti counterfeiting and loss prevention divisions. The company's core plans include the moving up to a higher trading board and growth through acquisitions. Currently the company is looking at numerous opportunities that can be part of the plan to increase revenue, increase market share, increase cash flow and increase customer base that will either be complimentary to existing or add to the breadth of the product lines.

Management intends to raise funds to finance future plan through a combination of a 504 placement and private equity financing or other means and interests that it deems will fulfill the funding required.

### **Personnel**

IDGLOBAL Corp. has six full-time employees; we don't believe we will have significant difficulty retaining additional employees or contract personnel in the future.

### **ITEM 3.**

#### **Property**

The Company leases an office for \$1500.00 a month at 6-1925 Kirschner Rd. Kelowna, British Columbia, V1Y 7N4.

### **ITEM 4.**

#### **Security Ownership of Certain Beneficial Owners and Management**

##### **Beneficial Ownership**

The following table sets forth certain information regarding the beneficial ownership of IDGLOBAL Corp's common stock (par value \$0.001 per share) as of December 31, 2006 by (i) each person (or group of affiliated persons) who is known by us to beneficially own more than 5% of the outstanding shares of IDGLOBAL Corp's common stock, (ii) each person who has served as a director or executive officer of IDGLOBAL Corp during 2006, and (iii) all persons who have served as a director or executive officer of IDGLOBAL Corp during such years as a group. As of such date IDGLOBAL Corp had 68,436,902 shares of common stock outstanding. Unless indicated otherwise, the address for each officer, director, and 5% shareholder is c/o IDGLOBAL Corp, # 6 1925 Kirshner Road, Kelowna, B.C. V1Y 4N7 CAN.

Name and Address of Beneficial Owner <sup>(1)</sup>	Amount and Nature of Beneficial Ownership	Percentage of Common Stock <sup>(2)</sup>
James Barry 121 Connaught Street, Sandgate QLD 4017 Australia	3,600,000	5%
Niton LLC - Thermo Fisher Scientific 63356 Nels Anderson Rd. Bend, OR 97701	3,600,000	5%
Daryl Regier 4311 Hazell Rd. Kelwona BC V1W 1P9	4,000,000	6%
Cammie Regier 4311 Hazell Rd. Kelowna BC V1W 1P9	5,900,000	9%
Phil Viggiani #9-3151 Lakeshore road-unit 175, Kelowna B.C. V1W 3S9	9,702,000	14%
All directors and executive officers as a group	0%	0%
Total Beneficial Owners <sup>(2)</sup>	26,802,000	39%

(1) Unless otherwise indicated in the footnotes to the table, each shareholder shown on the table has sole voting and investment power with respect to the shares beneficially owned by him or it.

(2) Based on 68,436,902 shares of Common Stock outstanding.

## ITEM 5.

### Directors and Executive Officers

The following is a list of our directors, executive officers and significant employees.

Name	Title
Daryl Regier	President, Chief Executive Officer & Chairman of the Board
Phil Viggiani	Vice President Sales & Marketing, Director
Marc Hamilton	Chief Operating Officer

Directors are elected to serve until the next annual meeting of stockholders and until their successors are elected and qualified.

Currently, the members of our board of directors do not receive any fees for being a director or attending meetings. Our directors are reimbursed for out-of-pocket expenses relating to attendance at meetings. Officers are elected by the Board of Directors and serve until their successors are appointed by the Board of Directors. Biographical resumes of each officer and director are set forth below.

### **Daryl Regier - President, Chief Executive Officer/Chairman of the Board**

Daryl Regier has more than 20 years of leadership experience building and guiding companies. An accomplished corporate strategist and marketer, his vision and expertise in business performance have driven notable enterprise growth in the security and software sectors.

Offering a rare blend of creative and technical strengths, Mr. Regier has achieved exciting company and product turnarounds and is recognized for his success in growing sales and profits. His strategic approach to building a business is reflected in his work as VP Sales and Marketing of SporTroncis Inc. where his concept creation and focus on product-line mix quickly delivered impressive bottom-line results. His turnaround capability is highlighted by his accomplishments as President & CEO of IDGLOBAL Corporation, where he led a distressed technology and really old sales staff to record profitability through brand revitalization that included major shifts in brand strategy, operations, product design, packaging, marketing communications.

Mr. Regier's exceptional track record of business improvement is based on his philosophy of total enterprise engagement in change. He is known for his ability to quickly identify and diagnose growth impediments that go far beyond marketing, working with companies to refine their organizational structure, product lines, sourcing, sales channels & market position.

Mr. Regier is a member of The Okanagan Science & Technology Council and active in the local community where he lives with his family.

### **Philip A. Viggiani-V.P. Sales & Marketing, Director**

Mr. Viggiani has compiled over 9 years of combined senior management and research in the forensic marking and authentication technologies industry. Fresno West, his market research firm, at the time developed extensive proprietary research as an industry benchmark for the forensic marking field in Canada and the U.S. During his 12 years managing his market research and advertising agency, his client list included General Motors, Vance International, Fabricland Canada, and B.C. Gas.

In 2000 Mr. Viggiani was contracted to develop a new business model for an emerging forensic marking company including sales strategy, marketing plan and full collateral material for the new venture. He became V.P. Market Development and eventually President of the firm. In December 2002, that executive team merged with Identification Technologies (IDENTEX).

Mr. Viggiani has an extensive and award winning background of over 22 years in the communications industry, specifically Radio and Television. He produced Television products for international distribution as well as sports specials for national TV network programming. He was contracted as the consultant responsible for the creation, delivery and aural presentation to the Canadian Radio, Television and Telecommunications Commission for the application of South Fraser Broadcasting (Z-95) in Vancouver. The application won out over 8 major broadcast entities applying for the last FM radio frequencies available in the market.

Mr. Viggiani's promotional and marketing expertise earned him Gold (of which only 12 Gold were awarded from 220 entries) in the coveted U.S. "Summit Awards for Creative Excellence" and was selected for "The National Register's Who's Who in Executives and Professionals" for the Millennium Edition for North America (1999-2000 / Category-Communications).

### **Marc Hamilton - Chief Operations Officer -COO**

Mr. Hamilton brings to IDGLOBAL a diverse set of skills and experience that are essential to accelerating IDGLOBAL's revenue and client growth. Mr. Hamilton's most recent portfolio includes CEO of Cash Canada, a publicly traded company with responsibility

encompassing overseeing multiple locations, business strategy implementation and financial reporting and objectives. Preceding that, he was Controller of Operations for a start-up Oil & Gas Company with responsibility for overseeing daily financial management and long-term planning. He played a key role in creating the financial and operational infrastructure needed to meet investors' growth objectives. His education includes Master of Business Administration (MBA), General Management from Athabasca University in Alberta as well as Civil Engineering.

Mr. Hamilton is a strategically focused business executive with rich, cross-functional backgrounds in general management, sales & marketing and business execution. He brings an exceptional blend of business acumen and analytical skills to improve productivity infiltrate new markets and take advantage of emerging business opportunities. His expertise in developing new business and revenue streams, implementing results-focused sales plans and corporate financial oversight fulfills many of the immediate requirements of IDGLOBAL. Mr. Hamilton is well versed in developing financial projections, market research and executing and implementing business initiatives for both large and small operations.

**ITEM 6.**

**Executive Compensation 2007**

Shown on the table below is information on the annual and long-term compensation for services rendered to the Registrant in all capacities, through the third quarter of 2007 paid by the Registrant to all individuals serving as the Registrant's chief executive officer or acting in a similar capacity during the fiscal year ended December 31, 2006, and through the third quarter of 2007 regardless of compensation level.

Name	Title	Year	Annual Compensation			Long Term Compensation			
			Salary	Bonus	Other Annual Compensation	Restricted Stock Awarded	Options/SARs (#)	LTIP payouts (\$)	All Other Compensation
Daryl Regier	Director, President, CEO, Chairman	2007	\$ 115,200	0	0	125,000 common shares	2500000	0	0
Phil Viggiani	Director, Vice President Sales	2007	115,200	0	0	125,000 common shares	2500000	0	0
Marc Hamilton	COO	2007	96,000	0	0	0	1000000	0	0

**Employment Agreements**

Our executive officers are subject to an employment agreement with IDGLOBAL Corp.

**ITEM 7.**

**Certain Relationship and Related Transactions**

In February 1, 2006 the Company entered into an employment agreement with Daryl Regier, President of the Company and Director.



Pursuant to the employment agreement, Mr. Regier will receive minimum annual compensation of \$115,200 along with other benefits as set forth in the agreement. In addition, in 2007, Mr. Regier was granted options to purchase 2,500,000 shares of the Company's common stock at an exercise price of \$0.087 per share, which vest monthly over 9 years and expire nine years from the dates of vesting.

In February 1, 2006 the Company entered into an employment agreement with Phil Viggiani, Vice President of Sales & Marketing and Director of the Company. Pursuant to the employment agreement, Mr. Viggiani will receive minimum annual compensation of \$115,200 along with other benefits as set forth in the agreement. In addition, in 2007, Mr. Viggiani was granted options to purchase 2,500,000 shares of the Company's common stock at an exercise price of \$0.087 per share, which vest monthly over 9 years and expire nine years from the dates of vesting.

In March 7, 2007 the Company entered into an employment agreement with Marc Hamilton, Chief Executive Officer of the Company.

Pursuant to the employment agreement, Mr. Hamilton will receive minimum annual compensation of \$96,000 along with other benefits as set forth in the agreement. In addition, in 2007, Mr. Regier was granted options to purchase 1,000,000 shares of the Company's common stock at an exercise price of \$0.087 per share, which vest monthly over 9 years and expire nine years from the dates of vesting.

In March of 2007, the Company issued to Daryl Regier, an officer and a director, and to Phil Viggiani, an officer and director, 125,000 shares each of the Company's common stock, at an exercise price of \$.20 per share, for the purpose of paying commissions which were owed to the individuals from 2006.

Other than as described above, there have been no material transactions in the past two years or proposed transactions to which the Company has been or proposed to be a party in which any officer, director, nominee for officer or director, or security holder of more than 5% of the Company's outstanding securities is involved.

The Company has no promoters other than its executive officers and directors. There have been no transactions which have benefited or will benefit its executive officers and directors either directly or indirectly.

## **ITEM 8.**

### **Description of Securities**

The par value of our common stock is \$.001.

As of the date of this registration statement, 70,825,261 shares of IDGLOBAL CORP. are issued and outstanding. The holders of more than two-thirds of all shares entitled to vote on an amendment to the Articles, a plan of merger or share exchange, a sale of assets other than in the regular course of business, or a proposal to dissolve the corporation must vote in favor of the proposed action for the corporation to take the action. The corporation may issue a share dividend by issuing shares pro rata and without consideration to all shareholders. The shareholders have no preemptive rights to acquire proportional amounts of the corporation's unissued shares upon a decision by the Board to issue them.

All of the outstanding common stock of IDGLOBAL CORP. is fully paid and non-assessable. Each share of IDGLOBAL Corp. common stock is entitled to one vote. Each share of common stock is entitled to share ratably in any assets available for distribution to holders of equity securities upon the liquidation of IDGLOBAL CORP.

## **PART II**

### **ITEM 1.**

## Market Price of and Dividends on the Registrant's Common Equity and Other Shareholder Matters

Our common stock is not currently listed on any securities exchange. Quotations for our common stock are currently available in the Pink Sheets under the symbol "IDGJ.PK."

The Company is voluntarily filing this Registration Statement on Form 10-SB to maintain the eligibility requirements for its listing on the OTC Bulletin Board, which requires all listed companies to be registered with the Securities and Exchange Commission (the "SEC") under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, and to be current in its required filings once so registered. Further, these eligibility requirements mandate that the Company obtains a "no further comment" position from the SEC with regard to this Registration Statement on Form 10-SB. If the Company should fail, for any reason, to reach this position with the SEC, the Company's common stock will be removed from eligibility to trade on the OTC Bulletin Board. Should this occur, the Company's common stock could only be able to trade via the Pink Sheets, if the Company is able to locate a market maker willing to make a market in its stock, until such time as it has been re-approved for trading on the OTC Bulletin Board or other exchange.

### ITEM 2.

#### Legal Proceedings

None.

### ITEM 3.

#### Changes in and Disagreements with Accountants

None.

### ITEM 4.

#### Recent Sales of Unregistered Securities

The following list is detailed as follows:

- (i) The nature of the offering and date
  - (ii) The jurisdiction which covers the offering
  - (iii) Number of shares offered
  - (iv) Number of shares sold
  - (v) Price at which shares were offered, amount paid to issuer
  - (vi) Trading status of the shares
  - (vii) Whether the shares were issued with a legend
- 
- (i) Securities Act Rule 504, February 2, 2007
  - (ii) Minnesota
  - (iii) 100,000 Shares offered
  - (iv) 100,000 Shares sold
  - (v) 25 cents per share offered; \$25,000 paid to issuer
  - (vi) Free-trading
  - (vii) The certificate was issued without legend

- (i) Securities Act Rule 504, February 6, 2007
- (ii) Minnesota
- (iii) 208,333 Shares offered
- (iv) 208,333 Shares sold
- (v) 24 cents per share offered; \$50,000 paid to issuer
- (vi) Free-trading
- (vii) The certificate was issued without legend

- (i) Securities Act Rule 504, February 12, 2007
- (ii) Minnesota
- (iii) 111,111 Shares offered
- (iv) 111,111 Shares sold
- (v) 22.5 cents per share offered; \$25,000 paid to issuer
- (vi) Free-trading
- (vii) The certificate was issued without legend

- (i) Securities Act Rule 504, February 15, 2007
- (ii) Minnesota
- (iii) 416,666 Shares offered
- (iv) 416,666 Shares sold
- (v) 12 cents per share offered; \$50,000 paid to issuer
- (vi) Free-trading
- (vii) The certificate was issued without legend

- (i) Securities Act Rule 504, March 16 2007
- (ii) Minnesota
- (iii) 344,827 Shares offered
- (iv) 344,827 Shares sold
- (v) 14.5 cents per share offered; \$50,000 paid to issuer
- (vi) Free-trading
- (vii) The certificate was issued without legend

- (i) Securities Act Rule 504, August 3, 2007
- (ii) Minnesota
- (iii) 230,414 Shares offered
- (iv) 230,414 Shares sold
- (v) 10.8 cents per share offered; \$25,000 paid to issuer
- (vi) Free-trading
- (vii) The certificate was issued without legend

- (i) Securities Act Rule 504, August 16, 2007
- (ii) Minnesota (iii)
- (iii) 255,102 Shares offered
- (iv) 255,102 Shares sold

- (v) .09 cents per share offered; 25,000 paid to issuer
- (vi) Free-trading
- (vii) The certificate was issued without legend

Offerings:

May 25, 2005 Private Placement for up to 24,700 shares;  
February 13, 2006 17,500 shares at .001 per share issued from Private Placement;  
June 26, 2006 2534 units at \$75.00 per unit issued from Private Placement;  
June 27, 2006 2000 units at \$75.00 per unit issued from Private Placement;  
June 28, 2006 647 shares at \$75.00 per share issued from Private Placement;  
June 29, 2006 522 shares at \$75.00 per share issued to settle debt in the amount of \$39,150.00;  
June 30, 2006 2000 units at \$45.00 per unit issued from Private Placement;  
July 4, 2006 1828 shares at \$40.00 per share issued to settle debt in the amount of \$73,120.00

Cashless Warrant Conversion:

On July 19, 2006, there were 6.4 Million Shares converted from cashless warrants dating back to November 30, 2002. The holders of these shares were as follows:

Tahol Limited, 145-157 St. John St. London, UK EC1V4PY - 2,500,000 shares  
Paneurope Agents Limited, Charlotte House, Charlotte St., Nassau Bahamas - 1,735,105 shares  
Hanover Society Ltd. 76 Dean St. PO Box 2111 Belize City, Belize - 1,445,035 shares  
Taylor Peterson 128 Midridge Close SE Calgary, AB., T2X 1G1 - 519,860 shares  
Danny Alex #320 - 3275 Lakeshore Rd. Kelowna, BC. V1W 3S9 - 200,000 shares

**ITEM 5.**

**Indemnification of Directors and Officers**

Officers and directors of the Company may be indemnified by the Company for any liability incurred by them while acting within the scope of their respective duties as officers and directors of the Company, except for acts of intentional misconduct. As of the date hereof, the Company has no contracts in effect providing any indemnity with any specific rights of indemnification, although the Company's by-laws authorize its Board of Directors to enter into and deliver such contracts to provide an indemnity with specific rights of indemnification in addition to the rights provided in the Company's articles of incorporation and by-laws to the fullest extent provided under Nevada law.

**FINANCIAL INFORMATION**

**IDGLOBAL CORP.**

**Financial Statements from 2006 to September 30, 2007  
Report of Independent Registered**



<b>Cash flows from financing activities</b>				
Proceeds from issuance of notes payable from related parties	--	--	24,800	21,269
Repayment of loans from related parties	(19,828)	(17,003)	--	--
Proceeds from issuance of common stock	756,874	647,063	231,400	198,453
Proceeds from issuance of preferred stock	--	--	--	--
<b>Net cash used in financing activities</b>	<u>737,046</u>	<u>630,060</u>	<u>256,200</u>	<u>219,722</u>
<b>Net increase in cash</b>	235,066	201,738	122	105
Cash balance, beginning of period	<u>122</u>	<u>105</u>	<u>--</u>	<u>--</u>
Cash balance, end of period	<u>\$ 235,188</u>	<u>\$ 201,843</u>	<u>\$ 122</u>	<u>\$ 105</u>

## Operating Statement

	For the year ended December 31, 2006		For the year ended December 31, 2005	
	CAD	US \$	CAD	US \$
<b>Revenues</b>	\$ 412,669	\$ 389,605	\$ 147,662	\$ 129,705
<b>Cost of sales</b>	<u>209,564</u>	<u>203,306</u>	<u>50,494</u>	<u>44,354</u>
<b>Gross margin</b>	203,105	186,299	97,168	85,352
<b>Expenses</b>				
Consulting	195,299	172,233	187,559	164,750
Payroll and related costs	251,308	227,504	--	--
Occupancy costs	49,200	43,383	21,730	19,087
Professional fees and expense	73,047	65,090	16,610	14,590
Travel	100,915	88,984	52,439	46,062
Advertising and promotion	8,064	7,194	16,744	14,708
Office expenses	16,469	14,681	24,760	21,749
Depreciation	2,482	2,189	1,368	1,201
Other	<u>12,382</u>	<u>10,917</u>	<u>10,976</u>	<u>9,641</u>
<b>Total expenses</b>	<u>709,166</u>	<u>632,175</u>	<u>332,186</u>	<u>291,789</u>
<b>Income from operations</b>	(506,061)	(445,876)	(235,018)	(206,437)
<b>Other income (expense)</b>				
Interest income	138	121	9	8
Interest expense	<u>(5,600)</u>	<u>(4,779)</u>	<u>--</u>	<u>--</u>

Net other expense	(5,462)	(4,658)	9	8
Income before income taxes	(511,523)	(450,534)	(235,009)	(206,429)
Income taxes (Benefit)	--	--	--	--
Net income	<u>\$ (511,523)</u>	<u>(450,534)</u>	<u>\$ (235,009)</u>	<u>\$ (206,429)</u>
Weighted average number of common shares outstanding	7,199,841	7,199,841	250,137	250,137
Net income (loss) per share	<u>\$ (0.07)</u>	<u>(0.06)</u>	<u>\$ (0.94)</u>	<u>\$ (0.83)</u>

## Balance Sheet

	December 31, 2006	
	CAD	US \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and equivalents	\$ 235,188	\$ 201,843
Accounts receivable, net of allowance	177,210	150,297
Other receivables	1,800	1,545
Prepaid expenses	9,448	8,109
<b>Total current assets</b>	423,646	361,794
<b>Property and equipment, net of accumulated depreciation of \$3,304 and</b>	20,689	17,756
<b>Total assets</b>	<u>444,335</u>	<u>379,550</u>
<b>Liabilities and shareholders' equity</b>		
<b>Current liabilities</b>		
Bank overdraft	--	--
Accounts payable	33,551	28,795
Accrued expenses	51,800	51,545
<b>Total current liabilities</b>	85,351	80,340
<b>Long-term liabilities</b>		
Notes payable - Related parties	4,972	4,266
<b>Total liabilities</b>	90,323	84,606

**Shareholders' equity (deficit)**

Common stock, \$.001 par value per share. 250,000,000 authorized shares, 68,436,902 and 333,516 shares issued and outstanding at December 31, 2006 and 2005	68,437	68,437
Additional paid-in capital	1,032,107	876,074
Deficit accumulated during development	(746,532)	(656,963)
Other comprehensive income (loss)	--	7,396
<b>Total shareholders' equity (deficit)</b>	<u>354,012</u>	<u>294,944</u>
<b>Total liabilities and shareholder's equity (deficit)</b>	<u>\$ 444,335</u>	<u>\$ 379,550</u>

**Stock Holder Equity**

	Common Shares	Common Stock	Additional Paid-in Capital	Deficit Accumulated During Developmental Stage	Other Comprehensive Income	Total Stockholders' Equity
Balance, February 7, 2004	--	\$ --	\$ --	\$ --	\$ --	\$ --
Balance, December 31, 2004	--	--	--	--	--	--
Common stock issued during the year	333,516	334	198,119	--	--	198,453
Currency exchange variation	--	--	--	--	4,880	4,880
Net loss for year ended December 31, 2005	--	--	--	(206,429)	--	(206,429)
Balance, December 31, 2005	333,516	334	198,119	(206,429)	4,880	(3,096)
Net loss for year ended December 31, 2006	--	--	--	(450,534)	--	(450,534)
Currency exchange variation	--	--	--	--	2,516	2,516
Recapitalization of Praesidium IDGlobal Corp.	600,300	600	(600)	--	--	--
Shares converted from cashless warrants	6,400,000	6,400	(6,400)	--	--	--
Shares issued pursuant to share exchange agreement in	56,047,334	56,047	(56,047)	--	--	--



consideration for the merger / exchange  
with Praesidium IDGlobal Corp.

Common stock issued during the year for services	1,269,000	1,269	111,001	--	--	112,270
Common stock issued during the year for cash	3,786,752	3,787	630,001	--	--	633,788
Balance December 31, 2006	<u>68,436,902</u>	<u>\$ 68,437</u>	<u>\$ 876,074</u>	<u>\$ (656,963)</u>	<u>\$ 7,396</u>	<u>294,944</u>

## Note 1 - Organization and Principal Activities

### Organization

IDGLOBAL Corp is a corporation, its predecessor Utah-Idaho Consolidated Uranium Company, Inc. was a corporation. IDGLOBAL Corp was organized in 2006. Its predecessor Utah-Idaho Consolidated Uranium Company, Inc. was organized in 1954. The Company merged with Utah-Idaho Consolidated Uranium Company in 2006. Incorporation was issued on 3/1/2006 in the state of Nevada. During June, 2006 IDGlobal Corp. acquired Praesidium ID Global Corp. in a reverse merger. Praesidium ID Global (a Canadian corporation) is a wholly owned subsidiary of ID Global Corp. The Company is engaged in the corporate loss prevention business, and in the high security document and anti-counterfeiting business.

For accounting purposes, the acquisition has been treated as a recapitalization of Praesidium IDGLOBAL Corp. with Praesidium IDGLOBAL Corp. as the acquirer. The historical financial statements prior to December 31, 2006 are those of Praesidium ID Global Corp. Loss per share for the year ended December 31, 2005 and all share-related data have been presented giving effect to the recapitalization resulting from the reverse merger.

The weighted average shares outstanding, and the earnings per share have been computed taking into consideration the 1 for 10 stock splits on May 4, 2006 and the 3 for 1 stock split on September 28, 2006. The effects of the stock splits have been applied to the earliest period presented in the accompanying financial statements.

## Note 2 - Summary of Significant Accounting Policies

### Basis of presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate continuation of the Company as a going concern. However, the Company has incurred net operating losses since inception, and has a retained deficit. This matter raises substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Management plans to take the following steps that it believes will be sufficient to provide the Company with the ability to continue in existence:

Management intends to raise financing through private equity financing or other means and interests that it deems necessary.

**Use of estimates**

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the amounts reported in the financial statements. The Company bases its estimates on historical experience, management expectations for future performance, and other assumptions as appropriate. Key areas affected by estimates include allowance for doubtful accounts, depreciation provisions, income taxes and contingencies. Actual results may vary from those estimates.

**Revenue recognition**

Revenue is recognized in accordance with SEC Staff Accounting Bulletin No. 101, "Revenue Recognition in Financial Statements". The Company recognizes revenue when the significant risks and rewards of ownership have been transferred to the customer pursuant to applicable laws and regulations, including factors such as when there has been evidence of a sales arrangement, delivery has occurred, or service have been rendered, the price to the buyer is fixed or determinable, and collectibility is reasonably assured.

**Comprehensive Income (loss)**

The Company has adopted SFAS No. 130, "Reporting Comprehensive Income", which requires the disclosure of comprehensive income, which includes net income (loss), unrealized gains and losses on marketable securities classified as available-for-sale, and foreign currency translation adjustments.

**Stock - Based Compensation**

The Company may periodically issue shares of common stock for services rendered or for other costs and expenses. Such shares will be valued based on the market price of the shares on the transaction date.

The Company may periodically issue stock options to employees and stock options or warrants to non-employees in non-capital raising transactions for services and for financing costs.

In March 2004, the FASB issued a proposed statement, Share-Based Payment, which addresses the accounting for share-based payment transactions in which an enterprise receives employee services in exchange for equity instruments of the enterprise or liabilities that are based on the grant-date fair value of the enterprise's equity instruments or that may be settled by the issuance of such equity instruments. The proposed statement would eliminate the ability to account for share-based compensation transactions using Accounting Principles Board ("APB") Opinion No. 25, Accounting for Stock Issued to Employees, and generally would require instead that such transactions be accounted for using a fair-value-based method. In December 2004, the FASB issued SFAS No. 123(R), Share-Based Payment, which is a revision of SFAS No. 123. Generally, the approach in SFAS No. 123(R) is similar to the approach described in SFAS No. 123. However, SFAS No. 123(R) requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their grant-date fair values. Pro forma disclosure is no longer an alternative.

As permitted by SFAS No. 123, for 2005, the Company accounted for share-based payments to employees using APB Opinion No. 25's intrinsic value method and, as such, generally recognized no compensation cost for employee stock options. Effective January 1, 2006, we have adopted SFAS No. 123(R)'s fair value method of accounting for share based payments. Accordingly, the adoption of SFAS No. 123(R)'s fair value method may have a significant impact on the Company's results of operations as we are required to recognize the cost of employee services received in exchange for awards of equity instruments based on the grant-date fair value of those awards.

SFAS No. 123(R) permits public companies to adopt its requirements using either the "modified prospective" method or the "modified retrospective" method. The Company adopted SFAS No. 123(R) using the modified prospective method. In April 2005, the SEC delayed the effective date of SFAS No. 123(R), which is now effective for public companies for annual, rather than interim periods that begin after June 15, 2005. The impact of the adoption of SFAS No. 123(R) cannot be predicted at this time because it will depend on levels of share-based payments granted in the future.

### **Foreign Currency Translation**

The Company maintains its books and records in Canadian dollars, the currency of Canada. The Canadian dollar is the Company's functional currency, as the Company's business activities are located in Canada and denominated in Canadian dollars.

The translation of the financial statements of the Company and its subsidiaries whose functional currency is other than the US dollar is performed for balance sheet accounts using closing exchange rates in effect at the balance sheet date and revenue and expense accounts using an average exchange rate during each reporting period. The gains or losses resulting from translation are included in stockholder's equity separately as accumulated other comprehensive income (loss).

### **Earnings Per Common Share**

Statement of Financial Accounting Standards No. 128, "Earnings Per Share", requires presentation of basic earnings per share ("Basic EPS) and diluted earnings per share ("Diluted EPS). Basic earnings (loss) per share is computed by dividing earnings (loss) available to common stockholders by the weighted average number of common shares outstanding (including shares reserved for issuance) during the period. Diluted earnings per share is calculated by dividing net income (loss) attributable to common stockholders by the weighted average number of shares of common stock outstanding and all dilutive potential common shares that were outstanding during the period.

### **Cash and Cash Equivalents**

All cash and short-term investments with original maturities of three months or less are considered cash and cash equivalents, since they are readily convertible to cash. These short-term investments are stated at cost, which approximates fair value.

### **Concentration of Credit Risk**

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist of cash and cash equivalents. The Company extends credit based on an evaluation of the customer's financial condition, generally without collateral. Exposure to losses on receivables is principally dependent on each customer's financial condition. The Company monitors its exposure for credit losses and maintains allowances for anticipated losses, as required. Accounts are "written-off" when deemed uncollectible. Management has determined that an allowance for doubtful accounts was not deemed necessary at December 31, 2006 and 2005.

### **Property and Equipment**

Property and equipment are stated at cost. Costs of replacements and major improvements are capitalized, and maintenance and repairs are charged to operations as incurred. Depreciation expense is provided primarily by methods approximating the straight-line method over the estimated useful lives of the assets, taking into consideration any residual value. The estimated lives of the assets range from three to five years.

## Advertising expenses

Advertising costs are expensed when the advertising takes place. Advertising expense totaled \$7,194 and \$14,708 for the years ended December 31, 2006 and 2005.

### Note 3 - Recently issued accounting pronouncements

In March 2004, the FASB approved the consensus reached on the Emerging Issues Task Force (EITF) Issue No. 03-1, "The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments." The objective of this Issue is to provide guidance for identifying impaired investments. EITF 03-1 also provides new disclosure requirements for investments that are deemed to be temporarily impaired. In September 2004, the FASB issued a FASB Staff Position (FSP) EITF 03-1-1 that delays the effective date of the measurement and recognition guidance in EITF 03-1 until after further deliberations by the FASB. The disclosure requirements are effective only for annual periods ending after June 15, 2004. The Company has evaluated the impact of the adoption of the disclosure requirements of EITF 03-1 and does not believe it will have an impact to the Company's overall combined results of operations or combined financial position. Once the FASB reaches a final decision on the measurement and recognition provisions, the Company will evaluate the impact of the adoption of EITF 03-1.

In November 2004, the FASB issued SFAS No. 151 "Inventory Costs, an amendment of ARB No. 43, Chapter 4", ("SFAS No. 151"). The amendments made by SFAS 151 clarify that abnormal amounts of idle facility expense, freight, handling costs, and wasted materials (spoilage) should be recognized as current-period charges and require the allocation of fixed production overheads to inventory based on the normal capacity of the production facilities. The guidance is effective for inventory costs incurred during fiscal years beginning after June 15, 2005. Earlier application is permitted for inventory costs incurred during fiscal years beginning after November 23, 2004. The Company has evaluated the impact of the adoption of SFAS 151, and does not believe the impact will be significant to the Company's overall results of operations or financial position.

In December 2004, the FASB issued SFAS No. 152, "Accounting for Real Estate Time-Sharing Transactions-an amendment of FASB Statements No. 66 and 67" ("SFAS 152") SFAS 152 amends SFAS No. 66, "Accounting for Sales of Real Estate", to reference the financial accounting and reporting guidance for real estate time-sharing transactions that is provided in AICPA Statement of Position (SOP) 04-2, "Accounting for Real Estate Time-Sharing Transactions". SFAS 152 also amends SFAS No. 67, "Accounting for Costs and Initial Rental Operations of Real Estate Projects", to state that the guidance for (a) incidental operations and (b) costs incurred to sell real estate projects does not apply to real estate time-sharing transactions. The accounting for those operations and costs is subject to the guidance in SOP 04-2. SFAS 152 is effective for financial statements for fiscal years beginning after June 15, 2005, with earlier application encouraged. The Company has evaluated the impact of the adoption of SFAS 152, and does not believe the impact will be significant if any, to the Company's overall results of operations or financial position since the Company does not enter into such transactions.

In December 2004, the FASB issued SFAS No. 153, "Exchanges of Nonmonetary Assets, an amendment of APB Opinion No. 29, Accounting for Nonmonetary Transactions." The amendments made by SFAS 153 are based on the principle that exchanges of nonmonetary assets should be measured based on the fair value of the assets exchanged. Further, the amendments eliminate the narrow exception for nonmonetary exchanges of similar productive assets and replace it with a broader exception for exchanges of nonmonetary assets that do not have commercial substance. Previously, Opinion 29 required that the accounting for an exchange of a productive asset for a similar productive asset or an equivalent interest in the same or similar productive asset should be based on the recorded amount of the asset relinquished. Opinion 29 provided an exception to its basic measurement principle (fair value) for exchanges of similar productive assets. That exception required that some nonmonetary exchanges, although commercially substantive, to be recorded on a

carryover basis. By focusing the exception on exchanges that lack commercial substance, the FASB believes SFAS No.153 produces financial reporting that more faithfully represents the economics of the transactions. SFAS No.153 is effective for nonmonetary asset exchanges occurring in fiscal periods beginning after June 15, 2005. Earlier application is permitted for nonmonetary asset exchanges occurring in fiscal periods beginning after the date of issuance. The provisions of SFAS No.153 shall be applied prospectively. The Company has evaluated the impact of the adoption of SFAS 153, and does not believe the impact will be significant to the Company's overall results of operations or financial position.

In December 2004, the FASB issued SFAS No.123 (revised 2004), "Share-Based Payment" ("SFAS 123(R)"). SFAS 123(R) will provide investors and other users of financial statements with more complete and neutral financial information by requiring that the compensation cost relating to share-based payment transactions be recognized in financial statements. That cost will be measured based on the fair value of the equity or liability instruments issued. SFAS 123(R) covers a wide range of share-based compensation arrangements including share options, restricted share plans, performance-based awards, share appreciation rights, and employee share purchase plans. SFAS 123(R) replaces SFAS No. 123, "Accounting for Stock-Based Compensation", and supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees". SFAS 123, as originally issued in 1995, established as preferable a fair-value-based method of accounting for share-based payment transactions with employees. However, that statement permitted entities the option of continuing to apply the guidance in Opinion 25, as long as the footnotes to financial statements disclosed what net income would have been had the preferable fair-value-based method been used. Public entities (other than those filing as small business issuers) will be required to apply SFAS 123(R) as of the first interim or annual reporting period that begins after June 15, 2005. This pronouncement is effective for the Company, a small business issuer, as of the first interior annual reporting period that begins after December 15, 2005. The Company has evaluated the impact of the adoption of SFAS 123(R), and does not believe the impact will be significant to the Company's overall results of operations or financial position.

In May, 2005, The FASB issued SFAS No. 154, entitled Accounting Changes and Error Corrections - a replacement of APB Opinion No. 20 and FASB Statement No. 3. This Statement replaces APB Opinion No. 20, Accounting Changes and FASB Statement No. 3, Reporting Accounting Changes in Interim Financial Statements, and changes the requirements for the accounting for and reporting of a change in accounting principle. This statement applies to all voluntary changes in accounting principle. It also applies to changes required by an accounting pronouncement in the unusual instance that the pronouncement does not include specific transition provisions. Opinion 20 previously required that most voluntary changes in accounting principle be recognized by including in net income of the period of the change the cumulative effect of changing to the new accounting principle. This Statement requires retrospective application to prior periods' financial statements of changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative effect of the change. This Statement defines as the application of a different accounting principle to prior accounting periods as if that principle had always been used or as the adjustment of previously issued financial statements to reflect a change in the reporting entity. This statement also redefines restatement as the revising of previously issued financial statements to reflect the correction of an error. The adoption of SFAS 154 did not impact the financial statements.

In February, 2006, FASB issued SFAS No. 155, "Accounting for Certain Hybrid Financial Statements". SFAS No. 155 amends SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities" and SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities". SFAS No. 155, permits fair value measurement for any hybrid financial instrument that contains an embedded derivative that otherwise would require bifurcation, clarifies which interest-only strips and principal-only strips are not subject to the requirements of SFAS No. 133, establishes a requirement to evaluate interest in securitized financial assets to identify interests that are freestanding derivatives or that are hybrid financial statements that contain an embedded derivative requiring bifurcation, clarifies that concentrations of credit risk in the form of subordination are not embedded derivatives, and amends SFAS No. 140 to eliminate the prohibition on the qualifying special-purpose entity from holding a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument. This statement is effective for all financial instruments acquired or issued after the beginning of the Company's first fiscal year that begins after September 15, 2006.

Management believes that this statement will not have a significant impact on the financial statements.

In March, 2006 FASB issued SFAS 156 "Accounting For Servicing of Financial Assets" this Statement amends FASB Statement No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities", with respect to the accounting for separately recognized servicing assets and servicing liabilities. This Statement:

1. Requires an entity to recognize a servicing asset or servicing liability each time it undertakes an obligation to service a financial asset by entering into a servicing contract.
2. Requires all separately recognized servicing assets and servicing liabilities to be initially measured at fair value, if practicable.
3. Permits an entity to choose "Amortization method" or "Fair value measurement method" for each class of separately recognized servicing assets and servicing liabilities.
4. At its initial adoption, permits a one-time reclassification of available-for-sale securities to trading securities by entities with recognized servicing rights, without calling into question the treatment of other available-for-sale securities under Statement 115, provided that the available-for-sale securities are identified in some manner as offsetting the entity's exposure to changes in fair value of servicing assets or servicing liabilities that a servicer elects to subsequently measure at fair value.
5. Requires separate presentation of servicing assets and liabilities subsequently measured at fair value in the statement of financial position and additional disclosures for all separately recognized servicing assets and servicing liabilities.

Management believes that this statement will not have a significant impact on the financial statements.

In September 2006, FASB issued SFAS 157 'Fair Value Measurements'. This Statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. This Statement applies under other accounting pronouncements that require or permit fair value measurements, the Board having previously concluded in those accounting pronouncements that fair value is the relevant measurement attribute. Accordingly, this Statement does not require any new fair value measurements. However, for some entities, the application of this Statement will change current practice. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. Management is currently evaluating the effect of this pronouncement on financial statements.

In September 2006, FASB issued SFAS 158 "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans-an amendment of FASB Statements No. 87, 88, 106, and 132(R). This Statement improves financial reporting by requiring an employer to recognize the overfunded or under funded status of a defined benefit postretirement plan (other than a multiemployer plan) as an asset or liability in its statement of financial position and to recognize changes in that funded status in the year in which the changes occur through comprehensive income of a business entity or changes in unrestricted net assets of a not-for-profit organization. This Statement also improves financial reporting by requiring an employer to measure the funded status of a plan as of the date of its year-end statement of financial position, with limited exceptions. An employer with publicly traded equity securities is required to initially recognize the funded status of a defined benefit postretirement plan and to provide the required disclosures as of the end of the fiscal year ending after December 15, 2006. An employer without publicly traded equity securities is required to recognize the funded status of a defined benefit postretirement plan and to provide the required disclosures as of the end of the fiscal year ending after June 15, 2007. However, an employer without publicly traded equity securities is required to disclose the following information in the notes to financial statements for a fiscal year ending after December 15, 2006, but before June 16, 2007, unless it has applied the recognition provisions of this Statement in preparing those financial statements. The requirement to measure plan assets and benefit obligations as of the date of the employer's fiscal year-end statement of financial position is effective for fiscal years ending after December 15, 2008. The management

is currently evaluating the effect of this pronouncement on financial statements.

#### Note 4 - Property and Equipment

Property and equipment consists of the following at December 31, 2006 and 2005:

	December 31, 2006	December 31, 2005
Property and equipment	\$ 21,060	\$ 10,746
Accumulated depreciation	(3,304)	(1,368)
	<u>\$ 17,756</u>	<u>\$ 9,378</u>

Depreciation expense included in other expenses was \$2,189 and \$1,201 for years ended December 31, 2006 and 2005.

#### Note 5 - Notes Payable

On October 12, 2005, the Company negotiated an agreement ("Commission Agreement"), with an individual. The "Commission Agreement" was based on certain events which had not materialized, and on March 20, 2006, the "Commission Agreement" was terminated with no obligations except the repayment of a loan in the original amount of \$27,624 plus expenses incurred in the amount of \$2,347, totaling \$29,971.

The loan is to be repaid in the amount of \$5,000 per month plus a monthly interest payment in the amount of \$700, for a total monthly payment of \$5,700 per month beginning March 15, 2006. The repayment of the note can be accelerated at the option of the Company.

The balance of the note payable is as follows:

	December 31, 2006	December 31, 2005
	<u>\$ 4,266</u>	<u>\$ 21,269</u>

#### Note 6 - Leases

The Company leases its office facilities from an unrelated party. The lease is for a two year period beginning June 1, 2005, and ending on May 31, 2007. The lease is payable monthly at the rate of \$1,100 per month for the period June 1, 2005 through May 31, 2006, and \$1,150 per month for the period June 1, 2006 through May 31, 2007. The lease is a net lease to the lessee, with the Company agreeing to pay all taxes, rates and assessments on the leased premises, and its share of the operating costs for the property, including utilities, repairs, liability insurance, janitorial service, and broken glass, and other operating costs in accordance with generally accepted accounting principles applicable to the real estate industry.

#### Note 7 - Income taxes

Income taxes are accounted for in accordance with SFAS 109, Accounting for Income Taxes, using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

	Year ended 2006	Year ended 2005
Taxes payable (benefit)		
Currently	\$ --	\$ --

**Note 8 - Going concern**

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As shown in the accompanying financial statements, the Company has incurred an accumulated deficit of \$656,963 for the period from February 7, 2004 (inception) to December 31, 2006. The future of the Company is dependent upon its ability to obtain financing and upon future profitable operations from the development of its new business opportunities. Management has plans to seek additional capital through a private placement and public offering of its common stock. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts of and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

These conditions raise substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments that might arise from this uncertainty.

**Note 9 - Concentrations**

Over 50% of the Company's revenues were generated from two customers during the year ended December 31, 2006. At December 31, 2006, accounts receivable from these two customers represented 97% of the Company's total accounts receivable.

**Note 10 - Development Stage Operations**

Through December 31, 2006, the Company is in the development stage. This stage is characterized by significant expenditures for the design and development of the Company's products.

In connection with the formation and capitalization of the Company, shares of common stock were issued for other than cash consideration. Shares of common stock issued for other than cash have been assigned amounts equivalent to the fair value of the services received in exchange.



## IDGlobal Corp.

**Interim Balance Sheet**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

**March 31, 2007**

	<b>March 31,</b>	December 31,
	<b>2007</b>	2006
<b>Assets</b>		
<b>Current assets</b>		
Cash and equivalents	\$ 326,738	\$ 235,188
Accounts receivable, net of allowance	240,133	177,210
Other receivables	4,800	1,800
Prepaid expenses	--	9,448
<b>Total current assets</b>	<b>571,671</b>	423,646
<b>Property and equipment (note 3)</b>	<b>71,149</b>	20,689
<b>Total assets</b>	<b>\$ 642,820</b>	<b>\$ 444,335</b>
<b>Liabilities and shareholders' equity</b>		
<b>Current liabilities</b>		
Bank overdraft	\$ --	\$ --
Accounts payable	54,800	33,552
Customer deposits	--	--
Accrued expenses	55,000	51,800
<b>Total current liabilities</b>	<b>109,800</b>	85,352
<b>Long-term liabilities</b>		
Notes payable - Related parties (note 4)	4,971	4,971
<b>Total liabilities</b>	<b>114,771</b>	90,323
<b>Shareholders' equity (deficit)</b>		
Common stock, no par value per share.		
Unlimited number of authorized shares, 68,436,902 and 69,617,539 issued and outstanding at December 31, 2006 and March 31, 2007 respectively.	1,254,217	1,100,544
Preferred stock, no par value per share.		
Unlimited number of authorized shares, no shares issued or outstanding at December 31, 2006, or March 31, 2007	--	--
<b>Retained earnings</b>	<b>(726,168)</b>	<b>(746,532)</b>
<b>Other comprehensive income</b>	<b>--</b>	<b>--</b>

<b>Total shareholders' equity (deficit)</b>	<b>528,049</b>	<b>354,012</b>
<b>Total liabilities and shareholder's equity (deficit)</b>	<b>642,820</b>	<b>444,335</b>

**IDGlobal Corp.**

**Interim Income Statements**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

	<b>Three months ended March 31, 2007</b>	<b>Three months ended March 31, 2006</b>
<b>Revenues</b>	\$ 292,587	\$ 10,971
<b>Cost of sales</b>	<u>54,349</u>	<u>1,516</u>
<b>Gross margin</b>	238,238	9,455
<b>Expenses</b>		
Consulting	10,207	41,595
Payroll and related costs	94,498	-
Occupancy costs	17,527	15,656
Professional fees and expense	42,881	16,886
Travel	21,803	26,943
Advertising and promotion	29,609	118
Office expenses	8,730	3,224
Insurance	805	-
Amortization	<u>2,554</u>	<u>-</u>
<b>Total expenses</b>	<u>228,615</u>	<u>104,423</u>
<b>Income (loss) from operations</b>	9,623	(94,968)
<b>Other income (expense)</b>		
Interest income	-	132
Interest expense	-	(3,892)
Exchange gain (loss)	<u>10,741</u>	<u>-</u>
<b>Net other expense</b>	<u>10,741</u>	<u>(3,760)</u>
<b>Income (loss) before income taxes</b>	20,364	(98,728)

<b>Income taxes (Benefit)</b>	-	-
<b>Net income (loss)</b>	<u>\$ 20,364</u>	<u>\$ (98,728)</u>
<b>Weighted average number of common shares outstanding</b>	68,963,617	3,335,163
<b>Net income (loss) per share</b>	<u>\$ nil</u>	<u>\$ (0.03)</u>

**IDGlobal Corp.**

**Interim Statement of Cash Flows  
(expressed in Canadian dollars)  
(Unaudited)**

	<b>Three months ended March 31, 2007</b>	<b>Three months ended March 31, 2006</b>
<b>Cash flows from operating activities</b>		
<b>Net income (loss)</b>	20,364	(98,728)
<b>Adjustments to reconcile net income to net cash used in operating activities:</b>		
Amortization	2,554	-
	<u>22,918</u>	<u>(98,728)</u>
<b>Changes in operating assets and liabilities:</b>		
Accounts receivable	(62,924)	6,759
Other receivables	(3,000)	(1,155)
Prepaid expenses	9,448	5,928
Accounts payable	21,248	(5,513)
Accrued expenses	3,200	-
	<u>(9,110)</u>	<u>(92,709)</u>
<b>Net cash used in operating activities</b>	<b>(9,110)</b>	<b>(92,709)</b>
<b>Cash flows from investing activities</b>		
Additions to property and equipment	(53,014)	-
Additions to intangible assets	-	-
<b>Net cash used in investing activities</b>	<u>(53,014)</u>	<u>-</u>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of common shares net of legal fees of \$37,827	153,673	134,500
	<u>153,673</u>	<u>134,500</u>

<b>Net cash used in financing activities</b>	<u>153,673</u>	<u>134,500</u>
<b>Net change in cash</b>	<b>91,550</b>	41,791
<b>Cash balance, beginning of period</b>	<u>235,188</u>	<u>122</u>
<b>Cash balance, end of period</b>	<u><u>326,738</u></u>	<u><u>41,913</u></u>
<b>Supplemental Cash Flow information:</b>		
<b>Interest income</b>	-	132
<b>Interest expense</b>	-	3,892

**NOTICE OF READER**

**NO AUDITOR REVIEW OF  
INTERIM FINANCIAL STATEMENTS**

The interim financial statements have been prepared by management and the Company's independent auditors, Michael Hawkins, CPA, have not performed a review of these interim consolidated financial statements.

/s/ Daryl Regier \_\_\_\_\_  
Daryl Regier, President

December 20, 2007

**Note 1 - Organization and Principal Activities**

**Organization**

IDGlobal Corp. was incorporated on October 28, 1954 in the state of Idaho as Radon Uranium, Inc. On May 2, 1955 the name was changed to Utah-Idaho Consolidated Uranium, Inc. On March 1, 2006 Utah-Idaho Consolidated Uranium, Inc. changed its name to IDGlobal Corp. (the Company) and reincorporated in the state of Nevada. During June, 2006 IDGlobal Corp. acquired Praesidium ID Global Corp. in a reverse merger. The Company is engaged in the corporate loss prevention business, and in the high security document and anti-counterfeiting business.

For accounting purposes, the acquisition has been treated as a recapitalization of Praesidium IDGlobal Corp. with Praesidium IDGlobal Corp. as the acquirer. The historical financial statements for March 31, 2006 are those of Praesidium ID Global Corp.

### Going Concern

The accompanying interim financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate continuation of the Company as a going concern. However, the Company has incurred net operating losses since inception, and has a retained deficit, as of March 31, 2007 is 726,168. This matter raises substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Management plans to take the following steps that it believes will be sufficient to provide the Company with the ability to continue in existence:

Management intends to raise financing through private equity financing or other means and interests that it deems necessary.

### Note 2 - Basis of Presentation

These interim financial statements have been prepared in accordance with U.S. generally accepted accounting principals for interim financial statements and do not include all of the disclosures found in the Company's annual financial statements. These interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2006. The accounting policies used in the preparation of these interim financial statements are consistent with the accounting policies used in the Company's year end audited financial statements of December 31, 2006.

### Note 3 - Property and Equipment

Property and equipment consists of the following:

	March 31, <u>2007</u>	December 31, <u>2006</u>
Property and equipment	\$ 77,553	\$ 24,539
Accumulated depreciation	(6,404)	(3,850)
	<u>\$ 71,149</u>	<u>\$ 20,689</u>

### Note 4 - Notes Payable

On October 12, 2005, the Company negotiated an agreement ("Commission Agreement"), with an individual. The "Commission Agreement" was based on certain events which had not materialized, and on March 20, 2006, the "Commission Agreement" was terminated with no obligations except the repayment of a loan in the original amount of \$27,624 plus expenses incurred in the amount of \$2,347, totaling \$29,971.

The loan is to be repaid in the amount of \$5,000 per month plus a monthly interest payment in the amount of \$700, for a total monthly payment of \$5,700 per month beginning March 15, 2006. The repayment of the note can be accelerated at the option of the Company.

The balance of the note payable is as follows:

	March 31, <u>2007</u>	December 31, <u>2006</u>
	\$ 4,971	\$ 4,971

#### Note 5 - Leases

The Company leases its office facilities from an unrelated party. The lease is for a two year period beginning June 1, 2005, and ending on May 31, 2007. The lease is payable monthly at the rate of \$1,100 per month for the period June 1, 2005 through May 31, 2006, and \$1,150 per month for the period June 1, 2006 through May 31, 2007. The lease is a net lease to the lessee, with the Company agreeing to pay all taxes, rates and assessments on the leased premises, and its share of the operating costs for the property, including utilities, repairs, liability insurance, janitorial service, and broken glass, and other operating costs in accordance with generally accepted accounting principles applicable to the real estate industry.

#### Note 6 - Concentrations

Over 80% of the Company's revenues were generated from two customers during the period ended March 31, 2007 (2006 - 50%). At March 31, 2007, accounts receivable from these two customers represented 88% of the Company's total accounts receivable.

### IDGlobal Corp.

#### Interim Balance Sheet (expressed in Canadian dollars) (Unaudited)

	<u>June 30, 2007</u>	December 31, <u>2006</u>
<b>Assets</b>		
<b>Current assets</b>		
Cash and equivalents	\$ 167,073	\$ 235,188
Accounts receivable, net of allowance	122,680	177,210
Other receivables	4,800	1,800

Inventories	44,550	-
Prepaid expenses	-	9,448
<b>Total current assets</b>	<b>339,103</b>	423,646
<b>Property and equipment (note 3)</b>	<b>81,440</b>	20,689
<b>Total assets</b>	<b>\$ 420,543</b>	<b>\$ 444,335</b>
<b>Liabilities and shareholders' equity</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 137,847	\$ 33,552
Accrued expenses	60,000	51,800
<b>Total current liabilities</b>	<b>197,847</b>	85,352
<b>Long-term liabilities</b>		
Notes payable - Related parties (note 4)	4,971	4,971
<b>Total liabilities</b>	<b>202,818</b>	90,323
<b>Shareholders' equity</b>		
Common stock, no par value per share.		
Unlimited number of authorized shares, 68,436,902 and 69,617,539 issued and outstanding at December 31, 2006 and June 30, 2007 respectively.	1,254,217	1,100,544
Preferred stock, no par value per share.		
Unlimited number of authorized shares, no shares issued or outstanding at December 31, 2006, or June 30, 2007	--	--
<b>Deficit</b>	<b>(1,036,492)</b>	<b>(746,532)</b>
<b>Total shareholders' equity</b>	<b>217,725</b>	354,012
<b>Total liabilities and shareholder's equity</b>	<b>\$ 420,543</b>	<b>\$ 444,335</b>

(expressed in Canadian dollars)  
(Unaudited)

	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
<b>Revenues</b>	\$ 3,219	\$ 36,608	\$ 295,806	\$ 47,717
<b>Cost of sales</b>	639	6,550	54,988	8,065
<b>Gross margin</b>	2,580	30,059	240,818	39,652
<b>Expenses</b>				
Consulting	17,283	134,647	27,490	176,243
Payroll and related costs	116,678	41,411	211,176	41,548
Occupancy costs	17,029	8,390	34,556	24,047
Professional fees and expense	31,323	4,772	74,204	21,658
Travel	42,981	18,034	64,784	44,977
Advertising and promotion	66,626	-	96,235	118
Office expenses	12,579	13,425	21,309	16,650
Insurance	5,160	-	5,965	-
Amortization	3,926	-	6,480	-
<b>Total expenses</b>	<b>313,584</b>	<b>220,680</b>	<b>542,199</b>	<b>325,241</b>
<b>Loss from operations</b>	<b>(311,004)</b>	<b>(190,621)</b>	<b>(301,381)</b>	<b>(285,589)</b>
<b>Other Income (expense)</b>				
Interest income	-	6	-	138
Interest expense	-	(2,234)	-	(6,126)
Exchange gain (loss)	680	-	11,421	-



Net other Income (expense)	680	(2,228)	11,421	(5,988)
Loss before income taxes	(310,324)	(192,849)	(289,960)	(291,577)
Income taxes (Benefit)	-	-	-	-
Net Loss	\$ (310,324)	\$ (192,849)	\$ (289,960)	\$ (291,577)
Weighted average number of common shares outstanding	69,290,578	24,533,320	69,290,578	24,533,320
Net Loss per share	\$ (0.00)	\$ (0.01)	\$ nil	\$ (0.01)

IDGlobal Corp.

Interim Statement of Cash Flows  
(expressed in Canadian dollars)  
(Unaudited)

	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
<b>Cash flows from operating activities</b>				
Net Loss	\$ (310,324)	\$ (192,849)	\$ (289,960)	\$ (291,577)
<b>Adjustments to reconcile net loss to net cash used in operating activities:</b>				
Amortization	3,926	-	6,480	-
	(306,398)	(192,849)	(283,480)	(291,577)
<b>Changes in operating assets and liabilities:</b>				
Accounts receivable	117,454	(37,925)	54,530	(31,166)
Other receivables	-	2,412	(3,000)	1,257
Inventories	(44,550)	-	(44,550)	-

Prepaid expenses	-	(12,965)	9,448	(7,037)
Accounts payable	83,046	6,949	104,295	1,436
Accrued expenses	5,000	-	8,200	8,325
<b>Net cash used in operating activities</b>	<b>(145,448)</b>	<b>(234,379)</b>	<b>(154,557)</b>	<b>(318,762)</b>
<b>Cash flows from investing activities</b>				
Additions to property and equipment	(14,217)	(4,206)	(67,231)	(4,206)
<b>Net cash used in investing activities</b>	<b>(14,217)</b>	<b>(4,206)</b>	<b>(67,231)</b>	<b>(4,206)</b>

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<b>Cash flows from financing activities</b>				
Repayment of loans from related parties	-	(14,828)	-	(14,828)
Proceeds from issuance of common shares net of share issuance costs	-	426,355	153,673	552,529
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>411,527</b>	<b>153,673</b>	<b>537,701</b>
<b>Net change in cash</b>	<b>(159,665)</b>	172,942	<b>(68,115)</b>	214,733
<b>Cash balance, beginning of period</b>	<b>326,738</b>	41,913	<b>235,188</b>	122
<b>Cash balance, end of period</b>	<b>\$ 167,073</b>	<b>\$ 214,855</b>	<b>\$ 167,073</b>	<b>\$ 214,855</b>

**Supplemental Cash Flow information:**

<b>Interest income</b>	\$	-	\$	6	\$	-	\$	138
<b>Interest expense</b>	\$	-	\$	2,234	\$	-	\$	6,126

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**IDGLOBAL CORP**  
*(Expressed in Canadian Dollars)*  
**INTERIM FINANCIAL STATEMENTS**  
*(Unaudited)*

**For the Three and Six Months Ended**

**June 30, 2007**  
NOTICE OF READER

NO AUDITOR REVIEW OF  
INTERIM FINANCIAL STATEMENTS

The interim financial statements have been prepared by management and the Company's independent auditors, Michael Hawkins, CPA, have not performed a review of these interim consolidated financial statements.

/s/ Daryl Regier \_\_\_\_\_  
Daryl Regier, President

December 20, 2007

**Note 1 - Organization and Principal Activities**

**Organization**

IDGlobal Corp. was incorporated on October 28, 1954 in the state of Idaho as Radon Uranium, Inc. On May 2, 1955 the name was changed to Utah-Idaho Consolidated Uranium, Inc. On March 1, 2006 Utah-Idaho Consolidated Uranium, Inc. changed its name to IDGlobal Corp. (the Company) and reincorporated in the state of Nevada. During June, 2006 IDGlobal Corp. acquired Praesidium ID Global Corp. in a reverse merger. The Company is engaged in the corporate loss prevention business, and in the high security document and anti-counterfeiting business.

For accounting purposes, the acquisition has been treated as a recapitalization of Praesidium IDGlobal Corp. with Praesidium IDGlobal Corp. as the acquirer. The historical financial statements for June 30, 2006 are those of Praesidium ID Global Corp.

**Going Concern**

The accompanying interim financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate continuation of the Company as a going concern. However, the Company has incurred net operating losses since inception, and has a retained deficit, as of June 30, 2007 is 1,036,492. This matter raises substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments relating to the

recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Management plans to take the following steps that it believes will be sufficient to provide the Company with the ability to continue in existence:

Management intends to raise financing through private equity financing or other means and interests that it deems necessary.

#### **Note 2 - Basis of Presentation**

These interim financial statements have been prepared in accordance with U.S. generally accepted accounting principals for interim financial statements and do not include all of the disclosures found in the Company's annual financial statements. These interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2006. The accounting policies used in the preparation of these interim financial statements are consistent with the accounting policies used in the Company's year end audited financial statements of December 31, 2006.

#### **Note 3 - Property and Equipment**

Property and equipment consists of the following:

	June 30, <u>2007</u>	December 31, <u>2006</u>
Property and equipment	\$ 87,920	\$ 24,539
Accumulated depreciation	<u>(6,480)</u>	<u>(3,850)</u>
	<u>\$ 81,440</u>	<u>\$ 20,689</u>

#### **Note 4 - Notes Payable**

On October 12, 2005, the Company negotiated an agreement ("Commission Agreement"), with an individual. The "Commission Agreement" was based on certain events which had not materialized, and on March 20, 2006, the "Commission Agreement" was terminated with no obligations except the repayment of a loan in the original amount of \$27,624 plus expenses incurred in the amount of \$2,347, totaling \$29,971.

The loan is to be repaid in the amount of \$5,000 per month plus a monthly interest payment in the amount of \$700, for a total monthly payment of \$5,700 per month beginning March 15, 2006. The repayment of the note can be accelerated at the option of the Company.

The balance of the note payable is as follows:

	June 30, <u>2007</u>	December 31, <u>2006</u>
	\$ 4,971	\$ 4,971

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**Note 5 - Leases**

The Company leases its office facilities from an unrelated party. The lease is for a two year period beginning June 1, 2005, and ending on May 31, 2007. The lease is payable monthly at the rate of \$1,100 per month for the period June 1, 2005 through May 31, 2006, and \$1,150 per month for the period June 1, 2006 through May 31, 2007. The lease is a net lease to the lessee, with the Company agreeing to pay all taxes, rates and assessments on the leased premises, and its share of the operating costs for the property, including utilities, repairs, liability insurance, janitorial service, and broken glass, and other operating costs in accordance with generally accepted accounting principles applicable to the real estate industry.

**Note 6 - Concentrations**

Over 78% of the Company's revenues were generated from two customers during the period ended June 30, 2007 (2006 - 50%). At June 30, 2007, accounts receivable from these two customers represented approximately 50% of the Company's total accounts receivable.

**IDGlobal Corp.****Interim Balance Sheet  
(expressed in Canadian dollars)  
(Unaudited)****September 30, 2007**

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	<u>September 30, 2007</u>	<u>December 31, 2006</u>
<b>Assets</b>		
<b>Current assets</b>		
Cash and equivalents	\$ 327,735	\$ 235,188
Accounts receivable, net of allowance	89,052	177,210
Other receivables	-	1,800
Prepaid expenses	-	9,448
<b>Total current assets</b>	<b>416,787</b>	<b>423,646</b>
<b>Property and equipment (note 3)</b>	<b>85,251</b>	<b>20,689</b>
<b>Total assets</b>	<b>\$ 502,038</b>	<b>\$ 444,335</b>

**Liabilities and shareholders' equity****Current liabilities**

Accounts payable	\$	261,735	\$	33,552
Accrued expenses		<u>65,000</u>		<u>51,800</u>
<b>Total current liabilities</b>		<b>326,735</b>		<b>85,352</b>

**Long-term liabilities**

Notes payable - Related parties (note 4)		<u>4,971</u>		<u>4,971</u>
<b>Total liabilities</b>		<b>331,706</b>		<b>90,323</b>

**Shareholders' equity**

Common stock, no par value per share.

Unlimited number of authorized shares, 68,436,902 and 69,692,539  
issued and outstanding at December 31, 2006 and  
September 30, 2007 respectively.

		<u>1,428,979</u>		<u>1,100,544</u>
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Preferred stock, no par value per share.

Unlimited number of authorized shares, no shares issued or  
outstanding at December 31, 2006, or September 30, 2007

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<b>Deficit</b>		<u>(1,258,647)</u>		<u>(746,532)</u>
<b>Total shareholders' equity (deficit)</b>		<u>170,332</u>		<u>354,012</u>
<b>Total liabilities and shareholder's equity</b>	<b>\$</b>	<b><u>502,038</u></b>	<b>\$</b>	<b><u>444,335</u></b>

**IDGlobal Corp.****Interim Balance Sheet  
(expressed in Canadian dollars)  
(Unaudited)**

<b>Three months ended September</b>	Three months ended September 30, 2006	<b>Six months ended September</b>	Six months ended September 30, 2006
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	<u>30,</u> <u>2007</u>		<u>30,</u> <u>2007</u>	
<b>Revenues</b>	<b>125,703</b>	7,946	<b>421,509</b>	55,525
<b>Cost of sales</b>	<b>24,605</b>	7,832	<b>124,143</b>	15,898
<b>Gross margin</b>	<b>101,098</b>	114	<b>297,366</b>	39,627
<b>Expenses</b>				
Consulting	<b>6,108</b>	39,883	<b>33,598</b>	175,292
Payroll and related costs	<b>121,313</b>	43,217	<b>332,489</b>	116,152
Occupancy costs	<b>13,385</b>	6,968	<b>47,941</b>	22,458
Professional fees and expense	<b>39,036</b>	25,686	<b>113,240</b>	55,369
Travel	<b>37,107</b>	22,760	<b>101,891</b>	67,736
Advertising and promotion	<b>44,071</b>	-	<b>140,306</b>	118
Office expenses	<b>8,539</b>	12,414	<b>29,848</b>	37,688
Insurance	<b>5,722</b>	-	<b>11,687</b>	-
Amortization	<b>3,929</b>	599	<b>10,409</b>	1,796
<b>Total expenses</b>	<b>279,210</b>	151,527	<b>821,409</b>	476,609
<b>Income (loss) from operations</b>	<b>(178,112)</b>	(151,413)	<b>(524,043)</b>	(436,982)

**Other income (expense)**

Interest income	-	-	-	138
Interest expense	-	(906)	-	(7,052)
Exchange gain (loss)	<b>506</b>	-	<b>11,927</b>	-

Net other income (expense)	506	(906)	11,927	(6,914)
Income (loss) before income taxes	(177,606)	(152,319)	(512,115)	(443,896)
Income taxes (Benefit)	-	-	-	-
Net income (loss)	<u>\$ (177,606)</u>	<u>\$ (152,319)</u>	<u>\$ (512,115)</u>	<u>\$ (443,896)</u>
Weighted average number of common shares outstanding	31,282,210	7,304,717	31,282,210	7,304,717
Net loss per share	<u>\$ (0.01)</u>	<u>\$ (0.02)</u>	<u>\$ (0.02)</u>	<u>\$ (0.06)</u>

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**IDGlobal Corp.**

**Interim Statement of Cash Flows**  
**(expressed in Canadian dollars)**  
**(Unaudited)**

	<b>Three months ended September 30, 2007</b>	Three months ended September 30, 2006	<b>Six months ended September 30, 2007</b>	Six months ended September 30, 2006
<b>Cash flows from operating activities</b>				
Net income (loss)	<u>\$ (177,606)</u>	<u>\$ (152,319)</u>	<u>\$ (512,115)</u>	<u>\$ (443,896)</u>
<b>Adjustments to reconcile net income to net cash used in operating activities:</b>				
Amortization	3,929	599	10,409	1,796
Stock based compensation	<u>-</u>	<u>-</u>	<u>-</u>	<u>112,270</u>
	<b>(173,676)</b>	<b>(151,720)</b>	<b>(501,706)</b>	<b>(329,830)</b>
<b>Changes in operating assets and liabilities:</b>				
Accounts receivable	33,628	52,468	88,158	21,302
Other receivables	4,800	2,168	1,800	3,425



Prepaid expenses	-	(5,116)	9,448	(12,153)
Accounts payable	123,888	(6,349)	228,183	(4,913)
Accrued expenses	5,000	9,616	13,200	17,941
<b>Net cash used in operating activities</b>	<b>(6,360)</b>	<b>(98,933)</b>	<b>(160,917)</b>	<b>(304,228)</b>
<b>Cash flows from investing activities</b>				
Additions to property and equipment	(7,740)	(4,076)	(74,971)	(9,479)
<b>Net cash used in investing activities</b>	<b>(7,740)</b>	<b>(4,076)</b>	<b>(74,971)</b>	<b>(9,479)</b>
<b>Cash flows from financing activities</b>				
Repayment of loans from related parties	-	(5,000)	-	(19,828)

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Proceeds from issuance of common shares net of share issuance costs	174,762	57,490	328,435	497,749
<b>Net cash provided by financing activities</b>	<b>174,762</b>	<b>52,490</b>	<b>328,435</b>	<b>477,921</b>
<b>Net change in cash</b>	<b>160,662</b>	<b>(50,519)</b>	<b>92,547</b>	<b>164,214</b>
<b>Cash balance, beginning of period</b>	<b>167,073</b>	<b>214,855</b>	<b>235,188</b>	<b>122</b>
<b>Cash balance, end of period</b>	<b>\$ 327,735</b>	<b>\$ 164,336</b>	<b>\$ 327,735</b>	<b>\$ 164,336</b>

**Supplemental Cash Flow information:**

<b>Interest income</b>	\$ -	\$ -	\$ -	138
<b>Interest expense</b>	\$ -	\$ 906	\$ -	7,052

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**IDGLOBAL CORP**

**INTERIM FINANCIAL STATEMENTS**

*(Expressed in Canadian Dollars)*

*(Unaudited)*

**For the Three and Nine Months Ended**

**September 30, 2007**

NOTICE OF READER  
NO AUDITOR REVIEW OF  
INTERIM FINANCIAL STATEMENTS

The interim financial statements have been prepared by management and the Company's independent auditors, Michael Hawkins, CPA, have not performed a review of these interim consolidated financial statements.

"Signed"

"Daryl Regier"

Daryl Regier

President

December 20, 2007

**Note 1 - Organization and Principal Activities**

**Organization**

IDGlobal Corp. was incorporated on October 28, 1954 in the state of Idaho as Radon Uranium, Inc. On May 2, 1955 the name was changed to Utah-Idaho Consolidated Uranium, Inc. On March 1, 2006 Utah-Idaho Consolidated Uranium, Inc. changed its name to IDGlobal Corp. (the Company) and reincorporated in the state of Nevada. During June, 2006 IDGlobal Corp. acquired Praesidium ID Global Corp. in a reverse merger. The Company is engaged in the corporate loss prevention business, and in the high security document and anti-counterfeiting business.

For accounting purposes, the acquisition has been treated as a recapitalization of Praesidium IDGlobal Corp. with Praesidium IDGlobal Corp. as the acquirer. The historical financial statements for September 30, 2006 are those of Praesidium ID Global Corp.

**Going Concern**

The accompanying interim financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate continuation of the Company as a going concern. However, the Company has incurred net

operating losses since inception, and has a deficit, as of September 30, 2007 is 1,851,697. This matter raises substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Management plans to take the following steps that it believes will be sufficient to provide the Company with the ability to continue in existence:

Management intends to raise financing through private equity financing or other means and interests that it deems necessary.

## Note 2 - Basis of Presentation

These interim financial statements have been prepared in accordance with U.S. generally accepted accounting principals for interim financial statements and do not include all of the disclosures found in the Company's annual financial statements. These interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2006. The accounting policies used in the preparation of these interim financial statements are consistent with the accounting policies used in the Company's year end audited financial statements of December 31, 2006.

## Note 3 - Property and Equipment

Property and equipment consists of the following:

	September 30, <u>2007</u>	December 31, <u>2006</u>
Property and equipment	\$ 95,660	\$ 24,539
Accumulated depreciation	<u>(10,409)</u>	<u>(3,850)</u>
	<u>\$ 85,251</u>	<u>\$ 20,689</u>

## Note 4 - Notes Payable

On October 12, 2005, the Company negotiated an agreement ("Commission Agreement"), with an individual. The "Commission Agreement" was based on certain events which had not materialized, and on March 20, 2006, the "Commission Agreement" was terminated with no obligations except the repayment of a loan in the original amount of \$27,624 plus expenses incurred in the amount of \$2,347, totaling \$29,971.

The loan is to be repaid in the amount of \$5,000 per month plus a monthly interest payment in the amount of \$700, for a total monthly payment of \$5,700 per month beginning March 15, 2006. The repayment of the note can be accelerated at the option of the Company.

The balance of the note payable is as follows:

September 30, <u>2007</u>	December 31, <u>2006</u>
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**Note 5 - Leases**

The Company leases its office facilities from an unrelated party. The lease is for a two year period beginning June 1, 2005, and ending on May 31, 2007. The lease is payable monthly at the rate of \$1,100 per month for the period June 1, 2005 through May 31, 2006, and \$1,150 per month for the period June 1, 2006 through May 31, 2007. The lease is a net lease to the lessee, with the Company agreeing to pay all taxes, rates and assessments on the leased premises, and its share of the operating costs for the property, including utilities, repairs, liability insurance, janitorial service, and broken glass, and other operating costs in accordance with generally accepted accounting principles applicable to the real estate industry.

**Note 6 - Concentrations**

Over 80% of the Company's revenues were generated from two customers during the period ended September 30, 2007 (2006 - 50%). At September 30, 2007, accounts receivable from these two customers represented approximately 60% of the Company's total accounts receivable.

**Note 7 - Subsequent event**

Subsequent to the quarter end on October 27, 2007, the Company granted 6,000,000 stock options to officers of the Company and consultants, exercisable at \$0.087, vesting immediately, expiring 10 years from the date of issue.

The fair value for stock options when expensed estimated using the Black-Scholes option pricing model assuming no expected dividends and the following weighted average assumptions: interest rate - 4.50%, average expected volatility- 220%, with an expected life of the options; the Company has an unrecognized \$593,050 (2006 - \$112,270) in stock-based compensation expense.

PART III

ITEM 1. INDEX TO EXHIBITS I

Exhibit

Number

Title of Document

- |     |   |
|-----|---|
| 1.0 | Certificate of Incorporation of IDGLOBAL CORP., Inc., a Nevada corporation. |
| 2.0 | Bylaws of IDGLOBAL CORP., Inc., a Nevada corporation.                       |



SECRETARY OF STATE



**CORPORATE CHARTER**

I, DEAN HELLER, the duly elected and qualified Nevada Secretary of State, do hereby certify that **IDGLOBAL CORP**, did on March 1, 2006, file in this office the original Articles of Incorporation; that said Articles of Incorporation are now on file and of record in the office of the Secretary of State of the State of Nevada, and further, that said Articles contain all the provisions required by the law of said State of Nevada.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on March 2, 2006.



*Dean Heller*

DEAN HELLER  
Secretary of State

By

*Ch*

Certification Clerk

BYLAWS OF  
IDGLOBAL CORPORATION

ARTICLE I

Corporate Offices

The corporation shall maintain a registered office in the State of Nevada. The Board may establish other offices in or outside the State of Nevada.

ARTICLE III

Stock

*2.1 Issuance of Shares.*

(a) *Authorized Shares.* The corporation may issue the number of shares of each class or series authorized by the Articles. Shares that are issued are outstanding shares until they are reacquired, redeemed, converted, or canceled.

(b) *Board Authorization for Issuance.* The Board must authorize any issuance of shares. The Board may issue shares in exchange for consideration consisting of any tangible or intangible property or benefit to the corporation, including cash, promissory notes, services performed, contracts for services to be performed, or other securities of the corporation. The Board's authorization must state the maximum number of shares of each class or series that may be issued and the price for each share.

(c) *Sales Subject to Restrictions.* The corporation may issue shares which are subject to restrictions on their transfer, as provided in Section 2.10.

(d) *When Fully Paid.* When the corporation has received the consideration in exchange for which the Board has authorized the issuance of shares, the shares issued will be fully paid and nonassessable.

(e) *Re-Acquisition.* The corporation may acquire its own shares. Shares so acquired shall constitute authorized but unissued shares.

*2.2 Fractional Shares or Scrip.*

(a) *Issuance.* The corporation may:

(1) Issue fractions of a share or pay in money the value of fractions of a share;

(2) Arrange for disposition of fractional shares by the shareholders;

(3) Issue scrip entitling the holder to receive a full share upon surrendering enough scrip to equal a full share.

(b) *Scrip.* Each certificate representing scrip must be conspicuously labeled "scrip," and

must state on its face:

(1) The name of this corporation;

(2) That this corporation is organized under the laws of the State of Nevada;

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(3) The name of the person to whom it is issued; and

(4) The fractional portion and class of shares and the designation of the series, if any, the certificate represents.

(c) *Rights of Holders.* The holder of a fractional share is entitled to exercise the rights of a shareholder, including the right to vote, to receive dividends, and to participate in the assets of the corporation upon liquidation. The holder of scrip is not entitled to any of these rights unless the scrip so provides.

(d) *Conditions on Issuance.* The Board may authorize the issuance of scrip subject to any condition considered desirable, including:

(1) That the scrip will become void if not exchanged for full shares before a specified date; and

(2) That the shares for which the scrip is exchangeable may be sold and the proceeds paid to the scripholders.

*2.3 Issuance of Rights or Options to Purchase Shares.* The corporation may issue rights, options, or warrants for the purchase of shares of the corporation. The Board shall determine the terms upon which the rights, options, or warrants are issued, their form and content, and the consideration for which the shares are to be issued upon exercise of any such right, option, or warrant.

*2.4 No Preemptive Rights.* The shareholders have no preemptive rights to acquire proportional amounts of the corporation's unissued shares upon a decision by the Board to issue them.

*2.5 Certificates of Stock.* The Secretary shall issue stock certificates evidencing ownership of shares in the corporation. Stock certificates shall be issued in their proper numerical order. Each shareholder shall be entitled to a certificate which has been signed either manually or in facsimile by the President or a Vice President, which has been attested to by the Secretary or an Assistant Secretary, and which has been sealed with the corporate seal. The Secretary may issue a certificate bearing the signature of an individual who no longer holds that office. Such a certificate shall have the same effect as it would if the person still held office on the date of issue. Every stock certificate shall state:

(a) The name of the corporation;

(b) That the corporation is incorporated in Nevada;

(c) The name of the person to whom the shares represented by the certificate are issued;

(d) The number, class, and designation of the series, if any, of the shares represented by the certificate;



(e) If there is more than one class, a statement that the corporation will furnish to any shareholder, upon request and without charge, a full written statement of the designations, preferences, limitations, and relative rights of the shares of each class authorized by the corporation, and the variations in rights, preferences, and limitations determined for each series; and

(f) Either a complete description or a reference to the existence and general nature of any restrictions on the ownership or transfer of the shares which the certificate represents.

*2.6 Lost or Destroyed Certificates.* The Secretary may issue a replacement certificate in place of a lost, mutilated, or destroyed certificate, upon proof that the certificate was lost, mutilated, or destroyed, if the holder of the certificate gives a satisfactory bond of indemnity to the corporation. The Secretary may issue a replacement certificate without requiring any bond when the Board determines it is proper to do so.

*2.7 Stock Records.* The Secretary shall keep the stock transfer books at the registered office or principal place of business of the corporation, or at the office of the corporation's transfer agent or registrar. The Secretary, or the transfer agent or registrar, shall enter on the stock transfer books the name and address of each shareholder, together with the class, number of shares, and date on which the shares were issued or transferred to the shareholder. Each shareholder shall keep the shareholder's current address on file with the Secretary.

*2.8 Record Owners.* The corporation shall treat a shareholder of record as the owner of the shares for all purposes. The corporation shall not be bound to recognize any claim to or interest in any share on the part of any other person, whether or not it has notice of such a claim or interest, until that person's name has been entered on the transfer books as the shareholder of record.

*2.9 Stock Transfers.*

(a) *Method of Transfer.* Subject to any restrictions placed on the transfer of shares at or prior to the time such shares are issued, shareholders may transfer their shares by delivering the certificates to the transferee, accompanied by:

(1) An assignment in writing on the back of the certificate, or an assignment separate from certificate, or a written power of attorney to sell, assign, and transfer the shares which is signed by the record holder of the certificate; and

(2) Any additional documents, instruments, or other evidences necessary to satisfy the requirements of any transfer restrictions applicable to the shares by law or by contract.

(b) *Surrender of Old Certificate to Secretary.* Upon receipt of a transferred certificate, a transferee shall surrender the certificate, along with evidence that the certificate was transferred to the transferee, to the Secretary, so that the Secretary may record the transfer on the stock transfer books and issue a new certificate to the transferee.

(c) *Recording Transfers.* Except as otherwise specifically provided in these Bylaws, the Secretary shall not record any shares of stock as having been transferred on the books of the corporation until the outstanding certificates for those shares have been surrendered to the corporation. The Secretary shall cancel all certificates surrendered to the corporation for transfer. The Secretary shall issue no new certificate until the former certificate representing those shares has been surrendered and canceled, except as provided in Section 2.6.

2.10 *Restrictions on Transfer*. The Board may restrict the transfer of the corporation's shares as permitted by law. The existence of any such restriction shall be noted conspicuously on the front or back of the certificate. No such restriction will affect shares issued before the restriction was adopted, unless the holders of the shares are parties to the restriction agreement or voted in favor of the restriction.

## ARTICLE III

### Shareholders

3.1 *Annual Meeting*. The corporation shall hold a meeting of the shareholders annually on a date and at a time and place set by the Board. The order of business at the annual meeting of shareholders shall be as follows:

- (a) Calling the meeting to order;
- (b) Proof of notice of meeting, or filing of waivers of notice;

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- (c) Reading of minutes of the last annual meeting;
- (d) Reports from officers;
- (e) Reports from committees;
- (f) Election of directors; and
- (g) Other business.

### 3.2 *Special Meetings*.

The corporation shall hold a special meeting of the shareholders:

- (a) On call of the Board, the Chairman, or the President; or
- (b) If the holders of at least ten percent (10%) of all the votes entitled to be cast on any issue proposed to be considered at the meeting, sign, date, and deliver to the Secretary one or more written demands for a special meeting which describe the purposes for the meeting.

Only issues identified in the notice of a special meeting may be conducted at that meeting. The Secretary shall issue notice of any special meeting as provided in Paragraph 3.6(b).

3.3 *Adjourned Meetings*. The chairman of the meeting may adjourn a shareholders' meeting at any time a quorum, as that term is defined in Section 3.8, is not present. With the consent of the holders of a majority of the shares represented in person or by proxy, and entitled to vote at a shareholders' meeting, the chairman of the meeting may adjourn the meeting for any reason to a time and place determined by the chairman of the meeting. The chairman of the meeting may adjourn a meeting at which directors are to be

elected only from day to day until the directors are elected. The shareholders may conduct any business at an adjourned meeting which they might have conducted at the original meeting.

3.4 *Meeting Place.* Shareholders' meetings may be held either at the corporation's registered Nevada office or at any other place designated by the Board and identified in, the notice of the meeting.

3.5 *Chairman of the Meeting.* The Chairman shall serve as chairman of all shareholders' meetings. In the absence of the Chairman, the President or any other person appointed by the Board shall serve as chairman of a shareholders' meeting. 3.6 *Notice of Shareholders' Meetings.*

(a) *Annual Meetings.* The corporation shall notify the shareholders of each annual shareholders' meeting. The corporation shall deliver notice, as provided in Section 9.1, at least ten (10), but not more than sixty (60), days before the meeting date. Notice of an annual meeting need not include a description of the purposes of the meeting, except as provided under Paragraph (c) below. The corporation must deliver notice to all shareholders entitled to vote at the annual meeting, and must notify certain other shareholders of an annual meeting as provided in Paragraph (c) below.

(b) *Special Meetings.* The corporation shall notify the shareholders entitled to vote on the actions to be considered at any special meeting called pursuant to Section 3.2. The corporation need not notify all shareholders unless required to do so as provided in Paragraph (c) below. The notice must include a description of the purposes for which the meeting was called, and be accompanied by other materials described in Paragraph (c) below. The corporation must deliver the notice at least ten (10), but not more than sixty (60), days before the meeting date. If the corporation fails to issue the notice within ten (10) days after shareholders holding ten percent (10%) or more of the outstanding shares entitled to vote on a particular issue have delivered to the Secretary written demand for a special meeting to consider that issue in accordance with Paragraph 3.2(b), the shareholders requesting the meeting may issue the notice on behalf and at the expense of the corporation.

(c) *Meetings Concerning Extraordinary Acts.* If a purpose of a shareholders' meeting is to consider action on an amendment to the Articles, a planned merger or share exchange, a proposed sale, lease, or other disposition of all or substantially all of the property of the corporation other than in the regular course of business, or the dissolution of the corporation, the corporation shall notify all shareholders, whether or not entitled to vote, at least twenty (20), but not more than sixty (60), days before the date of the meeting. The notice must describe the proposed action with reasonable clarity and must contain or be accompanied by a copy of the proposed Amendment, the plan of merger or exchange, or the agreement of sale or lease, as applicable.

(d) *Adjourned Meetings.* In general, the corporation need not provide notice to the shareholders of an adjourned meeting if the time, date, and place for reconvening the meeting is announced before the meeting is adjourned. However, if the chairman of a meeting adjourns a meeting for more than one hundred twenty (120) days from the date of the original meeting, the Secretary shall fix a new record date for the adjourned meeting and shall issue a new notice of the adjourned meeting to each shareholder of record entitled to notice of or to vote at the adjourned meeting.

### 3.7 *Waiver of Notice.*

(a) *Written Waiver.* A shareholder may waive any notice before or after the date and time of the meeting that is the subject of the notice. Except as provided by Paragraphs (b) and (c), the waiver must be in writing, signed by the shareholder entitled to the notice, and delivered to the corporation for inclusion in the minutes or filing with the corporate records.

(b) *Waiver by Attendance.* A shareholder's attendance at a meeting waives objection to lack of notice or

defective notice of the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting.

(c) *Waiver of Objection to Particular Matter.* A shareholder waives objection to consideration of a particular matter at a meeting that is not within the purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

### 3.8 Quorum.

(a) *Action if Quorum Present.* Shares entitled to vote as a separate voting group may take action on a matter at a meeting only if a quorum of those shares is present. In general, a majority of the votes entitled to be cast on the matter by the voting group constitutes a quorum of that voting group for that matter.

(b) *Share Represented for Entire Meeting.* Once a share is represented for any purpose at a meeting other than solely to object to holding the meeting or to transacting business at the meeting, the share is deemed present for purposes of establishing a quorum for the remainder of the meeting and for any adjournment of that meeting unless a new record date is set for the adjourned meeting in accordance with Paragraph 3.14(b).

3.9 *Attendance by Communications Equipment.* Shareholders may participate in a shareholders' meeting by any means of communication which enables all persons participating in the meeting to hear each other simultaneously during the meeting. A shareholder who participates by means of communications equipment is deemed to be present in person at the meeting.

### 3.10 Voting.

(a) *General Rule.* In general, if a quorum is present, a matter may be approved by a voting group if the votes cast within the voting group favoring the action exceed the votes cast within the voting group opposing the action.

(b) *Voting on Extraordinary Acts.* The holders of more than two-thirds (2/3) of all shares entitled to vote on an amendment to the Articles, a plan of merger or share exchange, a sale of assets other than in the regular course of business, or a proposal to dissolve the corporation must vote in favor of the proposed action for the corporation to take the action.

(c) *Election of Directors.* Directors shall be elected in accordance with the provisions of Section 4.5.

(d) *Amendments to Quorum Rules.* An amendment to the Articles adding, changing, or deleting either:

(1) A quorum for a voting group greater or lesser than specified in Paragraph 3.8(a); or

(2) A voting requirement for a voting group greater than specified in Paragraph (a) above must meet the same quorum requirement and be adopted by the same vote and voting groups required to take action under the quorum and voting requirements then in effect.

### 3.11 Proxies.

(a) *Voting by Proxy.* A shareholder may vote the shareholder's shares in person or by proxy.

(b) *Proxy Appointment.* A shareholder may appoint a proxy to vote or otherwise act for the shareholder by signing an appointment form, either personally or by the shareholder's agent.

(c) *Term of Appointment.* An appointment of a proxy is effective when received by the Secretary. An appointment is valid for eleven (11) months unless it is revoked earlier or the appointment form expressly provides for a longer period.

(d) *Death or Incapacity of Shareholder.* The death or incapacity of the shareholder appointing a proxy does not affect the right of the corporation to accept the proxy's authority, unless the Secretary is given notice of the death or incapacity before the proxy exercises the proxy's authority under the appointment.

(e) *Corporation's Power to Accept Proxy's Actions.* The corporation is entitled to accept a proxy's vote or other action as that of the shareholder, subject to the provisions of Section 3.12 and to any express limitation on the proxy's authority appearing on the face of the appointment form.

### 3.12 Corporation's Acceptance of Votes.

(a) *Acceptance of Vote.* If the name signed on a vote, consent, waiver, or proxy appointment corresponds to the name of a shareholder, the corporation may accept the vote, consent, waiver, or proxy appointment as the shareholder's act.

(b) *Vote Not by Shareholder.* If the name signed on a vote, consent, waiver, or proxy appointment does not correspond to the name of its shareholder, the corporation may accept the vote, consent, waiver, or proxy appointment as the shareholder's act if:

(1) The shareholder is an entity and the name signed purports to be that of an officer, partner, or agent of the entity;

(2) The name signed purports to be that of an administrator, executor, guardian, or conservator representing the shareholder and evidence of fiduciary status acceptable to the corporation has been presented with respect to the vote, consent, waiver, or proxy appointment;

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(3) The name signed purports to be that of a receiver or trustee in bankruptcy of the shareholder, and evidence of this status acceptable to the corporation has been presented with respect to the vote, consent, waiver, or proxy appointment;

(4) The name signed purports to be that of a pledgee, beneficial owner, or attorney-in-fact of the shareholder and evidence acceptable to the corporation of the signatory's authority to sign for the shareholder has been presented with respect to the vote, consent, waiver, or proxy appointment; or

(5) Two or more persons are the shareholder as co-tenants or fiduciaries, the name signed purports to be the name of at least one of the co-owners, and the person signing appears to be acting on behalf of all the co-owners.

(c) *Rejection of Vote.* The corporation may reject a vote, consent, waiver, or proxy appointment if the Secretary has reasonable basis for doubt about the validity of the signature or about the signatory's authority to sign for the shareholder.

### 3.13 Shareholders' List for Meeting.

(a) *Shareholders' List.* After the corporation fixes a record date for a meeting, the Secretary shall prepare an alphabetical list of the names of all shareholders as of the record date who are entitled to notice of a shareholders' meeting. The list must be arranged by voting group (and within each voting group by class or series of shares), show the most recent address on file of each shareholder, and identify the number of shares held by each shareholder.

(b) *List Available for Inspection.* The Secretary shall make the shareholders' list available for inspection by any shareholder, beginning ten (10) days prior to the meeting and continuing through the meeting. The list will be available at the corporation's principal office or at a place (identified in the meeting notice) in the city where the meeting will be held. A shareholder, or the shareholder's agent, may inspect the list during regular business hours and at the shareholder's expense during the period it is available for inspection.

(c) *List at Meeting.* The Secretary shall make the shareholders' list available at the meeting. Any shareholder or shareholder's agent may inspect the list at any time during the meeting or any adjourned meeting.

(d) *Right to Copy.* A shareholder may copy the list as provided in Sections 10.2 and 10.3.

### 3.14 *Fixing the Record Date.*

(a) *Date for Meetings.* The Board shall fix a record date in order to determine which shareholders are entitled to notice of a shareholders' meeting or to vote at the meeting. If the Board fails to fix a record date for a meeting, then the day before the first notice of the meeting is delivered to the shareholders shall be the record date. If the Secretary does not issue notice of a meeting because all shareholders entitled to notice have waived notice, then the record date shall be the date on which the Secretary received the last waiver of notice.

(b) *Date for Adjourned Meetings.* Once the Secretary has determined which shareholders are entitled to notice of or to vote at a shareholders' meeting, the determination is effective for any adjournment of the meeting unless the Board fixes a new record date. The Board must fix a new record date if the meeting is adjourned for more than one hundred twenty (120) days after the date fixed for the original meeting.

(c) *Date for Dividends and Distributions.* If the Board fails to fix a record date for determining which shareholders are entitled to receive a share dividend or a distribution which does not involve a purchase, redemption, or other acquisition of the corporation's shares, the record date shall be the date the Board authorizes that dividend or distribution.

(d) *Date for Action without Meeting.* The record date for determining which shareholders may vote to take action without a meeting is the date the first shareholder signs the consent describing the action to be taken.

### 3.15 *Action by Shareholders without a Meeting.*

(a) *Action Agreed to by All Shareholders.* The shareholders may take any action within their powers without a meeting if the action is agreed to by all the shareholders entitled to vote on the action. To take an action without a meeting, each shareholder entitled to vote on the action must sign a written consent describing the action to be taken. The consents must be delivered to the corporation for inclusion in the minutes or filing with the corporate records.

(b) *Record Date.* The record date for determining shareholders entitled to take action without a meeting shall

be as specified in Section 3.14.

(c) *Withdrawal of Consent.* A shareholder may withdraw consent only by delivering a written notice of withdrawal to the Secretary prior to the time that all consents are in possession of the corporation.

(d) *Effective Date of Action.* Action taken by the shareholders without a meeting shall be effective when all consents are in possession of the corporation, unless the consents specify a later effective date.

(e) *Action by Consent.* An action taken by consent has the effect of a meeting vote and may be described as such in any document.

(f) *Notice.* The corporation must give nonvoting shareholders written notice, at least ten (10) days before the action is taken, as provided in Section 9.1, if action by consent is proposed for any of the actions described in Paragraph 3.6(c).

3.16 *Ratification.* Any action taken by the corporation, the directors, or the officers which is subsequently authorized, approved, or ratified by vote of the number of shares that would have been sufficient to approve the action in the first instance, shall be valid and binding as though ratified by every shareholder of the corporation.

## ARTICLE IV

### Board of Directors

4.1 *Management Responsibility.* The corporation shall have a Board of Directors, which shall be responsible for the exercise of all corporate powers. The Board shall manage the business, affairs, and property of the corporation.

#### 4.2 *Committees.*

(a) *Creation.* The Board may create one or more Committees of directors. Each Committee must have two or more members.

(b) *Approval of Committees.* The number of directors required to take action under Section 4.11 must approve the creation of a Committee.

(c) *Rules Governing Committees.* The rules governing meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the Board, under Sections 4.10 through 4.15, apply to Committees.

(d) *Powers of Committees.* Subject to the limitations stated in Paragraph (e) below, the Board shall specify the extent to which each Committee may exercise the authority of the Board.

(e) *Limitations on Committee Action.* A Committee may not:

(1) Authorize or approve a distribution except according to a general formula or method prescribed by the Board;

(2) Approve or propose to shareholders action which must be approved by the shareholders; ,

(3) Fill vacancies on the Board or on any Committee;

(4) Amend the Articles;

(5) Adopt, amend, or repeal these Bylaws;

(6) Approve a plan of merger not requiring shareholder approval; or

(7) Authorize or approve the issuance or sale of shares or contract for the sale of shares, or determine the designation and relative rights, preferences, and limitations of a class or series of shares.

(f) *Minutes.* All Committees shall keep regular minutes of their meetings, which shall be included in the corporate minute books at the registered office of the corporation.

(g) *No Relief from Responsibility.* Neither the Board nor any director may be relieved of any responsibility imposed by law, the Articles, or these Bylaws by designating a Committee and delegating the Board's or the director's responsibilities to the Committee.

#### 4.3 Duties of Directors.

(a) *Due Care and Loyalty.* Each person who is a director shall perform the duties of a director, including any duties the director may have as a member of any Committee:

(1) In good faith;

(2) In a manner the director reasonably believes to be in the best interests of the corporation; and

(3) With the care an ordinarily prudent person in a like position would use under similar circumstances.

(b) *Right to Rely on Experts.* In performing corporate duties, a director may rely on information, opinions, reports, or statements, including financial statements or other financial data prepared or presented by:

(1) One or more officers or employees of the corporation whom the director reasonably believes to be reliable and competent in the matters presented;

(2) Legal counsel, public accountants, or other persons concerning matters which the director reasonably believes to be within their professional or expert competence; or

(3) A Committee, the deliberations of which the director reasonably believes merits confidence, concerning matters within the Committee's designated authority.



(c) *Failure to Act in Good Faith.* A director fails to act in good faith if the director relies on information provided by the above persons even though the director has knowledge concerning a particular matter that would make reliance on the information unwarranted.

4.4 *Number and Qualification of Directors.* The Board shall consist of no fewer than two (2) and no more than five (5) directors. The corporation shall have three (3) directors until that number is changed in accordance with these Bylaws. If the shareholders elect a greater or lesser number of directors than is specified in this section, then election of that number shall automatically amend these Bylaws to increase the number of directors to the number elected. No director need be a shareholder of the corporation.

#### 4.5 *Election of Directors.*

(a) *Initial Directors; Annual Elections.* The terms of the initial directors will expire at the first annual meeting of shareholders. The shareholders shall elect successor directors at the first annual meeting of shareholders, and at each annual meeting thereafter.

(b) *Cumulative Voting.* Shareholders entitled to vote at any election of directors may cumulate votes by multiplying the number of votes they are entitled to cast by the number of directors for whom they are entitled to vote and to cast the product for a single candidate or to distribute the product among two or more candidates.

(c) *Election.* In any election of directors, the candidates elected are those who receive the largest number of votes cast by the shares entitled to vote in the election, up to the number of directors to be elected.

4.6 *Term of Office.* Each director shall hold office for a one-year term until the next succeeding annual meeting, and thereafter until the director's successor is elected and qualified. If a director dies, resigns, or is removed, the director's replacement shall serve throughout the remaining portion of the director's term, and thereafter until the director's successor is elected and qualified.

4.7 *Vacancy on Board of Directors.* If a vacancy occurs on the Board, the directors then in office may fill the vacancy by the affirmative vote of a majority of all the directors in office, even if a quorum is not present.

4.8 *Resignation.* A director may resign at any time by delivering written notice to the Chairman, the President, the Secretary, or each member of the Board. A resignation shall take effect when notice is delivered, unless the notice specifies a later effective date. The corporation need not accept a resignation for the resignation to be effective. A resignation shall not affect the rights of the corporation under any contract with the resigning director.

#### 4.9 *Removal.*

(a) *Special Meeting.* The shareholders may remove one or more directors, with or without cause, only at a special meeting of shareholders called expressly for that purpose. The notice of the meeting must state that the purpose of the meeting is to remove one or more directors.

(b) *Voting.* The shareholders may remove a director by affirmative vote of the holders of a majority of the shares entitled to vote on the election of that director. A director may not be removed if votes sufficient to elect the director are voted against the director's removal.

#### 4.10 *Meetings.*

(a) *Annual Meeting.* The first meeting of each newly elected Board shall be known as the annual Board meeting. The Board shall hold the annual Board meeting, without notice, immediately after the annual shareholders' meeting or after

any special shareholders' meeting at which new directors are elected. The Board shall hold the annual Board meeting at the same place as the annual shareholders' meeting unless the Board specifies another place by resolution.

(b) *Regular Meetings*. The Board may hold regular meetings at a place and on a day and hour fixed by resolution of the Board.

(c) *Special Meetings*. The Chairman or any two directors may call a special meeting of the Board. The Board shall hold the special meeting at the place and on the day and hour specified by the persons calling the meeting.

(d) *Adjourned Meetings*. A majority of the directors present may vote to adjourn any meeting to another time and place even if the number of directors present or voting does not constitute a quorum. If the meeting is adjourned for more than forty-eight (48) hours, the Secretary shall give notice of the time and place of the adjourned meeting to the directors who were not present at the time the meeting was adjourned.

#### 4.11 *Quorum and Voting of Directors*.

(a) *Majority Constitutes a Quorum*. A majority of the directors shall constitute a quorum for the transaction of business at a meeting, except as provided in Section 4.7 and in Paragraph (b) below. The appropriate percentage of the directors present at a meeting at which a quorum is present may take any actions which the directors are authorized to take on behalf of the corporation.

(b) *Action in Absence of a Quorum*. The Board may continue to transact business at a meeting at which a quorum was initially present. In order to take any action at a meeting at which a quorum is no longer present, the action must be approved by a sufficient percentage of the number of directors required to establish a quorum.

(c) *Dissent by Directors*. A director may abstain or dissent from any action taken. However, a director may not dissent or abstain if the director voted in favor of the action taken. A director who is present at a meeting when action is taken is deemed to have assented to the action taken unless:

(1) The director objects at the beginning of the meeting to holding the meeting or to transacting business at the meeting;

(2) The director's dissent or abstention from the action taken is entered in the minutes of the meeting; or

(3) The director delivers written notice of the director's dissent or abstention to the chairman of the meeting before the Board adjourns the meeting or to the corporation within a reasonable time after the Board adjourns the meeting.

4.12 *Attendance by Communications Equipment*. The directors may participate in a meeting by means of any communications equipment which enables all persons participating in the meeting to hear each other simultaneously during the meeting. A director who participates by means of communications equipment is deemed to be present in person at the meeting.

4.13 *Action by Directors without a Meeting*. The Board may take any lawful action without a meeting if each director delivers a signed consent to the corporation which describes the action to be taken. An action approved by consent shall have the same effect as an action approved by unanimous vote at a meeting duly held upon proper notice, and may be described as such in any document. All consents shall be inserted into the minute books as if they were the minutes of a Board meeting. An action taken by

consent by the Board shall be effective when the last director signs the consent, unless the consent specifies a later effective date.

#### 4.14 *Notice of Meeting.*

(a) *Regular Meetings.* The Secretary may, but need not, issue notice pursuant to Article IX of any regular Board meeting if the time and place of the regular meeting has been fixed by resolution of the Board and a copy of the resolution has been mailed or delivered to each director at least two (2) days preceding the day of the first meeting held under that schedule.

(b) *Special Meetings.* The Secretary, or the person calling a special Board meeting, shall issue notice pursuant to Article IX of the date, time, and place of the meeting at least two (2) days preceding the day on which the meeting is to be held. Any Board meeting shall be properly called if each director either has received valid notice of the meeting, is present without objecting, or waives notice of the meeting pursuant to Paragraph (c) below. The notice of any regular or special meeting of the Board need not specify the purpose of the meeting or the actions proposed for the meeting unless these Bylaws so require.

(c) *Waiver of Notice.* A director may waive notice before or after the date and time stated in the notice. A waiver shall be equivalent to receipt of notice. A director may waive notice by submitting a written waiver, signed by the director entitled to the notice, to the corporation for inclusion in the minutes or filing with the corporate records. A director may also, by attending or participating in a meeting, waive any required notice of the meeting unless the director, at the beginning of the meeting objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

4.15 *Chairman of the Meeting.* The Chairman shall serve as the chairman of the meeting of all Board meetings. In the absence of the Chairman, the President or any other person appointed by the Board shall serve as the chairman of the meeting of a Board meeting.

4.16 *Compensation.* The Board shall fix the amount or salary to be paid to each director for service as a director or for attendance at each meeting of the Board. Salary or payment for service as a director shall not preclude a director from serving the corporation in any other capacity or from receiving compensation for service in that other capacity.

#### 4.17 *Liability for Unlawful Distributions.*

(a) *Director's Liability.* A director who votes for or assents to an unlawful distribution made in violation of Section 8.1 is personally liable to the corporation for the amount of the distribution that exceeds what could have been distributed without violating Section 8.1 if the director fails to perform the director's duties in compliance with Section 4.3.

(b) *Right to Contribution.* A director held liable for an unlawful distribution is entitled to contribution:

- (1) From every other director who could be held liable for the unlawful distribution; and
- (2) From each shareholder for the amount the shareholder accepted knowing the distribution was

unlawful.

## ARTICLE V

### Conflicting Interest Transactions

5.1 *Definitions.* For purposes of this Article:

(a) "Conflicting interest" means the interest a director has respecting a transaction effected or proposed to be effected by the corporation or any other entity in which the corporation has a controlling interest if:

(1) The director knows at the time the corporation takes action that the director or a related person is a party to the transaction or has a significant beneficial financial interest in or so closely linked to the transaction that a reasonable person would expect the interest to influence the director's judgment if the director were called upon to vote on the transaction; or

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(2) The transaction is brought before the Board for action, and the director knows at the time the Board reviews the transaction that any of the following persons is either a party to the transaction or has a significant beneficial financial interest in or so closely linked to the transaction that a reasonable person would expect the interest to influence the director's judgment if the director were called upon to vote on the transaction:

(A) An entity of which the director is a director, general partner, agent, or employee;

(B) An entity that controls, is controlled by, or is under common control with one or more of the entities specified in (A); or

(C) An individual who is a general partner, principal, or employer of the director.

(b) "Director's conflicting interest transaction" means a transaction effected or proposed to be effected by the corporation or any other entity in which the corporation has a controlling interest respecting which a director of the corporation has a conflicting interest.

(c) "Qualified director" means any director who does not have either:

(1) A conflicting interest respecting the transaction; or

(2) A familial, financial, professional, or employment relationship with a second director who does have a conflicting interest respecting the transaction, which relationship would, in the circumstances, reasonably be expected to exert an influence on the first director's judgment when voting on the transaction.

(d) "Qualified shares" means any shares entitled to vote with respect to the director's conflicting interest transaction except shares that, to the knowledge, before the vote, of the Secretary, are beneficially owned, or the voting of which is controlled, by a director who has a conflicting interest respecting the transaction or by a related person of the director, or both.

(e) "Related person" of a director means:

(1) A child, grandchild, sibling, parent, or spouse of, or an individual occupying the same household as, the director, or a trust or estate of which any of the above individuals is a substantial beneficiary; or

(2) A trust, estate, incompetent, conservatee, or minor of which the director is a fiduciary.

(f) "Required disclosure" means disclosure by the director who has a conflicting interest of:

(1) The existence and nature of the director's conflicting interest; and

(2) All facts known to the director respecting the subject matter of the transaction that an ordinarily prudent person would reasonably believe to be material to a judgment about whether or not to proceed with the transaction.

### 5.2 *Directors' Action.*

(a) *Majority Vote.* Directors' action respecting a director's conflicting interest transaction is effective if the transaction received the affirmative vote of a majority of (but no fewer than two) qualified directors who voted on the transaction after either required disclosure to them or compliance with Paragraph (b) below.

(b) *Director's Disclosure.* If a director has a conflicting interest respecting a transaction, but neither the director nor a related person of the director is a party to the transaction, and if the director has a duty under law or professional canon, or a duty of confidentiality to another person, which would prevent that director from making the disclosure described in Paragraph 5.1(f), then disclosure is sufficient if the director:

(1) Discloses to the directors voting on the transaction the existence and nature of the director's conflicting interest and informs them of the character and limitations imposed by that duty before their vote on the transaction; and

(2) Plays no part, directly or indirectly in their deliberations or vote.

(c) *Quorum.* A majority (but no fewer than two) of the qualified directors constitutes a quorum for purposes of action that comply with this Article. Directors' action that otherwise complies with this Article is not affected by the presence or vote of a director who is not a qualified director.

### 5.3 *Shareholders' Action.*

(a) *Majority Vote.* Shareholders' action respecting a director's conflicting interest transaction is effective if a majority of the votes entitled to be cast by the holders of all qualified shares were cast in favor of the transaction after:

(1) Notice to shareholders describing the director's conflicting interest;

(2) Provision of the information referred to in Paragraph (c) below; and

(3) Required disclosure to the shareholders who voted on the transaction.

(b) *Quorum.* A majority of the votes entitled to be cast by the holders of all qualified shares constitutes a quorum for purposes of action that complies with this section. Subject to the provisions of Paragraph (c), shareholders' action that otherwise complies with this section is not affected by the presence or voting of shares that are not qualified shares.

(c) *Director's Disclosure.* A director who has a conflicting interest respecting the transaction shall, before the shareholders' vote, inform the Secretary of the number, and the identity, of persons holding or controlling the vote of all shares that the director knows are beneficially owned or the voting of which is controlled by the director or by a related person of the director.

## ARTICLE VI

### Indemnification

#### 6.1 *Indemnification Definitions.* For purposes of this Article:

(a) "Corporation" includes any domestic or foreign predecessor entity of a corporation in a merger or other transaction in which the predecessor's existence ceased upon consummation of the transaction.

(b) "Director" means an individual who is or was a director of the corporation or an individual who, while a director of the corporation, is or was serving at the corporation's request as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise. A director is considered to be serving an employee benefit plan at the corporation's request if the director's duties to the corporation also impose duties on, or otherwise involve services by, the director to the plan or to participants in or beneficiaries of the plan. "Director" includes, unless the context requires otherwise, the estate or personal representative of a director.

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(c) "Expenses" include counsel fees.

(d) "Liability" means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employee benefit plan), or reasonable expenses incurred with respect to a proceeding.

(e) "Official capacity" means:

(1) When used with respect to a director, the office of director in the corporation; and

(2) When used with respect to an individual other than a director, as contemplated in Section 6.6, the office in the corporation held by the officer or the employment or agency relationship undertaken by the employee or agent on behalf of the corporation.

"Official capacity" does not include service for any other foreign or domestic corporation or any partnership, joint venture, trust, employee benefit plan, or other enterprise.

(f) "Party" includes an individual who was, is, or is threatened to be made a named defendant or respondent in a proceeding.

(g) "Proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal.

#### 6.2 *Indemnification.*

(a) *Right to Indemnity*. Except as provided in Paragraph (d), the corporation shall indemnify an individual made a party to a proceeding because the individual is or was a director against liability incurred in the proceeding if:

(1) The individual acted in good faith; and

(2) The individual reasonably believed:

(A) In the case of conduct in the individual's official capacity with the corporation, that the individual's conduct was in its best interests; and

(B) In all other cases, that the individual's conduct was at least not opposed to its best interests; and

(3) In the case of any criminal proceeding, the individual had no reasonable cause to believe the individual's conduct was unlawful.

(b) *Conduct Concerning Employee Benefit Plans*. A director's conduct with respect to an employee benefit plan for a purpose the director reasonably believed to be in the interests of the participants in and beneficiaries of the plan is conduct that satisfies the requirement of subparagraph (a)(2)(B).

(c) *Legal Proceedings*. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the director did not meet the standard of conduct described in this section.

(d) *Limits on Indemnity*. The corporation shall not indemnify a director under this section:

(1) In connection with a proceeding by or in the right of the corporation in which the director is adjudged liable to the corporation; or

(2) In connection with any other proceeding charging improper personal benefit to the director, whether or not involving action in the director's official capacity, in which the director was adjudged liable on the basis that personal benefit was improperly received by the director.

(e) *Coverage of Reasonable Expenses*. Indemnification provided under this section in connection with a proceeding by or in the right of the corporation is limited to reasonable expenses incurred in connection with the proceeding.

### 6.3 *Advances for Expenses*.

(a) *Advances*. The corporation shall pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding in advance of final disposition of the proceeding if:

(1) The director furnishes the corporation a written affirmation of the director's good faith belief that the director has met the standard of conduct described in Section 4.3; and

(2) The director furnishes the corporation a written undertaking, executed personally or on the director's behalf, to repay the advance if it is ultimately determined that the director did not meet the standard of conduct.

(b) *Director's Undertaking.* The undertaking required by subparagraph (a)(2) must be an unlimited general obligation of the director, but need not be secured and may be accepted without reference to financial ability to make repayment if the Board determines that the risk the advance will not be repaid is reasonable under the circumstances. The provisions of Section 5.2 will apply in making any such determination.

#### 6.4 *Determination and Authorization of Indemnification.*

(a) *Determination of Proper Conduct.* The corporation shall not indemnify a director under Section 6.2 unless authorized in the specific case after a determination has been made that indemnification of the director is permissible in the circumstances because the director has met the standard of conduct set forth in Section 6.2.

(b) *Board Determination.* The determination shall be made:

(1) By the Board by majority vote of a quorum consisting of directors not at the time parties to the proceeding;

(2) If a quorum cannot be obtained under subparagraph (1), by majority vote of a Committee duly designated by the Board (in which designation directors who are parties may participate), consisting solely of two or more directors not at the time parties to the proceeding;

(3) By special legal counsel:

(A) Selected by the Board or its Committee in the manner prescribed in subparagraph (1) or (2); or

(B) If a quorum of the Board cannot be obtained under Subparagraph (1) and a Committee cannot be designated under Subparagraph (2), selected by majority vote of the full Board (in which selection directors who are parties may participate); or

(4) By the shareholders, but shares owned by or voted under the control of directors who are at the time parties to the proceeding may not be voted on the determination.

(c) *Authorization of Indemnification.* Authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those entitled under subparagraph (b)(3) to select counsel.

6.5 *Shareholder Authorized Indemnification and Advancement of Expenses.* If authorized by the Articles of Incorporation, any Bylaw adopted or ratified by the shareholders, or any resolution adopted or ratified, before or after the event, by the shareholders, the corporation shall have power to make or agree to indemnify a director made a party to a proceeding, or obligate itself to advance or reimburse expenses incurred in a proceeding, without regard to the limitations in Sections 6.2, 6.3 and 6.4; provided that no such indemnity shall indemnify any director from or on account of.



(a) Acts or omissions of the director finally adjudged to be intentional misconduct or a knowing violation of law;

(b) Conduct of the director finally adjudged to be in violation of Section 4.17; or

(c) Any transaction with respect to which it is finally adjudged that such director personally received a benefit in money, property, or services to which the director was not legally entitled.

*6.6 Indemnification of Officers, Employees, and Agents.* The corporation shall indemnify and advance expenses under Sections 6.2 through 6.5 to an officer, employee, or agent of the corporation who is not a director to the same extent as to a director.

*6.7 Insurance.* The corporation may purchase and maintain insurance on behalf of an individual who is or was a director, officer, employee, or agent of the corporation, or who, while a director, officer, employee, or agent of the corporation, is or was serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against liability asserted against or incurred by the individual in that capacity or arising from the individual's status as a director, officer, employee, or agent, whether or not the corporation would have power to indemnify the individual against the same liability under Section 6.2.

*6.8 Report to Shareholders.* If the corporation indemnifies or advances expenses to a director under Section 6.2, 6.3, or 6.5 in connection with a proceeding by or in the right of the corporation, the corporation shall report the indemnification or advance in writing to the shareholders with or before the notice of the next shareholders' meeting.

## ARTICLE VII

### Officers

*7.1 Officers and Their Duties.* The following officers shall be elected annually and shall have the duties enumerated below:

(a) *Chairman of the Board.* The Chairman shall be a director and shall perform the duties assigned to the Chairman by the Board. The Chairman shall preside at all meetings of the shareholders and at all meetings of the Board. The Chairman may sign deeds, mortgages, bonds, contracts, or other instruments, unless these powers have been expressly delegated by the Board to some other officer or agent of the corporation or are otherwise required by law to be signed or executed by some other officer or in some other manner. If the President dies or becomes unable to act, the Chairman shall perform the duties of the President, except as may be limited by resolution of the Board.

(b) *President.*

(1) The President shall be the chief executive officer of the corporation unless some other officer is so designated by the Board. The President shall supervise and control the assets, business, and affairs of the corporation. If no Chairman has been elected, the President shall be a director. The President may sign certificates for shares of the corporation, deeds, mortgages, bonds, contracts, or other instruments, unless these powers have been expressly delegated by the Board to some other officer or agent of the corporation. The President shall vote shares in other corporations which are owned by the corporation, unless the Board

prescribes otherwise. The President shall perform all duties incident to the office of president and any other duties which the Board may prescribe.

(2) The President may appoint one or more Assistant Secretaries and Assistant Treasurers, as the President deems necessary.

(c) *Vice Presidents.* The Board may designate one or more Vice Presidents or other officers and assistant officers as the Board determines is necessary or advisable, or the Board may delegate that power to the President. The Vice Presidents shall have the powers and perform the duties accorded to them by the Board, the Articles, the Bylaws, or delegated to them by the Chairman or the President. If no Chairman has been elected, in the absence or disability of the President, the Vice President designated by the Board shall perform the duties of the President. When so acting, the designated Vice President shall have all the powers of, and be subject to the same restrictions as is the President. However, a Vice President may not preside as the chairman of a Board meeting unless that Vice President is also a director.

(d) *Secretary.*

(1) The Secretary shall:

(A) Prepare the minutes of meetings of the directors and of the shareholders, keep the minutes in one or more books provided for that purpose, and be responsible for authenticating the records of the corporation;

(B) Ensure that all notices are given in accordance with the provisions of Sections 3.6, 4.14 and Article IX of these Bylaws and as required by law;

(C) Serve as custodian of the corporate records and the corporate seal, and ensure that the seal is affixed to all documents requiring the corporation's seal, provided that the document has been duly authorized for execution;

(D) Keep a register of the address of each shareholder, director, and officer;

(E) Sign certificates representing the authorized shares of the corporation;

(F) Maintain the stock transfer books of the corporation pursuant to the provisions of Section 2.7;

(G) Appoint a registrar or transfer agent to oversee the stock transfer books;

(H) When required by law or resolution of the Board, sign the corporation's deeds, mortgages, bonds, contracts, or other instruments; and

(I) Perform all other duties incident to the office of Secretary or assigned by the President or the Board.

(2) In the absence of the Secretary, an Assistant Secretary may perform the duties of the Secretary.

(e) *Treasurer.*

(1) The Treasurer shall:

(A) Take custody of and account for all funds and securities held by the corporation;

(B) Receive and give receipts for sums due to the corporation, and deposit those sums in the name of the corporation in banks, trust companies, or other depositories which the Board may select in accordance with the provisions of these Bylaws; and

(C) Perform all other duties incident to the office of treasurer or assigned to the Treasurer by the President or the Board.

(2) In the absence of the Treasurer, an Assistant Treasurer may perform the duties of the Treasurer.

(f) *Additional Duties; Other Officers and Agents.* The Board may assign any officer any additional title that the Board deems appropriate. The Board may delegate to any officer or agent the power to appoint assistant officers or agents and to prescribe the terms of office, authorities, and duties of such assistant officers or agents.

(g) *Authority to Enter Contracts and to Issue Checks and Drafts.* The Board may authorize any officer or agent of the corporation to enter into contracts or to execute and deliver instruments in the name of and on behalf of the corporation. The Board may grant either general or limited authority to its officers and agents to make contracts or execute instruments. The Board shall authorize certain officers or agents of the corporation to sign the corporation's checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation.

7.2 *Qualifications.* None of the officers is required to be a director, except as specified in Section 7.1. The same person may hold two or more corporate offices, except that one person may not hold the offices of President and Secretary at the same time.

### 7.3 *Standards of Conduct for Officers.*

(a) *Due Care and Loyalty.* An officer with discretionary authority shall discharge the officer's duties under that authority:

(1) In good faith;

(2) With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and

(3) In a manner the officer reasonably believes to be in the best interests of the corporation.

(b) *Right to Rely on Experts.* In performing the officer's duties, the officer may rely on information, opinions, reports, or statements, including financial statements and other financial data prepared or presented by:

(1) One or more officers or employees of the corporation whom the officer reasonably believes to be reliable and competent in the matters presented; or

(2) Legal counsel, public accountants, or other persons concerning matters the officer reasonably believes to be within their professional or expert competence.

(c) *Failure to Act in Good Faith.* An officer fails to act in good faith if the officer relies on information provided by the above persons even though the officer has knowledge that makes reliance on the information unwarranted.

*7.4 Bonds.* The Board may require any officer to post a bond to ensure that the officer faithfully performs the duties of the office, and that in case of the death, resignation, retirement or removal of the officer, the officer returns all books, papers, vouchers, money and other property in the officer's possession or under the officer's control which belongs to the corporation. The bond shall be in the amount and with any sureties required by the Board.

*7.5 Delegation.* The Board may delegate the powers and duties of an officer who is absent or unable to act to any officer, director, or other person.

*7.6 Election and Term of Office.* The Board shall elect the officers at the annual Board meeting. If the Board fails to elect the officers at that meeting, it shall convene a meeting to elect the officers as soon thereafter as possible. Each officer shall hold office for a one-year term until the next succeeding annual Board meeting, or until the officer's successor is elected and qualified, unless the officer dies, resigns, or is removed.

*7.7 Vacancies.* The Board may fill a vacancy in any office created because of the death, resignation, removal, or disqualification of an officer, because of the creation of a new office, or for any other cause.

*7.8 Resignation.* An officer may resign at any time by delivering written notice to the Chairman, the President, any Vice President, the Secretary, or to each member of the Board. An officer's resignation shall take effect at the time specified in the notice or, if the time is not specified, when the notice is delivered. The corporation need not accept a resignation for the resignation to be effective. A resignation shall not affect the rights of the corporation under any contract with the resigning officer.

*7.9 Removal.* The Board may remove an officer or agent of the corporation, with or without cause, if the Board finds that the best interests of the corporation would be served by removing that officer or agent. The corporation's action to remove the officer or agent shall not affect the officer's contract rights against the corporation. Any officer or assistant officer, if appointed by another officer, may be removed by any officer authorized to appoint officers or assistant officers.

*7.10 Compensation.* The Board shall set the compensation for the officers and the other agents and employees of the corporation. The Board may delegate the authority to set the compensation of the officers, agents, and employees to the President. No officer may be prevented from receiving compensation as an officer solely because the officer is also a director of the corporation.

## ARTICLE VIII

### Dividends and Distributions

*8.1 Distributions.* The Board may authorize and the corporation may make distributions of cash or other property in the form of a dividend or the purchase, redemption, or other acquisition of the corporation's shares, unless after making the distribution:

(a) The corporation would be unable to pay its debts as they become due in the usual

course of business; or

(b) The corporation's total assets would be less than the sum of its total liabilities plus the amount needed, if the corporation were dissolved at the time of distribution, to satisfy the preferential rights of shareholders whose preferential rights are superior to the shareholders who receive the distribution.

*8.2 Measure of Effect of Distribution.* For purposes of determining whether a distribution may be authorized by the Board of Directors and paid by the corporation under Section 8.1, the effect of distribution shall be measured as follows:

(a) In the case of a distribution of indebtedness which requires the corporation to make principal and interest payments only if those payments would qualify as an allowable distribution under Section 8.1, each payment of principal and interest must qualify as a separate distribution, the effect of which shall be measured on the date the payment is actually made.

(b) In the case of a distribution made through the purchase, redemption, or other acquisition of the corporation's shares, the effect of the distribution shall be measured as of the earlier of.

(1) The date on which any money or other property is transferred to the shareholders;

(2) The date on which any debt is incurred by the corporation; or

(3) The date on which the shareholder ceases to be a shareholder with respect to the acquired shares.

(c) In the case of a distribution of indebtedness other than that described in Paragraph (a) above, the effect of the distribution shall be measured as of the date the indebtedness is distributed.

(d) In any other case, the effect of the distribution shall be measured either:

(1) As of the date on which the distribution is authorized, if the corporation paid the distribution within one hundred twenty (120) days after the date of authorization; or

(2) As of the date of payment if such date occurs more than one hundred twenty (120) days after the date of authorization.

### *8.3 Share Dividends.*

(a) Issuance to All Shareholders. The corporation may issue a share dividend by issuing shares pro rata and without consideration to all shareholders or to the shareholders of one or more classes or series.

(b) Issuance to Class of Shareholders. Shares of one class or series may not be issued as a share dividend in respect of shares of another class or series unless:

(1) The Articles so authorize;

(2) A majority of the votes entitled to be cast by the class or series to be issued approve the issue;

or

(3) There are no outstanding shares of the class or series to be issued.

8.4 *Closure of the Stock Transfer Books.* The Board may close the stock transfer books for a period of not more than seventy (70) days for the purpose of making a distribution.

8.5 *Reserves.* The corporation may, before making any distribution, set aside certain amounts to serve as a reserve fund to meet contingencies, or for any other purpose. Any funds not distributed by the corporation at the end of any fiscal year shall be deemed to have been thus set aside as a reserve until the Board otherwise disposes of the funds.

## ARTICLE IX

### Notices

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#### 9.1 *Method of Notice.*

(a) *General.* In general, notices called for under these Bylaws shall be given in writing.

(b) *Methods of Communication.* Notice may be communicated in person; by telephone, telegraph, teletype, or other form of wire or wireless communication; or by mail or private carrier. If these forms of personal notice are impracticable, notice may be communicated by a newspaper of general circulation in the area where published; or by radio, television, or other form of public broadcast communication.

(c) *Effective Date of Notice to Shareholder.* Written notice to a shareholder, if in a comprehensible form, is effective when mailed, if mailed with first-class postage prepaid and correctly addressed to the shareholder's address shown in the corporation's current record of shareholders. The Secretary may send notices to a shareholder by delivering or mailing the notice to the shareholder's most recent address on file. Any notice sent to that address shall be deemed sufficient if the shareholder fails to furnish a current address to the Secretary.

(d) *Notice to the Corporation.* Written notice to the corporation may be addressed to its registered agent at its registered office or to the corporation at the address of its principal office as shown in the most recent annual report.

(e) *Effective Date of Notice to Other Parties.* Except as provided above, written notice to other parties shall be effective at the earliest of:

(1) The time of receipt;

(2) The date shown on the return receipt if sent by registered mail; or

(3) Five (5) days after the notice was deposited in the U. S. first class mail, postage prepaid.

9.2 *Oral Notice.* The persons convening any meeting of the Board or a Committee may give oral notice of the meeting, which may be communicated in person or by telephone, wire, or wireless communication. Oral notice is effective when communicated

if the notice is communicated in a comprehensible manner. Oral notice may be communicated either to the director or to a person who the person giving the notice has reason to believe will promptly communicate the notice to the director.

9.3 *Waiver of Notice.* A shareholder or director may waive notice of any meeting by submitting a written signed waiver of notice either before or after the time for holding the meeting, or by attending the meeting in person or by proxy without objecting to a lack of notice.

## ARTICLE X

### Corporate Records

10.1 *Maintenance of Corporate Records.* The corporation shall keep the corporation's minute books and all other official records of all meetings at its registered office or principal place of business. The corporation shall keep all minutes and records in written form, or in a form which may be easily converted to written form. The corporation shall maintain in its records the following items:

- (a) The Articles or restated Articles and all amendments to the Articles;
- (b) The current Bylaws or restated Bylaws and all amendments to the Bylaws;

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(c) The minutes of all shareholders', Board and Committee meetings and records of all actions taken by the shareholders, the Board, or a Committee without a meeting;

(d) All financial statements for the past three (3) years;

(e) All written communications made to the shareholders within the last three (3) years;

(f) A register of names and business addresses of each shareholder, director and officer;

(g) The last three (3) annual reports; and

(h) The stock transfer books of the corporation, as described in Section 2.7.

### 10.2 *Shareholder's Right to Inspect and Copy Records.*

(a) *Inspection of Corporate Records.* A shareholder may inspect and copy, during regular business hours at the corporation's principal office, any of the records of the corporation described in Section 10.1 if the shareholder gives the corporation written notice of the shareholder's demand at least (5) five business days before the date on which the shareholder wishes to inspect and copy the records.

(b) *Inspection of Accounting and Shareholders' Records.* A shareholder may also inspect and copy the accounting records of the corporation and the record of shareholders during regular business hours at a reasonable location specified by the corporation, if the shareholder gives the corporation written notice of the shareholder's demand at least five (5) business days before the date on which the shareholder wishes to inspect and copy the records and:

(1) The shareholder's demand is made in good faith and for a proper purpose;

(2) The shareholder describes with reasonable particularity the shareholder's purpose and the records the shareholder desires to inspect; and

(3) The records are directly connected with the shareholder's purpose.

### 10.3 *Scope of Inspection Right.*

(a) *Shareholder's Agent.* A shareholder's agent or attorney has the same inspection and copying rights as the shareholder.

(b) *Copies.* A shareholder may obtain copies of the corporation's records made by photographic, xerographic, or other reasonable means, including copies in electronic or other nonwritten form if the shareholder so requests.

(c) *Charge for Copying.* The corporation may charge the shareholder for the reasonable costs of labor and materials used to produce copies of any records provided to the shareholder. The charges may not exceed the estimated cost of producing or reproducing the records.

(d) *Record of Shareholders.* The corporation may comply with a shareholder's demand to inspect the record of shareholders by providing the shareholder with a list of shareholders that was compiled no earlier than the date of the shareholder's demand.

10.4 *Annual Report.* The corporation shall prepare and file an annual report in the required form with the Secretary of State of Nevada. The corporation shall ensure that the information in the annual report is current as of the date the corporation executes the annual report.

## ARTICLE XI

### Financial Matters

11.1 *Books and Records of Account.* The corporation shall maintain correct and complete books, financial statements, and records of account. The corporation shall keep its books and records of account and prepare its financial statements in accordance with generally accepted accounting principles, which shall be applied on a consistent basis from period to period. The books, records of account, and financial statements shall be in written form or in any other form capable of being converted into written form within a reasonable time.

### 11.2 *Balance Sheet and Income Statement.*

(a) *Annual Balance Sheet and Income Statement.* The corporation shall prepare annually (1) a balance statement showing in reasonable detail the financial condition of the corporation as of the close of its fiscal year and (2) an income statement showing the results of the corporation's operations during its fiscal year. The corporation shall prepare these statements not later than four (4) months after the close of each fiscal year, and in any case before the annual shareholders' meeting. These statements shall be prepared in accordance with generally accepted accounting principles which shall be applied on a consistent basis from period to period. The



President, or the person who prepared the financial statements, shall prepare a certificate to accompany the annual financial reports attesting to the fact that the preparer used generally accepted accounting principles in preparing the financial statements, and describing any respects in which the statements were prepared on a basis of accounting which was not consistent with statements prepared for the preceding year.

(b) *Copies to Shareholders.* The corporation shall mail promptly, upon written request, a copy of the most recent balance sheet and income statement to any shareholder. The corporation shall also furnish, upon written request, a statement of the sources and applications of the corporation's funds and a statement of any changes in the shareholders' equity for the most recent fiscal year, if such statements have been prepared for other purposes.

11.3 *Deposits.* The officers shall cause all funds of the corporation not otherwise employed to be deposited to the credit of the corporation in such banks, trust companies, or other depositories as the Treasurer may select.

11.4 *Loans.* The corporation may not borrow money or issue evidences of indebtedness unless the Board authorizes the action. The corporation shall make no loans which are secured by its own shares, except for indebtedness representing the unpaid purchase price of the corporation's shares.

11.5 *Fiscal Year.* The corporation shall use a calendar year fiscal year unless the Board expressly determines otherwise.

## ARTICLE XII

### Amendment of Articles and Bylaws

#### 12.1 *Amendment of Articles.*

(a) *By the Board.* The Board may, by majority vote and without shareholder action, amend the Articles:

(1) To delete the names and addresses of the initial directors, the initial registered agent, and the registered office of the corporation;

(2) To change the corporate name;

(3) To change the number of authorized shares to effectuate a stock split or stock dividend to be paid in the corporation's shares if, at the time of the amendment, the corporation has only one class of shares outstanding; or

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(4) To make any other changes expressly permitted by law to be made without shareholder action.

(b) *By the Board and Shareholders.* The Board may submit to the shareholders for approval one or more proposed amendments to the Articles. Following notice to all shareholders of a shareholders' meeting in accordance with the provisions

of Paragraph 3.6(c) and Article IX, the shareholders may adopt the proposed amendment if two-thirds (2/3) of the votes in each voting group entitled to vote on each amendment approve.

12.2 *Amendment of Bylaws by the Shareholders.* The shareholders may amend, alter, or repeal the Bylaws at any meeting of the shareholders, or by unanimous written consent. The shareholders may amend the Bylaws at a special shareholders' meeting only if a copy of the proposed amendments accompanies the notice of the meeting.

12.3 *Amendment of Bylaws by the Board.* The Board may amend, alter, or repeal the Bylaws by vote of a majority of the Board at any meeting of the Board, or by unanimous written consent of the Board. The Bylaws may be amended at a special meeting of the Board only if notice of the proposed amendment was contained in the notice of the meeting. The shareholders may repeal, by majority vote, any amendment to or alteration of the Bylaws adopted by the Board.

## ARTICLE XIII

### Corporate Seal

The Board of Directors may adopt a corporate seal in a form and with an inscription to be determined by the Board. The seal shall be in the form of a circle and shall contain the name of the corporation and the year of incorporation. The application of or failure to apply the seal to any document or instrument shall not affect the validity of the document or instrument.

## ARTICLE XIV

### Miscellany

14.1 *Inspector of Elections.* Before any annual meeting of shareholders, the Board may appoint an inspector of elections. If the Board does not appoint an inspector of elections, then the chairman of the meeting may appoint an inspector of elections to act at the meeting. If the person appointed as inspector of elections fails to act, the chairman of the meeting may appoint a person to act in the place of the appointed inspector of elections. The chairman of the meeting shall appoint an inspector of elections if requested to do so by any shareholder or shareholder's proxy.

14.2 *Duties of Inspector of Elections.* The inspector of elections shall:

- (a) Determine the number of shares outstanding and the voting power of each, the number of shares represented at the meeting, whether a quorum is present, and, with the advice of legal counsel to the corporation, the authenticity, validity, and effect of proxies;
- (b) Receive votes, ballots, or consents;
- (c) Hear and determine all challenges and questions in any way arising in connection with the right to vote;
- (d) Count and tabulate all votes or consents;
- (e) Determine the result of any vote; and
- (f) Do any other acts that may be necessary to conduct the election or vote with fairness to all shareholders.

#### 14.3 *Rules of Order.*

(a) *Robert's Rules Govern.* The rules contained in the most recent edition of Robert's Rules of Order, Revised, shall govern all meetings of shareholders and directors where those rules do not conflict with the Articles or the Bylaws.

(b) *Chairman of Meeting.* The chairman of the meeting shall have absolute authority over matters of procedure. There shall be no appeal from a procedural ruling by the chairman of the meeting. The chairman of the meeting may dispense with the rules of parliamentary procedure for any meeting or any part of a meeting. The chairman shall clearly state the rules under which any meeting or part of a meeting will be conducted.

(c) *Adjournment Due to Disorder.* If disorder should arise which prevents continuation of the legitimate business of any meeting, the chairman of the meeting may adjourn the meeting. Any meeting so adjourned may be reconvened in accordance with Sections 3.3 and 4.10 of these Bylaws.

(d) *Removal of Persons Not Shareholders.* The chairman may require anyone who is not a bona fide shareholder of record or the proxy of a shareholder of record to leave any shareholders' meeting.

(e) *Matters the Proper Subject of Action.* The shareholders may consider and vote on a resolution or motion at a shareholders' meeting only if:

(1) The resolution or motion was proposed by a shareholder or the duly authorized proxy of a shareholder; and

(2) The resolution or motion was seconded by an individual who is a shareholder or the duly authorized proxy of a shareholder other than the person who proposed the resolution or motion.

#### 14.4 *Number and Gender.* When required by the context:

(a) The word "it" will include the plural and the word "its" will include the singular;

(b) The masculine will include the feminine gender and the neuter, and vice versa; and

(c) The word "person" will include corporation, firm, partnership or any other form of association.

14.5 *Severability.* If any provision of these Bylaws or any application of any provision is found to be unenforceable, the remainder of the Bylaws shall be unaffected. If the provision is found to be unenforceable when applied to particular persons or circumstances, the application of the provision to other persons or circumstances shall be unaffected.

ARTICLE XV

Authentication

The foregoing Bylaws were read, approved, and duly adopted by the Board on the 30th day of June, 2006. The President was empowered to authenticate these Bylaws by their signatures below.

/s/ Daryl Regier

Daryl Regier, President