SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
☒ QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2015

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 0-53259

POWERDYNE INTERNATIONAL, INC.
(Exact name of registrant as specified in its charter)

Delaware	20-5572576
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

Jefferson Place
100 Jefferson Boulevard, Suite 200
Warwick, Rhode Island 02888-3849
(Address of principal executive offices) (zip code)

401/739-3300
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer", "non-accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer (do not check if smaller reporting company)	☐	Smaller reporting company	☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
☐ Yes ☒ No

Indicate the number of shares outstanding of each of the registrant's classes of common stock as of the latest practicable date.

Class	Outstanding at March 31, 2015
Common Stock, par value $0.0001	493,184,865 shares

POWERDYNE INTERNATIONAL, INC.

FINANCIAL STATEMENTS

March 31, 2015 and 2014

INDEX TO FINANCIAL STATEMENTS
(Unaudited)

POWERDYNE INTERNATIONAL, INC.
CONDENSED BALANCE SHEETS

	March 31, 2015 (unaudited)		December 31, 2014	
ASSETS				
Current Assets:				
Cash	$	25,381	$	2,265
Advances to stockholder		11,321		11,321
Total current assets		36,702		13,586
Property and Equipment				
Property and equipment, net		47,685		50,000
Total Assets	$	84,387	$	63,586
LIABILITIES AND STOCKHOLDERS' DEFICIT				
Current Liabilities:				
Accounts payable and accrued expenses	$	76,817	$	72,703
Notes payable, net of unamortized debt discounts of $69,739 and $85,260, respectively		59,704		66,240
Due to related parties		27,225		33,425
Notes payable-related parties		169,805		111,004
Tax payable		–		956
Derivative liability		160,601		407,735
Total Liabilities		494,152		692,063
Stockholders' Deficit:				
Common stock; $0.0001 par value; 550,000,000 shares authorized, 493,184,865 shares issued and outstanding as of March 31, 2015 and 369,135,575 shares issued and outstanding as of December 31, 2014		49,318		36,913
Additional paid-in capital		2,153,290		1,985,268
Accumulated deficit		(2,612,373)		(2,650,658)
Total Stockholders' Deficit		(409,765)		(628,477)
Total Liabilities and Stockholders' Deficit	$	84,387	$	63,586

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

POWERDYNE INTERNATIONAL, INC.
CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

	For the three months ended March 31, 2015	For the three months ended March 31, 2014
Revenues	$ -	$ -
Cost of revenues	-	-
Gross profit	-	-
Operating expenses	62,993	47,963
Loss from operations	(62,993)	(47,963)
Other (Income) Expense		
Derivative expense	25,961	–
Change in fair value of derivative	(168,804)	71,013
Amortization of debt discount	42,021	28,164
Total Other (Income) Expense	(100,822)	99,177
Income (loss) before income tax expense	37,829	(147,140)
Income tax (income) expense	(456)	–
Net income (loss)	$ 38,285	$ (147,140)
Basic and diluted loss per common share	$ 0.00	$ (0.00)
Basic and diluted weighted average common shares outstanding	404,035,080	198,034,932

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

POWERDYNE INTERNATIONAL, INC.
CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the three months ended March 31, 2015	For the three months ended March 31, 2014
	(unaudited)	(unaudited)
Operating Activities:		
Net income (loss)	$ 38,285	$ (147,140)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation and amortization	2,315	3,376
Stock compensation	-	35,000
Derivative and interest expense	25,961	-
Change in Fair Value of derivatives	(168,804)	71,013
Amortization of debt discount	42,021	28,164
Changes in operating assets and liabilities:		
Prepaid expenses	-	(31,005)
Accrued expenses	5,193	22,551
Due to related party Due to related party	(6,200)	–
Taxes payable	(956)	–
Net cash used in operating activities	(62,185)	(18,041)
Financing Activities:		
Principal paid on Notes payable related parties	(1,199)	-
Proceeds from Notes payable	26,500	-
Proceeds from Notes payable related parties	60,000	-
Net cash provided by financing activities	85,301	-
Net change in cash	23,116	(18,041)
Cash, beginning of period	2,265	18,169
Cash, end of period	$ 25,381	$ 128
Non-cash investing and financing activities:		
Common stock issued in settlement for debt	$ 12,405	$ 12,000
Settlement of derivative liability through conversion of notes payable.	$ 130,791	$ 23,112
Supplemental disclosure if cash flow information		
Cash paid for interest	$ -	$ -
Cash paid for taxes	$ 500	$ -

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

POWERDYNE INTERNATIONAL, INC.
NOTES TO CONDENSED FINANCIAL STATEMENTS
March 31, 2015 and 2014
(Unaudited)

1. ORGANIZATION

Powerdyne, Inc., was incorporated on February 2, 2010 in Nevada, and is registered to do business in Rhode Island and Massachusetts. On February 7, 2011, Powerdyne, Inc. merged with Powerdyne International, Inc., formerly Greenmark Acquisition Corporation, a publicly held Delaware corporation.

On December 13, 2010, Powerdyne International, Inc., formerly Greenmark Acquisition Corporation, filed an Amended and Restated Articles of Incorporation in order to, among other things, increase the authorized capital stock to 300,000,000 common shares, par value $0.0001 per share. Unless the context specifies otherwise, as discussed in Note 2, references to the "Company" refers to Powerdyne International, Inc. and Powerdyne, Inc. after the merger.

At the closing of the merger, each share of Powerdyne, Inc.'s common stock issued and outstanding immediately prior to the closing of the Merger was exchanged for the right to receive 7,520 shares of common stock of Powerdyne International, Inc. Accordingly, an aggregate of 188,000,000 shares of common stock of Powerdyne International, Inc. were issued to the holders of Powerdyne, Inc.'s common stock.

On July 25, 2014, Powerdyne International, Inc. filed Form 14C in order to increase the authorized capital stock to 550,000,000 common shares, par value $0.0001 per share.

On January 26, 2015, Powerdyne International, Inc. filed Form 8-K in order to increase the authorized capital stock to 2,020,000,000 shares consisting of 2,000,000,000 common shares, par value $0.0001 per share and 20,000,000 shares which may be designated as common or preferred stock, par value $0.0001 per share.

The Company is a start-up organization which intends to produce and distribute completely packaged independent electrical generator units that run on environmentally-friendly fuel sources, such as natural gas and propane.

2. REVERSE MERGER ACCOUNTING

On February 7, 2011, Greenmark Acquisition Corporation, which was a publicly held Delaware corporation, merged with Powerdyne, Inc. Upon closing of the transaction, Greenmark Acquisition Corporation, the surviving corporation in the merger, changed its name to Powerdyne International, Inc.

The merger was accounted for as a reverse-merger, and recapitalization in accordance with generally accepted accounting principles in the United States ("GAAP"). Powerdyne, Inc. was the acquirer for financial reporting purposes and the Company was the acquired company. Consequently, the assets and liabilities and the operations that are reflected in the historical financial statements prior to the merger are those of Powerdyne, Inc. and have been recorded at the historical cost basis of Powerdyne, Inc., and the financial statements after completion of the merger include the assets and liabilities of the Company and Powerdyne, Inc., historical operations of Powerdyne, Inc. and operations of the Company from the closing date of the merger. Common stock and the corresponding capital amounts of the Company pre-merger were retroactively restated as capital stock shares reflecting the exchange ratio in the merger. In conjunction with the merger, the Company received no cash and assumed no liabilities from Greenmark Acquisition Corporation.

3. BASIS OF PRESENTATION

The accompanying audited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and include all the notes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation of the financial statements have been included.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies presented below is designed to assist in understanding the Company's financial statements. Such financial statements and accompanying notes are the representations of the Company's management, who are responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America ("GAAP") in all material respects, and have been consistently applied in preparing the accompanying financial statements.

Going Concern

Since its inception, the Company has devoted substantially all of its efforts to business planning, research and development, recruiting management and technical staff, acquiring operating assets and raising capital. The Company has not generated significant revenues from its principal operations, and there is no assurance of future revenues. As of March 31, 2015, the Company had an accumulated deficit from inception of $2,612,373. The Company's continuation as a going concern is dependent on its ability to generate sufficient cash flows from operations to meet its obligations and/or obtaining additional financing from its members or other sources, as may be required.

The Company's activities will necessitate significant uses of working capital beyond March 31, 2015. Additionally, the Company's capital requirements will depend on many factors, including the success of the Company's continued research and development efforts and the status of competitive products. The Company plans to continue financing its operations with cash received from financing activities.

While the Company strongly believes that its capital resources will be sufficient in the near term, there is no assurance that the Company's activities will generate sufficient revenues to sustain its operations without additional capital or, if additional capital is needed, that such funds, if available, will be obtainable on terms satisfactory to the Company.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern; however, the above condition raises substantial doubt about the Company's ability to do so. The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should the Company be unable to continue as a going concern.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

In preparing these audited financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amount of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Fair Value of Financial Instruments

The Company follows guidance for accounting for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. Additionally, the Company adopted guidance for fair value measurement related to nonfinancial items that are recognized and disclosed at fair value in the financial statements on a nonrecurring basis. The guidance establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

The Company monitors the market conditions and evaluates the fair value hierarchy levels at least quarterly. For any transfers in and out of the levels of the fair value hierarchy, the Company elects to disclose the fair value measurement at the beginning of the reporting period during which the transfer occurred.

The Company's financial instruments consisted of cash, accounts payable and accrued liabilities, advances to stockholders, notes payable and convertible debt. The estimated fair value of cash, accounts payable and accrued liabilities, advances to stockholders, and notes payable approximates its carrying amount due to the short maturity of these instruments. The recognition of the derivative values of convertible debt are based on the weighted-average Black-Scholes option pricing model.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash

The Company considers all highly-liquid investments with maturities of three months or less when purchased to be cash equivalents. The Company did not have any cash equivalent as of March 31, 2015 and December 31, 2014, respectively.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents. The Company places its cash with high quality banking institutions. From time to time, the Company may maintain cash balances at certain institutions in excess of the Federal Deposit Insurance Corporation limit. The Company has not incurred any loss from this risk.

Property and Equipment

Property and equipment is stated at cost. Capital expenditures for improvements and upgrades to existing equipment are also capitalized. Maintenance and repairs are expensed as incurred. The equipment is depreciated over 10 years on a straight-line basis. Vehicles are depreciated over 5 years using the straight-line basis. Depreciation expense for the periods ended March 31, 2015 and 2014 was $2,315 and $3,376, respectively.

Derivatives and Hedging

In April 2008, the FASB issued a pronouncement that provides guidance on determining what types of instruments or embedded features in an instrument held by a reporting entity can be considered indexed to its own stock for the purpose of evaluating the first criteria of the scope exception in the pronouncement on accounting for derivatives. This pronouncement was effective for financial statements issued for fiscal years beginning after December 15, 2008. The adoption of these requirements can affect the accounting for many convertible instruments with provisions that protect holders from a decline in the stock price. Each reporting period, the Company evaluates whether convertible debt to acquire stock of the Company contain provisions that protect holders from declines in the stock price or otherwise could result in modification of the exercise price under the respective convertible debt agreements. The Company determined that the conversion features in the convertible notes issued during the fourth quarter of 2013, and the first, second, third, and fourth quarters of 2014, as well as the first quarter of 2015 contained such provisions and recorded such instruments as derivative liabilities. See Note 7, Convertible Debt.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Lived Assets

In accordance with ASC 350-30 (formerly SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*), the Company evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that their then carrying values may not be recoverable. When such factors and circumstances exist, the Company compares the projected undiscounted future cash flows associated with the related asset or group of assets over their estimated useful lives against their respective carrying amount. Impairment, if any, is based on the excess of the carrying amount over the fair value, based on market value when available, or discounted expected cash flows, of those assets and is recorded in the period in which the determination is made. The Company's management currently believes there is no impairment of its long-lived assets as of March 31, 2015. There can be no assurance however, that market conditions will not change or demand for the Company's products under development will continue. Either of these could result in future impairment of long-lived assets.

Income Taxes

As a result of the implementation of certain provisions of ASC 740, *Income Taxes*, (formerly FIN 48, *Accounting for Uncertainty in Income Taxes – An Interpretation of FASB Statement No. 109),* ("ASC 740"), which clarifies the accounting and disclosure for uncertainty in tax positions, as defined. ASC 740 seeks to reduce the diversity in practice associated with certain aspects of the recognition and measurement related to accounting for income taxes.

In 2010, the Company adopted Accounting for Uncertain Income Taxes under the provisions of ASC 740. ASC 740 clarifies the accounting for income taxes by prescribing a minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. It also provides guidance on derecognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. The Company did not recognize any additional liability for unrecognized tax benefits as a result of the adoption of ASC 740. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Valuation allowances are established when it is more likely than not that some or all of the deferred tax assets will not be realized.

We believe that our income tax filing positions and deductions will be sustained on audit and do not anticipate any adjustments that will result in a material change to our financial position. Therefore, no reserves for uncertain income tax positions have been recorded pursuant to ASC 740. In addition, we did not record a cumulative effect adjustment related to the adoption of ASC 740. Our policy for recording interest and penalties associated with income-based tax audits is to record such items as a component of income taxes.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Our tax provision determined using an estimate of our annual effective tax rate using enacted tax rates expected to apply to taxable income in the years in which they are earned, adjusted for discrete items, if any, that are taken into account in the relevant period. Each quarter we update our estimate of the annual effective tax rate, and if our estimated tax rate changes, we make a cumulative adjustment. Income taxes payable as of March 31, 2015 and December 31, 2014 were $-0- and $956, respectively.

Loss per Common Share

Basic loss per common share excludes dilutive securities and is computed by dividing net loss by the weighted average number of common shares outstanding during the period. Diluted earnings per common share reflect the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings of the entity. Since the Company has only incurred losses, basic and diluted loss per share is the same. As of March 31, 2015 and 2014, there were no outstanding dilutive securities.

The following table represents the computation of basic and diluted losses per share:

	Three months ended March 31, 2015	Three months ended March 31, 2014
(Income) Loss available for common shareholder	$ (38,285)	$ (147,140)
Basic and fully diluted loss per share	$ 0.00	$ 0.00
Weighted average common shares outstanding - basic and diluted	404,035,080	198,034,932

Net loss per share is based upon the weighted average shares of common stock outstanding.

Recent Accounting Pronouncements

"In June 2014, the FASB issued ASU 2014-10, Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements. ASU 2014-10 eliminates the distinction of a development stage entity and certain related disclosure requirements, including the elimination of inception-to-date information on the statements of operations, cash flows and stockholders' equity. The amendments in ASU 2014-10 will be effective prospectively for annual reporting periods beginning after December 15, 2014, and interim periods within those annual periods, however early adoption is permitted. The Company adopted ASU 2014-10 since the quarter ended June 30, 2014, thereby no longer presenting or disclosing any information required by Topic 915."

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In August 2014, the FASB issued ASU No. 2014-15, "Presentation of Financial Statements – Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern" ("ASU 2014-15"). ASU 2014-15, which is effective for annual reporting periods ending after December 15, 2016, extends the responsibility for performing the going-concern assessment to management and contains guidance on how to perform a going-concern assessment and when going-concern disclosures would be required under U.S. GAAP. The Company elected to adopt ASU 2014-15 effective with this financial statement. Management's evaluations regarding the events and conditions that raise substantial doubt regarding the Company's ability to continue as a going concern have been disclosed in this Note 4 - Capital resources.

5. PROPERTY AND EQUIPMENT - NET

Equipment consists of the following as of March 31, 2015 and December 31, 2014:

	March 31, 2015	December 31, 2014
Motor vehicles	$ -	$ -
Machinery and equipment	131,087	131,087
Less impairment of equipment	(38,484)	(38,484)
	92,603	92,603
Less accumulated depreciation	(44,918)	(42,603)
Total Property and Equipment	$ 47,685	$ 50,000

Equipment is stated at cost and depreciated on a straight-line basis over the assets' estimated useful lives: vehicles 5 years and machinery and equipment 10 years. Total depreciation expense for the periods ended March 31, 2015 and 2014 was $2,315 and $3,376, respectively.

As of December 31, 2014, the Company determined that machinery and equipment was impaired due to changes in technology resulting in more cost effective production of the gensets. The residual value of this machinery and equipment is $50,000, therefore $38,484 was recorded as an impairment loss. As of March 31, 2015, there is no additional impairment loss recognized.

6. COMMON STOCK

Stock issued for services

On March 20, 2014 the Company issued 3,500,000 shares to a consulting company as compensation for services rendered/to be rendered. The Company valued the stock at $0.01, for a total of $35,000.

On November 5, 2014 the Company issued 37,578,214 shares of common stock to stockholder as compensation for services rendered. The Company valued the stock at $.0026 per share for a total of $97,703.

During the year ended December 31, 2014 5,000,000 shares were issued to a consultant as compensation for services rendered. The Company valued the stock at $0.002 per share for a total of $10,000.

As of December 31, 2014 the total number of shares of common stock issued for services was 46,078,214 and the Company valued the total of the stock issued for services to be $142,703.

Common stock issued in exchange for debt

On February 13, 2014 the Company issued 1,714,286 shares in exchange for the extinguishment of $12,000 of debt held by a venture capital lender

On April 10, 2014 the Company issued 3,659,574 shares in exchange for the extinguishment of $15,500 of debt and $1,700 of accrued interest held by a venture capital lender. This conversion extinguished the Company's first note payable with this venture capital lender.

On May 12, 2014 the Company issued 5,769,231 shares in exchange for the extinguishment of $15,000 of debt held by a venture capital lender. On May 21, 2014 the Company issued 8,952,381 shares in exchange for the extinguishment of $17,500 of debt and $1,300 of accrued interest held by a venture capital lender. These conversions extinguished the Company's second note payable with this venture capital lender. This conversion extinguished the Company's second note payable with this venture capital lender.

On May 27, 2014 the Company issued 7,142,857 shares in exchange for the extinguishment of $15,000 of debt held by a venture capital lender. On June 4, 2014 the Company issued 10,444,444 shares in exchange for the extinguishment of $17,500 of debt and $1,300 of accrued interest held by a venture capital lender. These conversions extinguished the Company's third note payable with this venture capital lender.

On June 11, 2014 the Company issued 7,500,000 shares in exchange for the extinguishment of $8,550 of debt held by a venture capital lender.

On July 3, 2014 the Company entered into a consulting agreement with an outside consulting firm to handle some of its investor relations/public relations in exchange of 5,000,000 shares of restricted stock. The agreement calls for shares to be issued upon execution of the agreement.

6. COMMON STOCK (CONTINUED)

On August 11, 2014 the Company issued 12,200,000 shares in exchange for the extinguishment of $12,444 of debt held by a venture capital lender. On September 17, 2014 the Company issued 12,800,000 shares in exchange for the extinguishment of $8,448 of debt held by a venture capital lender.

On November 10, 2014 the Company issued 5,821,244 shares in exchange for the extinguishment of $4,000 of debt and $162 of accrued interest held by a venture capital lender.

On November 17, 2014 the Company issued 1,212,121 shares in exchange for the extinguishment of $1,000 of debt held by a venture capital lender. On November 24, 2014 the Company issued 8,391,608 shares in exchange for the extinguishment of $6,000 of debt held by a venture capital lender. On December 1, 2014 the Company issued 9,848,485 shares in exchange for the extinguishment of $6,500 of debt held by a venture capital lender. On December 4, 2014 the Company issued 7,575,758 shares in exchange for the extinguishment of $5,000 of debt held by a venture capital lender. On December 11, 2014 the Company issued 7,972,018 shares in exchange for the extinguishment of $4,385 of debt held by a venture capital lender. On December 17, 2014 the Company issued 15,380,327 shares in exchange for the extinguishment of $7,115 of debt and $1,344 of accrued interest held by a venture capital lender. These conversions extinguished the Company's note payable with this venture capital lender.

As of December 31, 2014 the total number of shares of common stock issued in exchange for settlement of debt was 126,384,334 and the value of the total stock issued in exchange for settlement of debt was $161,748.

On January 6, 2015 the Company issued 13,675,870 shares in exchange for the extinguishment of $5,000 of debt and $265 of accrued interest held by a venture capital lender. On February 18, 2015 the Company issued 7,727,012 shares in exchange for the extinguishment of $2,800 of debt and $175 of accrued interest held by a venture capital lender. On March 4, 2015 the Company issued 5,535,246 shares in exchange for the extinguishment of $2,000 of debt and $131 of accrued interest held by a venture capital lender. On March 10, 2015 the Company issued 18,427,386 shares in exchange for the extinguishment of $7,600 of debt and $508 of accrued interest held by a venture capital lender. On March 23, 2015 the Company issued 20,907,750 shares in exchange for the extinguishment of $7,800 of debt held by a venture capital lender.

On March 4, 2015 the Company issued 15,900,000 shares in exchange for the extinguishment of $6,678 of debt held by a venture capital lender. On March 25, 2015 the Company issued 15,902,000 shares in exchange for the extinguishment of $6,679 of debt held by a venture capital lender.

On March 20, 2015 the Company issued 25,974,026 shares in exchange for the extinguishment of $10,000 of debt held by a venture capital lender.

7. CONVERTIBLE DEBT

JMJ Financial

On December 11, 2013, the Company entered into an agreement with an another unrelated party in order to obtain short term cash flow in the form of a $25,000, ten (10) percent convertible Note Payable. Interest accrues at zero (0) percent for the first three months and if the borrower does not repay a payment of consideration on or before 90 days from its Effective Date, a one time interest charge of 12% shall be applied to the principal sum. The maturity date is two years from the effective date of the Note Payable. The lender has the right to convert some or all of the Note Payable into common stock of the Company at a discount rate of $0.022 or 60% of market, whichever is less. As a result of the convertible note payable, the Company realized the derivative nature of those instruments. Accordingly, the Company recognized following charges to operations: derivative expense of $14,202 and amortization of debt discounts of $719. Furthermore, the Company recognized derivative liabilities in the amount of $39,201 and debt discounts in the amount of $24,281 which is amortized.

On December 31, 2013, the Company revalued the derivative value of the $25,000 10% Note using the weighted-average Black-Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 483.43%; (iii) risk free rate of 0.13%, (iv) expected term 1 year, (v) market value share price of $0.184, and (vi) per share conversion price of $0.00912. The Company determined the derivative value to be $47,381 as of December 31, 2013, which represents a change in the fair value of the derivative in the amount of $8,179 as compared to the derivative value on December 11, 2013. Accordingly, the Company recorded a non-cash change in fair value of the derivative liability of $8,179 while also increasing the derivative liability from $39,202 to $47,381 as of December 31, 2013. Also recorded for that period was an amortization of debt discount of $719.

On March 31, 2014, the Company revalued the derivative value of the $25,000 10% Note using the weighted-average Black-Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 273.63%; (iii) risk free rate of 0.12%, (iv) expected term of 1 year, (v) market value share price of $0.015, and (vi) per share conversion price of $0.00306. The Company determined the derivative value to be $106,994 as of March 31, 2014, which represents a change in the fair value of the derivative in the amount of $59,614 as compared to the derivative value on December 11, 2013. Accordingly, the Company recorded a non-cash change in fair value of the derivative liability of $59,614 while also increasing the derivative liability from $47,381 to $106,994 as of March 31, 2014. Also recorded for that period was an amortization of debt discount of $3,082.

7. CONVERTIBLE DEBT (CONTINUED)

On June 11, 2014 the Investor/Lender exercised its right to convert $8,550 of the Note into 7,500,000 common shares. The Company has determined that the conversion feature is considered an embedded conversion feature and thereby creates a derivative liability for the Company. On the date of conversion, the Company calculated the value of the derivative liability using the weighted-average Black-Scholes option pricing model, which approximates the Monte Carlo and other binomial valuation techniques, with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 305.24%; (iii) risk free rate of 0.10%, (iv) expected term of 1 year, (v) market value share price of $0.0027, and (vi) per share conversion price of $0.00114. This conversion produced an increase in additional paid in capital of $16,718 and a decrease in the derivative liability by the same amount. There was also a decrease in the change in fair value of the derivative liability of $52,245 producing a decrease in the derivative liability by the same amount. In addition, the Company recorded an amortization of debt discount of $8,550 and a reduction of debt discounts of the same amount.

On June 30, 2014, the Company revalued the derivative value of the $25,000 10% Note using the weighted-average Black-Scholes option pricing model with the following assumptions; (i) dividend yield of 0%; (ii) expected volatility of 312.32%; (iii) risk free rate of 0.11%, (iv) expected term of 1 year, (v) market value share price of $0.0022, and (vi) per share conversion price of $0.0012. The Company determined the derivative value to be $28,711 as of June 30, 2014, which represents a change in the fair value of the derivative in the amount of $9,320 as compared to the derivative value on June 11, 2014. Accordingly, the Company recorded a non-cash change in fair value of the derivative liability of $9,320 while also increasing the derivative liability by the same amount.

On August 11, 2014 the Investor/Lender exercised its right to convert $12,444 of the Note into 12,200,000 common shares. The Company has determined that the conversion feature is considered an embedded conversion feature and thereby creates a derivative liability for the Company. On the date of conversion, the Company calculated the value of the derivative liability using the weighted-average Black-Scholes option pricing model, which approximates the Monte Carlo and other binomial valuation techniques, with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 408.20%; (iii) risk free rate of 0.10%, (iv) expected term of 1year, (v) market value share price of $0.0089, and (vi) per share conversion price of $0.00102. This conversion produced an increase in additional paid in capital of $104,008 and a decrease in the derivative liability by the same amount. There was also an increase in the change in fair value of the derivative liability of $159,857 producing an increase in the derivative liability by the same amount.

On September 17, 2014 the Investor/Lender exercised its right to the balance of the loan amount of $4,006 plus $4,442 of accrued and unpaid interest of the Note into 12,800,000 common shares. The Company has determined that the conversion feature is considered an embedded conversion feature and thereby creates a derivative liability for the Company. On the date of conversion, the Company calculated the value of the derivative liability using the weighted-average Black-Scholes option pricing model, which approximates the Monte Carlo and other binomial valuation techniques, with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 380.81%; (iii) risk free rate of 0.12%, (iv) expected term of 1 year, (v) market value share price of $0.0032, and (vi) per share conversion price of $0.00066. This conversion produced an increase in additional paid in capital of $37,981 and a decrease in the derivative liability by the same amount. There was also a decrease in the change in fair value of the derivative liability of $39,075 producing a decrease in the derivative liability by the same amount.

7. CONVERTIBLE DEBT (CONTINUED)

On September 30, 2014, the Company revalued the derivative value of the $1,669 10% Note using the weighted-average Black-Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 403.21%; (iii) risk free rate of 0.13%, (iv) expected term of 1 year, (v) market value share price of $0.007, and (vi) per share conversion price of $0.00144. The Company determined the derivative value to be $7,600 as of September 30, 2014, which represents a change in the fair value of the derivative in the amount of $96 as compared to the derivative value on September 17, 2014. Accordingly, the Company recorded a non-cash change in fair value of the derivative liability of $96 while also increasing the derivative liability by the same amount.

On December 31, 2014, the Company revalued the derivative value of the $1,669 10% Note using the weighted-average Black-Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 330.81%; (iii) risk free rate of 0.25%, (iv) expected term of 1 year, (v) market value share price of $0.0012, and (vi) per share conversion price of $0.003. The Company determined the derivative value to be $6,339 as of December 31, 2014, which represents a decrease in the fair value of the derivative in the amount of $1,261 as compared to the derivative value on September 30, 2014. Accrued interest at December 31, 2014 and December 31, 2013 was $1,669 and $0, respectively. Accordingly, the Company recorded a non-cash decrease in fair value of the derivative liability of $1,261 while also decreasing the derivative liability from $7,600 to $-0- as of December 31, 2014. The derivative liability balance as of December 31, 2014 and 2013 was $6,339 and $47,381, respectively. The debt discount balance as of December 31, 2014 and 2013 was $-0- and $24,281, respectively.

On March 31, 2015, the Company revalued the derivative value of the $1,669 10% Note using the weighted-average Black-Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 361.17%; (iii) risk free rate of 0.26%, (iv) expected term of 1 year, (v) market value share price of $0.0009, and (vi) per share conversion price of $0.00042. The Company determined the derivative value to be $3,263 as of March 31, 2015, which represents a decrease in the change in fair value of the derivative liability in the amount of $3,076 as compared to the derivative value on December 31, 2014. Accordingly, the Company recorded a non-cash decrease in the change in fair value of the derivative liability of $3,076 while also decreasing the derivative liability by the same amount.

On August 20, 2014, the note with the Investor/Lender was amended allowing the Company to borrow additional funds from the Investor/Lender in order to obtain short term cash flow in the amount of $40,000 (**"JMJ Note 2"**), and the Company did borrow said amount of funds on September 4, 2014. The terms of the original note remain the same. As a result of the additional convertible note payable, the Company realized the derivative nature of those instruments. Accordingly, the Company recognized the derivative expense of $401,991, derivative liabilities in the amount of $441,991, and debt discounts in the amount of $40,000 which will be amortized throughout the term of the note.

7. CONVERTIBLE DEBT (CONTINUED)

On September 30, 2014, the Company revalued the derivative value of the $40,000 10% Note using the weighted-average Black-Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 392.24%; (iii) risk free rate of 0.13%, (iv) expected term of 1 year, (v) market value share price of $0.007, and (vi) per share conversion price of $0.00144. The Company determined the derivative value to be $225,582 as of September 30, 2014, which represents a decrease in the fair value of the derivative in the amount of $216,409 as compared to the derivative value on August 20, 2014. Accordingly, the Company recorded a non-cash decrease in fair value of the derivative liability of $216,409 while also decreasing the derivative liability by the same amount. In addition, the Company recorded an amortization of debt discount of $2,244 and a reduction of debt discounts of the same amount.

On December 31, 2014, the Company revalued the derivative value of the $40,000 10% Note using the weighted-average Black-Scholes option pricing model with the following assumptions; (i) dividend yield of 0%; (ii) expected volatility of 388.80%; (iii) risk free rate of 0.12%, (iv) expected term of 1 year, (v) market value share price of $0.0012, and (vi) per share conversion price of $0.0003. The Company determined the derivative value to be $176,689 as of December 31, 2014, which represents a change in the fair value of the derivative in the amount of $48,893 as compared to the derivative value on September 30, 2014. Accordingly, the Company recorded a non-cash decrease in fair value of the derivative liability of $48,893 while also decreasing the derivative liability by the same amount. In addition, the Company recorded an amortization of debt discount of $5,034 and a reduction of debt discounts of the same amount. Accrued interest at December 31, 2014 and December 31, 2013 was $9,778 and $0, respectively. Accordingly, the Company recorded a non-cash decrease in fair value of the derivative liability of $48,893 while also decreasing the derivative liability from $225,582 to $176,689 as of December 31, 2014. Also recorded for that period was an amortization of debt discount of $5,034. The derivative liability balance as of December 31, 2014 and 2013 was $176,689 and $-0-, respectively. The debt discount balance as of December 31, 2014 and 2013 was $32,722 and $-0-, respectively.

On March 4, 2015 the Investor/Lender exercised its right to convert $6,678 of the Note into 15,900,000 common shares. The Company has determined that the conversion feature is considered an embedded conversion feature and thereby creates a derivative liability for the Company. On the date of conversion, the Company calculated the value of the derivative liability using the weighted-average Black-Scholes option pricing model, which approximates the Monte Carlo and other binomial valuation techniques, with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 312.66%; (iii) risk free rate of 0.01%, (iv) expected term of 1 year, (v) market value share price of $0.0013, and (vi) per share conversion price of $0.00042. This conversion produced an increase in additional paid in capital of $15,472 and a decrease in the derivative liability by the same amount. There was also a decrease in the change in fair value of the derivative liability of $61,360 producing a decrease in the derivative liability by the same amount.

7. CONVERTIBLE DEBT (CONTINUED)

On March 25, 2015 the Investor/Lender exercised its right to convert $6,679 of the Note into 15,902,000 common shares. The Company has determined that the conversion feature is considered an embedded conversion feature and thereby creates a derivative liability for the Company. On the date of conversion, the Company calculated the value of the derivative liability using the weighted-average Black-Scholes option pricing model, which approximates the Monte Carlo and other binomial valuation techniques, with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 275.87%; (iii) risk free rate of 0.02%, (iv) expected term of 1year, (v) market value share price of $0.0011, and (vi) per share conversion price of $0.00042. This conversion produced an increase in additional paid in capital of $11,608 and a decrease in the derivative liability by the same amount. There was also a decrease in the change in fair value of the derivative liability of $24,950 producing a decrease in the derivative liability by the same amount.

On March 31, 2015, the Company revalued the derivative value of the $26,643 10% Note using the weighted-average Black-Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 286.81%; (iii) risk free rate of 0.05%, (iv) expected term of 1 year, (v) market value share price of $0.0009, and (vi) per share conversion price of $0.00042. The Company determined the derivative value to be $46,964 as of March 31, 2015, which represents a decrease in the change in fair value of the derivative in the amount of $16,335 as compared to the derivative value on March 25, 2015. Accordingly, the Company recorded a non-cash decrease in fair value of the derivative liability of $16,335 while also decreasing the derivative liability by the same amount. In addition, the Company recorded an amortization of debt discount of $4,925 and a reduction of debt discounts of the same amount.

LG Capital Funding, LLC

On May 8, 2014, the Company entered into an agreement with an another unrelated party in order to obtain short term cash flow in the form of a $30,000, eight (8) percent convertible Note Payable **("LG Note 1")**. The maturity date is one year from the effective date of the Note Payable. The lender has the right to convert at 55% of the lowest trading price of the Company's common stock during the twenty day period prior to the conversion date after 180 days. This note is secured by Company common stock.

On November 10, 2014 the Investor/Lender exercised its right to convert $4,000 plus $162 of accrued and unpaid interest of the Note 1 into 5,821,244 common shares. The Company has determined that the conversion feature is considered an embedded conversion feature and thereby creates a derivative liability for the Company. On the date of conversion, the Company calculated the value of the derivative liability using the weighted-average Black-Scholes option pricing model, which approximates the Monte Carlo and other binomial valuation techniques, with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 374.08%; (iii) risk free rate of 0.07%, (iv) expected term of 1 year, (v) market value share price of $0.0033, and (vi) per share conversion price of $0.00072. This conversion produced an increase in additional paid in capital of $17,677 and a decrease in the derivative liability by the same amount. There was also an increase in the change in fair value of the derivative liability of $32,237 producing an increase in the derivative liability by the same amount.

7. CONVERTIBLE DEBT (CONTINUED)

On December 31, 2014, the Company revalued the derivative value of the $26,000 8% Note 1 using the weighted-average Black-Scholes option pricing model with the following assumptions; (i) dividend yield of 0%; (ii) expected volatility of 374.08%; (iii) risk free rate of 0.04%, (iv) expected term of 1 year, (v) market value share price of $0.0012, and (vi) per share conversion price of $0.00039. The Company determined the derivative value to be $69,604 as of December 31, 2014, which represents a decrease in the fair value of the derivative in the amount of $40,131 as compared to the derivative value on November 10, 2014. Accordingly, the Company recorded a non-cash decrease in fair value of the derivative liability of $40,131 while also decreasing the derivative liability by the same amount. In addition, the Company recorded an amortization of debt discount of $9,243 and a reduction of debt discounts of the same amount. Accrued interest at December 31, 2014 and December 31, 2013 was $2,203 and $0, respectively. Accordingly, the Company recorded a non-cash decrease in fair value of the derivative liability of $40,131 while also decreasing the derivative liability from $95,175 to $69,606 as of December 31, 2014 .Also recorded for that period was an amortization of debt discount of $9,243. The derivative liability balance as of December 31, 2014 and 2013 was $69,606 and $-0-, respectively. The debt discount balance as of December 31, 2014 and 2013 was $20,757 and $-0-, respectively.

On January 6, 2015 the Investor/Lender exercised its right to convert $5,000 plus $265 of accrued and unpaid interest of the Note 1 into 13,675,870 common shares. The Company has determined that the conversion feature is considered an embedded conversion feature and thereby creates a derivative liability for the Company. On the date of conversion, the Company calculated the value of the derivative liability using the weighted-average Black-Scholes option pricing model, which approximates the Monte Carlo and other binomial valuation techniques, with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 396.56%; (iii) risk free rate of 0.03%, (iv) expected term of 1 year, (v) market value share price of $0.0008, and (vi) per share conversion price of $0.00039. This conversion produced an increase in additional paid in capital of $9,085 and a decrease in the derivative liability by the same amount. There was also a decrease in the change in fair value of the derivative liability of $24,743 producing a decrease in the derivative liability by the same amount.

On February 18, 2015 the Investor/Lender exercised its right to convert $2,800 plus $175 of accrued and unpaid interest of the Note 1 into 7,727,012 common shares. The Company has determined that the conversion feature is considered an embedded conversion feature and thereby creates a derivative liability for the Company. On the date of conversion, the Company calculated the value of the derivative liability using the weighted-average Black-Scholes option pricing model, which approximates the Monte Carlo and other binomial valuation techniques, with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 309.01%; (iii) risk free rate of 0.02%, (iv) expected term of 1 year, (v) market value share price of $0.0009, and (vi) per share conversion price of $0.00039. This conversion produced an increase in additional paid in capital of $4957 and a decrease in the derivative liability by the same amount. There was also a decrease in the change in fair value of the derivative liability of $789 producing a decrease in the derivative liability by the same amount.

7. CONVERTIBLE DEBT (CONTINUED)

On March 4, 2015 the Investor/Lender exercised its right to convert $2,000 plus $131 of accrued and unpaid interest of the Note 1 into 5,535,246 common shares. The Company has determined that the conversion feature is considered an embedded conversion feature and thereby creates a derivative liability for the Company. On the date of conversion, the Company calculated the value of the derivative liability using the weighted-average Black-Scholes option pricing model, which approximates the Monte Carlo and other binomial valuation techniques, with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 312.66%; (iii) risk free rate of 0.01%, (iv) expected term of 1 year, (v) market value share price of $0.0013, and (vi) per share conversion price of $0.00039. This conversion produced an increase in additional paid in capital of $5,501 and a decrease in the derivative liability by the same amount. There was also an increase in the change in fair value of the derivative liability of $16,946 producing an increase in the derivative liability by the same amount.

On March 10, 2015 the Investor/Lender exercised its right to convert $7,600 plus $508 of accrued and unpaid interest of the Note 1 into 18,427,386 common shares. The Company has determined that the conversion feature is considered an embedded conversion feature and thereby creates a derivative liability for the Company. On the date of conversion, the Company calculated the value of the derivative liability using the weighted-average Black-Scholes option pricing model, which approximates the Monte Carlo and other binomial valuation techniques, with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 286.71%; (iii) risk free rate of 0.02%, (iv) expected term of 1 year, (v) market value share price of $0.0025, and (vi) per share conversion price of $0.00044. This conversion produced an increase in additional paid in capital of $38,530 and a decrease in the derivative liability by the same amount. There was also an increase in the change in fair value of the derivative liability of $35,507 producing an increase in the derivative liability by the same amount.

On March 23, 2015 the Investor/Lender exercised its right to convert $7,800 of the Note 1 into 17,727,273 common shares. The Company has determined that the conversion feature is considered an embedded conversion feature and thereby creates a derivative liability for the Company. On the date of conversion, the Company calculated the value of the derivative liability using the weighted-average Black-Scholes option pricing model, which approximates the Monte Carlo and other binomial valuation techniques, with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 281.34%; (iii) risk free rate of 0.02%, (iv) expected term of 1 year, (v) market value share price of $0.0011, and (vi) per share conversion price of $0.00044. This conversion produced an increase in additional paid in capital of $12,810 and a decrease in the derivative liability by the same amount. There was also a decrease in the change in fair value of the derivative liability of $24,330 producing a decrease in the derivative liability by the same amount.

On March 31, 2015, the Company revalued the derivative value of the $800 8% Note 1 using the weighted-average Black-Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 286.81%; (iii) risk free rate of 0.05%, (iv) expected term of 1 year, (v) market value share price of $0.0009, and (vi) per share conversion price of $0.0005. The Company determined the derivative value to be $802 as of March 31, 2015, which represents a change in the fair value of the derivative in the amount of $512 as compared to the derivative value on March 23, 2015. Accordingly, the Company recorded a decrease in the change in fair value of the derivative liability of $512 while also decreasing the derivative liability from $12,810 to $802 as of March 31, 2015. In addition, the Company recorded an amortization of debt discount of $20,757 and a reduction of debt discounts of the same amount.

7. CONVERTIBLE DEBT (CONTINUED)

On September 4, 2014, the Company entered into an agreement with the Investor/Lender **("LG Note 2")** in order to obtain short term cash flow in the form of a $26,500, eight (8) percent convertible Note Payable. The maturity date is one year from the effective date of the Note Payable. The lender has the right to convert at 55% of the lowest trading price of the Company's common stock during the twenty day period prior to the conversion date after 180 days. As of March 3, the Company realized the derivative nature of those instruments. Accordingly, the Company recognized following charge to operations: derivative expense of $25,961. Furthermore, the Company recognized derivative liabilities in the amount of $52,461 and debt discounts in the amount of $26,500 which is amortized throughout the term of the note.

On March 31, 2015, the Company revalued the derivative value of the $26,500 8% Note using the weighted-average Black-Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 286.82%; (iii) risk free rate of 0.03%, (iv) expected term of 1 year, (v) market value share price of $0.0009, and (vi) per share conversion price of $0.0005. The Company determined the derivative value to be $36,098 as of March 31, 2015, which represents a change in the fair value of the derivative in the amount of $16,363 as compared to the derivative value on March 3, 2015. Accordingly, the Company recorded a decrease in the change in fair value of the derivative liability of $16,363 while also decreasing the derivative liability from $52,461 to $36,098 as of March 31, 2015. In addition, the Company recorded an amortization of debt discount of $4,011 and a reduction of debt discounts of the same amount.

Tonaquint, Inc.

On September 19, 2014, the Company entered into an agreement with an another unrelated party in order to obtain short term cash flow in the form of a $59,000, ten (10) percent convertible Note Payable. Interest accrues at zero (0) percent for the first three months and if the borrower does not repay a payment of consideration on or before 90 days from its Effective Date, a one time interest charge of 12% shall be applied to the principal sum. The maturity date is one year from the effective date of the Note Payable. The lender has the right to convert at 60% of the lowest closing bid price of the Company's common stock during the twenty-five day period prior to the conversion date or $0.002, whichever is less. In such case, the lender shall have the right to convert at 55% of the lowest closing bid price of the Company's common stock applicable to all future conversions. As a result of the convertible note payable, the Company realized the derivative nature of those instruments. Accordingly, the Company recognized following charge to operations: derivative expense of $81,713. Furthermore, the Company recognized derivative liabilities in the amount of $131,713 and debt discounts in the amount of $50,000 which is amortized throughout the term of the note.

7. CONVERTIBLE DEBT (CONTINUED)

On September 30, 2014, the Company revalued the derivative value of the $59,000 10% Note using the weighted-average Black-Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 350.09%; (iii) risk free rate of 0.13%, (iv) expected term of 1 year, (v) market value share price of $0.007, and (vi) per share conversion price of $0.00162. The Company determined the derivative value to be $245,715 as of September 30, 2014, which represents a change in the fair value of the derivative in the amount of $114,002 as compared to the derivative value on September 19, 2014. Accordingly, the Company recorded a non-cash change in fair value of the derivative liability of $114,002 while also increasing the derivative liability from $131,713 to $245,715 as of September 30, 2014. In addition, the Company recorded an amortization of debt discount of $5,616 and a reduction of debt discounts of the same amount.

On December 31, 2014, the Company revalued the derivative value of the $59,000 10% Note using the weighted-average Black-Scholes option pricing model with the following assumptions; (i) dividend yield of 0%; (ii) expected volatility of 347.59%; (iii) risk free rate of 0.25%, (iv) expected term of 1 year, (v) market value share price of $0.0012, and (vi) per share conversion price of $0.00042. The Company determined the derivative value to be $155,103 as of December 31, 2014, which represents a change in the fair value of the derivative in the amount of $90,612 as compared to the derivative value on September 30, 2014. Accordingly, the Company recorded a non-cash decrease in fair value of the derivative liability of $90,612 while also decreasing the derivative liability by the same amount. In addition, the Company recorded an amortization of debt discount of $12,603 and a reduction of debt discounts of the same amount. Accrued interest at December 31, 2014 and December 31, 2013 was $7,352 and $0, respectively. Accordingly, the Company recorded a non-cash decrease in fair value of the derivative liability of $90,612 while also increasing the derivative liability from $245,715 to $155,103 as of December 31, 2014. Also recorded for that period was an amortization of debt discount of $12,603. The derivative liability balance as of December 31, 2014 and 2013 was $155,103 and $-0-, respectively. The debt discount balance as of December 31, 2014 and 2013 was $31,781 and $-0-, respectively.

On March 20, 2015 the Investor/Lender exercised its right to convert $10,000 of the Note into 25,974,026 common shares. The Company has determined that the conversion feature is considered an embedded conversion feature and thereby creates a derivative liability for the Company. On the date of conversion, the Company calculated the value of the derivative liability using the weighted-average Black-Scholes option pricing model, which approximates the Monte Carlo and other binomial valuation techniques, with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 361.79%; (iii) risk free rate of 0.11%, (iv) expected term of 1 year, (v) market value share price of $0.0014, and (vi) per share conversion price of $0.00039. This conversion produced an increase in additional paid in capital of $32,828 and a decrease in the derivative liability by the same amount. There was also a change in fair value of the derivative liability of $38,582 producing an increase in the derivative liability by the same amount.

7. CONVERTIBLE DEBT (CONTINUED)

On March 31, 2015, the Company revalued the derivative value of the $49,000 10% Note using the weighted-average Black-Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 314.24%; (iii) risk free rate of 0.14%, (iv) expected term of 1 year, (v) market value share price of $0.0009, and (vi) per share conversion price of $0.00048. The Company determined the derivative value to be $73,476 as of March 31, 2015, which represents a change in the fair value of the derivative in the amount of $87,381 as compared to the derivative value on March 20, 2015. Accordingly, the Company recorded a non-cash decrease in the change in fair value of the derivative of $87,381 while also decreasing the derivative liability by the same amount. In addition, the Company recorded an amortization of debt discount of $12,329 and a reduction of debt discounts of the same amount.

The total amount of derivative liabilities at March 31, 2015 and December 31, 2014 was $160,601 and $407,735, respectively.

Note:	**12/31/2014**	**Initial**	**Change in Fair Value of Derivative Liabilities**	**3/31/2015**
JMJ#1	6,339	-	(3,076)	3,263
JMJ#2	176,689	-	(129,727)	46,962
LGcapital 1#	69,604	-	(68,802)	802
LGcapital 2#	-	52,461	(16,363)	36,098
Tonaquint	155,103	-	(81,627)	73,476
Total	**407,735**	**52,461**	**(299,595)**	**160,601**

8. RELATED PARTY – Promissory Note

The Company obtained short-term cash flow from a related party in the form of three demand Notes Payable in the aggregate amount of $10,000 which have been outstanding since the year ended December 31, 2012. The 3 notes were amended and extended during 2014, changing the maturity date to one year later than what was on original notes. The Notes bear an interest rate of 7% per annum and are unsecured.

Promissory Note Eric Foster

Note	Principal	Rate	Accrued interest 3/31/15	Accrued interest 12/31/14	Maturity
Promissory note 1	$ 6,000	7%	$ 1,078	$ 975	9/4/2015
Promissory note 2	$ 2,000	7%	$ 348	$ 314	10/1/2015
Promissory note 3	$ 2,000	7%	$ 325	$ 290	12/3/2015
Total	$ 10,000		$ 1,751	$ 1,579	

8. RELATED PARTY – Promissory Note (CONTINUED)

The Company obtained short-term cash flow from a related party in the form of eleven demand Notes Payable in the aggregate amount of $130,953 during the period from 2012 through March 31, 2015. The Company repaid the principle amount of $453 during the year ended December 31, 2014, and $1,199 during the quarter ended March 31, 2015. Notes 1 through 6 were amended and extended during 2014, changing the maturity date to one year later than what was on original notes. The Notes bear an interest rate of 7% per annum and are unsecured.

Note	Principal	Rate	Accrued interest 3/31/15	Accrued interest 12/31/14	Maturity
Promissory note 1	$ 5,000	7%	$ 907	$ 821	7/25/2015
Promissory note 2	$ 11,000	7%	$ 1,876	$ 1,686	10/22/2015
Promissory note 3	$ 15,000	7%	$ 2,463	$ 2,203	11/24/2015
Promissory note 4	$ 102	7%	$ 17	$ 16	10/22/2015
Promissory note 5	$ 879	7%	$ 144	$ 129	11/24/2015
Promissory note 6	$ 972	7%	$ 176	$ 160	7/25/2015
Promissory note 7	$ 23,348	7%	$ 1,560	$ 1,148	5/4/2016
Promissory note 8	$ 7,000	7%	$ 149	$ 28	12/11/2016
Promissory note 9	$ 6,000	7%	$ 115	$ 12	12/22/2016
Promissory note 10	$ 25,000	7%	$ 398	$ -	1/8/2017
Promissory note 11	$ 35,000	7%	$ 369	$ -	2/5/2017
Total	$ 129,301		$ 8,174	$ 6,203	

The Company obtained short-term cash flow from a related party in the form of four demand Notes Payable in the aggregate amount of $6,504 during the period from 2012 through March 31, 2013. Notes 1 and 2 were amended and extended during 2014, changing the maturity date to one year later than what was on original notes. The Notes bear an interest rate of 7% per annum and are unsecured. Notes 3 and 4 were amended and extended during 2015, changing the maturity date to one year later than what was on original notes. The Notes bear an interest rate of 7% per annum and are unsecured.

Note	Principal	Rate	Accrued interest 3/31/15	Accrued interest 12/31/14	Maturity
Promissory note 1	$ 234	7%	$ 38	$ 34	12/5/2015
Promissory note 2	$ 170	7%	$ 28	$ 25	11/18/2015
Promissory note 3	$ 4,100	7%	$ 616	$ 546	2/5/2016
Promissory note 4	$ 2,000	7%	$ 300	$ 265	2/7/2016
Total	$ 6,504		$ 982	$ 870	

8. RELATED PARTY – Promissory Note (CONTINUED)

The Company obtained short-term cash flow from a related party in the form of two demand Notes Payable in the aggregate amount of $18,000 during the year of 2013. Both notes were amended and extended during 2015, changing the maturity date to one year later than what was on original note. The Notes bear an interest rate of 7% per annum and are unsecured.

Note	Principal	Rate	Accrued interest 3/31/15	Accrued interest 12/31/14	Maturity
Promissory note 1	$ 10,000	7%	$ 1,473	$ 1,300	2/21/2016
Promissory note 2	$ 8,000	7%	$ 1,140	$ 1,002	3/18/2013
Total	$ 18,000		$ 2,613	$ 2,302	

The Company obtained short-term cash flow from a related party in the form of one demand Note Payable in the aggregate amount of $6,000 during the year of 2014. The Note bears an interest rate of 7% per annum and is unsecured.

Note	Principal	Rate	Accrued interest 3/31/15	Accrued interest 12/31/14	Maturity
Promissory note 1	$ 6,000	7%	$ 274	$ 170	8/6/2016
Total	$ 6,000		$ 274	$ 170	

During the three months ended March 31, 2015 the total amount of related party loan proceeds was $60,000 and the total principal repaid on related party loans was $1,199. The total interest accrued on related party loans at March 31, 2015 and December 31, 2014 was $13,794 and $11,124, respectively.

From time to time, the Company advances amounts to stockholders, as well as receives payments from stockholders in the form of cash and/or out-of-pocket expenditures for the benefit of the Company, which are business in nature. The balance of advances to stockholder as of March 31, 2015 and December 31, 2014 was $11,321 and $11,321, respectively. Amounts accrued, but not yet paid as due to related party at March 31, 2015 and December 31, 2014 was $27,225 and $33,425, respectively.

9. COMMITMENTS AND CONTINGENCIES

Litigation

There are no pending, threatened or actual legal proceedings in which the Company or any subsidiary is a party.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

We are a development stage company and have experienced losses since our inception. Our independent auditors have issued a report raising substantial doubt about our ability to continue as a going concern. We have only entered into one agreement for the leasing of our equipment to date and have not yet derived any revenue from such agreement. Our sources of cash to date have been capital invested by shareholders and venture capital investors/lenders. We had no sales nor received revenues since inception through March 31, 2015.

The basis of our overall business is founded on our ability to produce electrical power using state-of-the-art technology to power electrical generation equipment to produce electricity at a lower cost than the existing means of producing or providing primary electric power in its target markets. We expect that the difference between our cost to produce electrical power and the current billing rate of existing local utility providers will present savings for our customers and revenue opportunity for us.

Our business is to install and maintain, own and operate electrical power generation equipment (“gensets”) at client locations. We will own and maintain the equipment to be installed with the customer who will use it to produce its own electrical power. Our products are intended to be portable, easy-to-use units that can be conveniently deployed in various locations around the world. The units can also be assembled and combined to produce power centers providing up to 50 megawatts of power.

The following discussion contains forward-looking statements, as discussed above. Please see the sections entitled "Forward-Looking Statements" and "Risk Factors" for a discussion of the uncertainties, risks and assumptions associated with these forward-looking statements.

The following discussion and analysis of Powerdyne International, Inc. financial condition and results of operations are based on the unaudited financial statements as of March 31, 2015 and 2014, which were prepared in accordance with U.S. generally accepted accounting principles ("GAAP").

Operations

Our strategy is to pursue selected opportunities in markets where inexpensive and environmentally friendly power sources are needed and/or required.

Plan of Operations

The Company's strategy is to pursue selected opportunities in markets where inexpensive and environmentally friendly power sources are needed and/or required.

Results of Operations - The three months ended March 31, 2015 compared to the three months ended March 31, 2014:

Revenues

Powerdyne International, Inc. did not generate revenues during the three months ended March 31, 2015 and 2014.

Total operating expenses

During the three months ended March 31, 2015 and 2014, total operating expenses were $62,993 and $47,963, respectively. The increase is related mainly due to $6,799 in consulting expense, $3,593 in salaries and wages, $1,963 in filing and stock registration fees, and $4,379 in interest expense. This increase was offset by a decrease of $4,925 in public relations and promotion expense.

Net loss

During the three months ended March 31, 2015 and 2014, the net income (loss) was $38,285 and ($147,140), respectively. Other expenses included amortization of debt expense, and derivative expense from the notes issued to investors and change in fair value of derivatives related to the note issuances.

Liquidity and Capital Resources

As of March 31, 2015 and December 31, 2014, Powerdyne International, Inc. had working capital deficits of approximately ($457,450) and ($678,477), respectively. For the three months ended March 31, 2015, Powerdyne International, Inc. had approximately a $23,116 increase in net cash. The cash used by operations of approximately $62,185 was primarily due to net income from operations of $38,285 plus add backs of approximately $2,315 of depreciation, approximately $25,961 of derivative related expenses, approximately $42,021 of amortization of debt discounts, approximately $5,194 increase in accrued expenses, less decreases in the change in fair value of derivatives of $168,804, $6,200 decrease in due to related party and a decrease of $956 in taxes payable. The total cash provided by financing activities of approximately $85,301 was due to $26,500 of proceeds of notes payable to third parties, $60,000 of proceeds of notes payable to related parties, less repayment of principal on notes payable to related parties of $1,199.

We currently owe $129,443 (exclusive of interest) owed under three convertible notes, of which $800 is due May 2015, $53,143 is due September 2015, $26,500 is due March 2016, and $49,000 is due September 2016. We also owe $169,805 (exclusive of interest) under notes due to related parties, of which $5,972 is due July 2015, $6,000 is due September 2015, $13,102 is due October 2015, $16,049 is due November 2015, $2,234 is due December 2015, $16,100 is due February 2016, $8,000 is due March 2016, $23,348 is due May 2016, $6,000 is due August 2016, $13,000 is due December 2016, $25,000 is due January 2017, and $35,000 is due February 2017. To date, we have not generated any revenue and there can be no assurance that we will have the requisite funding to repay these loans when due.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is deemed by our management to be material to investors.

Critical Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts during the reporting periods. Actual results could differ from those estimates. Significant estimates and assumptions included in Powerdyne International, Inc.'s financial statements relate to estimate of loss contingencies and accrued other liabilities.

Fair Value of Financial Instruments

ASC 820-10 (formerly SFAS No. 157, *Fair Value Measurements*) requires entities to disclose the fair value of financial instruments, both assets and liabilities recognized and not recognized on the balance sheet, for which it is practicable to estimate fair value. ASC 820-10 defines the fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties. As of March 31, 2015 and 2014, the carrying value of certain financial instruments such as accounts receivable, accounts payable, accrued expenses, and amounts due to/from related party approximates fair value due to the short-term nature of such instruments.

Impairment of Long-Lived Assets

In accordance with ASC 350-30 (formerly SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*), the Company evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that their then carrying values may not be recoverable. When such factors and circumstances exist, the Company compares the projected undiscounted future cash flows associated with the related asset or group of assets over their estimated useful lives against their respective carrying amount. Impairment, if any, is based on the excess of the carrying amount over the fair value, based on market value when available, or discounted expected cash flows, of those assets and is recorded in the period in which the determination is made. The Company's management currently believes there is no impairment of its long-lived assets. There can be no assurance however, that market conditions will not change or demand for the Company's products under development will continue. Either of these could result in future impairment of long-lived assets.

Recently Issued Accounting Pronouncements

July 2014, the FASB issued Accounting Standards Update ("ASU") ASU No. 2014-10, *Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation*. The amendments in this ASU remove all incremental financial reporting requirements from U.S. GAAP for development stage entities, including the removal of Topic 915, Development Stage Entities, from the FASB Accounting Standards Codification™. A development stage entity is one that devotes substantially all of its efforts to establishing a new business and for which: (a) planned principal operations have not commenced; or (b) planned principal operations have commenced, but have produced no significant revenue. Current U.S. GAAP requires a development stage entity to present the same basic financial statements and apply the same recognition and measurement rules as established companies. In addition, U.S. GAAP requires a development stage entity to present inception-to-date information about income statement line items, cash flows, and equity transactions. For public business entities, the presentation and disclosure requirements in Topic 915 will no longer be required for the first annual period beginning after December 15, 2014. The revised consolidation standards are effective one year later, in annual periods beginning after December 15, 2015. Early adoption is permitted for financial statements that have not yet been issued or made available for issuance. The Company has elected to adopt the guidance as of June 30, 2014. The adoption did not impact the Company's financial position or results of operations.

In August 2014, the FASB issued ASU No. 2014-15, "Presentation of Financial Statements – Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern" ("ASU 2014-15"). ASU 2014-15, which is effective for annual reporting periods ending after December 15, 2016, extends the responsibility for performing the going-concern assessment to management and contains guidance on how to perform a going-concern assessment and when going-concern disclosures would be required under U.S. GAAP. The Company elected to adopt ASU 2014-15 effective with this financial statement. Management's evaluations regarding the events and conditions that raise substantial doubt regarding the Company's ability to continue as a going concern have been disclosed in Capital resources.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not applicable to smaller reporting companies.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2014. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of March 31, 2015, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were not effective at the reasonable assurance level due to the insufficient controls over timely financial statement preparation and review as well as over the preparation and review around accounting for certain complex transactions.

The design of monitoring controls used to assess the design and operating effectiveness of our internal controls is inadequate. We also do not have an adequate internal process to report deficiencies in internal control to management on a timely basis.

Changes in Internal Control over Financial Reporting

We continue to make progress towards remediating the material weaknesses in our internal control over financial reporting. The actions taken include, amongst others, (i) installing a new accounting system which allows us to implement appropriate procedures and processes necessary for adequate controls (ii) implementing month end and period end closing procedures and review processes for key aspects of our financial reporting process, (iii) designing, documenting and implementing policies and procedures; and (iv) instituting formal procedures for accounting for options.

No other changes in our internal control over financial reporting occurred during the quarter ended March 31, 2015 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

There are no pending, threatened or actual legal proceedings in which the Company or any subsidiary is a party.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On January 6, 2015, we issued 13,675,870 shares of our common stock in exchange for the extinguishment of $5,265 of debt held by a venture capital lender. These issuances of shares of common stock in exchange for the debt was exempt from registration under Section 3(a)(9).

On February 18, 2015 we issued 7,727,012 shares of our common stock in exchange for the extinguishment of $2,975 of debt held by a venture capital lender. These issuances of shares of common stock in exchange for the debt was exempt from registration under Section 3(a)(9).

On March 4, 2015 we issued 5,535,246 shares of our common stock in exchange for the extinguishment of $2,131 of debt held by a venture capital lender. These issuances of shares of common stock in exchange for the debt was exempt from registration under Section 3(a)(9).

On March 4, 2015 we issued 15,900,000 shares of our common stock in exchange for the extinguishment of $6,678 of debt held by a venture capital lender. These issuances of shares of common stock in exchange for the debt was exempt from registration under Section 3(a)(9).

On March 6, 2015, we entered into an agreement with an investor in the principal amount of $26,500. The note nears interest at a rate of eight (8) percent. The maturity date is May 4, 2015. The lender has the right to convert at 55% of the lowest trading price of the Company's common stock during the twenty day period prior to the conversion date after 180 days. Accrued interest at September 30, 2014 and December 31, 2013 was $157 and $0, respectively. This note is secured by our common stock. The above securities were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act as a transaction by an issuer not involving any public offering. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed upon the stock certificates issued in these transactions.

On March 10, 2015 we issued 18,427,386 shares of our common stock in exchange for the extinguishment of $8,108 of debt held by a venture capital lender. These issuances of shares of common stock in exchange for the debt was exempt from registration under Section 3(a)(9).

On March 20, 2015 we issued 25,974,026 shares of our common stock in exchange for the extinguishment of $10,000 of debt held by a venture capital lender. These issuances of shares of common stock in exchange for the debt was exempt from registration under Section 3(a)(9).

On March 23, 2015 we issued 20,907,750 shares of our common stock in exchange for the extinguishment of $9,360 of debt held by a venture capital lender. These issuances of shares of common stock in exchange for the debt was exempt from registration under Section 3(a)(9).

On March 25, 2015 we issued 15,902,000 shares of our common stock in exchange for the extinguishment of $6,678 of debt held by a venture capital lender. These issuances of shares of common stock in exchange for the debt was exempt from registration under Section 3(a)(9).

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable

ITEM 5. OTHER INFORMATION

None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

POWERDYNE INTERNATIONAL, INC.

Dated: May 15, 2015

By: /s/ James F. O'Rourke
Chief Executive Officer
(Principal Executive Officer)

Dated: May 15, 2015

By: /s/ Linda H. Madison
Chief Financial Officer
(Principal Accounting Officer)

EX-31.1 2 f10q0315ex31i_powerdyne.htm CERTIFICATION

EXHIBIT 31.1

CERTIFICATION PURSUANT TO SECTION 302

I, James F. O'Rourke, certify that:

1. I have reviewed this Form 10-Q of Powerdyne International, Inc.

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

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluations; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2015

/s/ James F. O'Rourke
Chief Executive Officer

EX-31.2 3 f10q0315ex31ii_powerdyne.htm CERTIFICATION

EXHIBIT 31.2

CERTIFICATION PURSUANT TO SECTION 302

I, Linda Madison, certify that:

1. I have reviewed this Form 10-Q of Powerdyne International, Inc.

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

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluations; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2015

/s/ Linda Madison
Chief Financial Officer and
Principal Accounting Officer

EX-32.1 4 f10q0315ex32i_powerdyne.htm CERTIFICATION

EXHIBIT 32.1

CERTIFICATION PURSUANT TO SECTION 906

Pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, the undersigned officer of the Powerdyne International, Inc. (the "Company"), hereby certify to my knowledge that:

(1) The Report on Form 10-Q for the quarter ended March 31, 2015 of the Company (the "Report") fully complies, in all material respects, with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and

(2) The information contained in the Report fairly represents, in all material respects, the financial condition and results of operations of the Company.

Date: May 15, 2015

/s/ James F. O'Rourke
Chief Executive Officer

EX-32.2 5 f10q0315ex32ii_powerdyne.htm CERTIFICATION

EXHIBIT 32.2

CERTIFICATION PURSUANT TO SECTION 906

Pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, the undersigned officer of the Powerdyne International, Inc. (the "Company"), hereby certify to my knowledge that:

(1) The Report on Form 10-Q for the quarter ended March 31, 2015 of the Company (the "Report") fully complies, in all material respects, with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and

(2) The information contained in the Report fairly represents, in all material respects, the financial condition and results of operations of the Company.

Date: May 15, 2015

/s/ Linda H. Madison

Chief Accounting Officer

Chief Financial Officer