UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2018

[ ] 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: 000-55463

MR. AMAZING LOANS CORPORATION
(Exact Name of Registrant as Specified in Its Charter)

Florida (State or Other Jurisdiction of Incorporation or Organization)	**90-1069184** (I.R.S. Employer Identification No.)
3960 Howard Hughes Parkway, Suite 490, Las Vegas, NV (Address of Principal Executive Office)	**89169** (Zip Code)

(702) 227-5626
(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 [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

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

Large accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer (Do not check if a smaller reporting company)	[ ]	Smaller reporting company	[X]
Emerging growth company	[X]		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

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

As of November 13, 2018, there were 17,226,283 shares of the registrant's common stock, par value $0.001 per share, outstanding.

MR. AMAZING LOANS CORPORATION

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FORWARD-LOOKING STATEMENTS

Except for any historical information contained herein, the matters discussed in this quarterly report on Form 10-Q contain certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, the Exchange Act. This includes statements regarding our future financial position, economic performance, results of operations, business strategy, budgets, projected costs, plans and objectives of management for future operations, including the information referred to under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

These forward-looking statements generally can be identified by the use of forward-looking terminology, such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "continue" or similar terminology, although not all forward-looking statements contain these words. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, you are cautioned that any such forward-looking statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Although we believe that the expectations reflected in such forward-looking statements are reasonable as of the date made, expectations may prove to have been materially different from the results expressed or implied by such forward-looking statements. We undertake no obligation to and, unless otherwise required by law, we expressly disclaim any obligation to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

When considering these forward-looking statements, you should keep in mind the cautionary statements in this quarterly report on Form 10-Q in our other filings with the Securities and Exchange Commission (the "SEC"), including the more detailed discussion of these factors and other factors that could affect our results included in the "Risk Factors" section in our annual report on Form 10-K for the fiscal year ended December 31, 2017, as filed with the SEC, as the same may be updated from time to time in documents that we file with the SEC. As a result of these factors, we cannot assure you that the forward-looking statements in this quarterly report on Form 10-Q will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may prove to be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time-frame, or at all.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

MR. AMAZING LOANS CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2018 AND DECEMBER 31, 2017

	September 30, 2018 (Unaudited)	December 31, 2017 (Audited)
ASSETS		
Cash and cash equivalents	$ 382,267	$ 704,006
Loans receivable, net, note 2	3,730,691	4,928,704
Other receivables	76,904	75,364
Prepaid expenses	17,082	18,238
Property and equipment, net, note 3	9,102	13,376
Security deposits	11,234	11,234
TOTAL ASSETS	$ 4,227,280	$ 5,750,922
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Accounts payable and accrued expenses	$ 50,346	$ 51,053
TOTAL LIABILITIES	$ 50,346	$ 51,053
COMMITMENTS AND CONTINGENCIES, note 7		
STOCKHOLDERS' EQUITY		
Preferred stock, $0.001 par value; 50,000,000 shares authorized, 360,000 and 0 shares issued and outstanding at June 30, 2018 and December 31, 2017, respectively, note 5	360	-
Common stock, $0.001 par value; 300,000,000 shares authorized, 17,226,283 and 17,463,449 shares issued and outstanding at September 30, 2018 and December 31, 2017, respectively, note 5	2,240,694	2,240,931
Additional paid-in capital	34,378,814	34,074,976
Accumulated deficit	(32,442,934)	(30,616,038)
TOTAL STOCKHOLDERS' EQUITY	4,176,934	5,699,869
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 4,227,280	$ 5,750,922

See notes to condensed consolidated unaudited Financial Statements

MR. AMAZING LOANS CORPORATION
CONDENSED CONSOLIDATED UNAUDITED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017

	Three Months Ended		Nine Months Ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
REVENUES				
Interest revenue	$ 313,592	$ 386,565	$ 976,453	$ 1,238,280
Other revenue	39,161	20,805	86,382	50,414
TOTAL REVENUES	352,753	407,370	1,062,835	1,288,694
OPERATING EXPENSES				
Salaries and compensation	250,188	419,144	1,071,879	658,347
Other operating expenses	124,075	104,985	385,017	299,551
Provision for credit losses	68,061	300,205	347,163	919,529
Advertising	8,192	180,808	14,572	184,268
Rent	11,761	23,826	47,477	52,715
Public company and corporate finance expenses	155,044	449,321	1,019,263	1,644,856
Depreciation and amortization	1,425	1,451	4,274	4,495
TOTAL OPERATING EXPENSES	618,746	1,479,740	2,889,645	3,763,761
LOSS FROM OPERATIONS	(265,993)	(1,072,370)	(1,826,810)	(2,475,067)
OTHER INCOME (EXPENSE)				
Loss on sale of marketable securities	-	-	(194)	(153,514)
Legal settlements and related fees	-	(624,283)	-	(624,283)
Miscellaneous income	11	74	108	363
TOTAL OTHER INCOME (EXPENSE)	11	(624,209)	(86)	(777,434)
NET LOSS	$ (265,982)	$ (1,696,579)	$ (1,826,896)	$ (3,252,501)
Net loss attributable to common stockholders	(265,982)	(1,696,579)	(1,826,896)	(3,252,501)
CONDENSED STATEMENT OF COMPREHENSIVE INCOME (LOSS)				
Unrealized loss on marketable securities	-	-	(194)	(153,514)
Less: Reclassified adjustment for losses included in net loss	-	-	194	153,514
Comprehensive loss attributable to common stockholders	(265,982)	-	(1,826,896)	(3,252,501)
Net loss attributable to common stock per share, basic and diluted	$ (0.02)	$ (0.13)	$ (0.10)	$ (0.30)
Weighted average number of common shares outstanding, basic and diluted	17,453,137	12,708,547	17,459,974	10,901,436

See notes to condensed consolidated unaudited Financial Statements

MR. AMAZING LOANS CORPORATION
CONDENSED CONSOLIDATED UNAUDITED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE PERIOD FROM JANUARY 1, 2017 THROUGH SEPTEMBER 30, 2018

	Common Stock		Series H Preferred Stock		Additional Paid-in	Accumulated	Accumulated Other Comprehensive	
	Shares	Amount	Shares	Amount	Capital	Deficit	Income	Total
Balance, January 1, 2017	9,714,186	$2,233,182	-	$ -	$29,698,025	$(25,110,319)	$ -	$ 6,820,887
Issuance of shares for OneMain tender offer	3,039,880	3,040			3,550,580			3,553,620
Unrealized loss on marketable securities							(153,514)	(153,514)
Reclassified adjustment for loss on marketable securities to net loss							153,514	153,514
Buyback of shares	(458,973)	(459)			(286,945)			(287,404)
Issuance of Preferred Shares	-	-	1,292,089	1,292	1,290,797			1,292,089
Conversion of Preferred Shares to Common Shares	5,168,356	5,168	(1,292,089)	(1,292)	(3,876)			-
Common Stock Dividends					(173,605)			(173,605)
Net loss	-	-	-	-	-	(5,505,719)	-	(5,505,719)
Balance, December 31, 2017	17,463,449	$2,240,931	-	$ -	$34,074,976	$(30,616,038)	$ -	$ 5,699,869
Unrealized loss on marketable securities							(194)	(194)
Reclassified adjustment for loss on marketable securities to net loss							194	194
Issuance of Preferred Shares	-	-	360,000	360	359,640			360,000
Buyback of shares	(237,166)	(237)			(55,801)			(56,038)
Net loss	-	-	-	-	-	(1,826,896)	-	(1,826,896)
Balance, September 30, 2018	17,226,283	$2,240,694	360,000	$ 360	$34,378,814	$(32,442,934)	$ -	$ 4,176,934

See notes to condensed consolidated unaudited Financial Statements

MR. AMAZING LOANS CORPORATION
CONDENSED CONSOLIDATED UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017

	September 30, 2018	September 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (1,826,896)	$ (3,252,501)
Adjustments to reconcile net loss to net cash used in operating activities:		
Provision for credit losses	347,163	919,529
Adjustment of interest rate on book of loans	60,201	-
Depreciation and amortization	4,274	4,495
Loss on marketable securities sold	194	153,514
Changes in assets - (increase) decrease:		
Legal settlements and related fees	-	178,982
Other receivables	(1,540)	14,194
Prepaid expenses	1,156	(17,171)
Deposits	-	(5,794)
Changes in liabilities - increase (decrease):		
Accounts payable and accrued expenses	(707)	157,107
NET CASH USED IN OPERATING ACTIVITIES	(1,416,155)	(1,847,645)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Loans receivable originated	(710,000)	(1,140,000)
Loans receivable repaid	1,500,650	1,440,627
Purchase of marketable securities	(2,092)	-
Sale of marketable securities	1,898	3,400,106
NET CASH PROVIDED BY INVESTING ACTIVITIES	790,456	3,700,733
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments for buyback of common stock	(56,038)	(276,880)
Common stock dividends paid	-	(111,927)
Deposits on preferred shares to be issued	-	63,595
Proceeds from issuance of preferred stock	360,000	-
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	303,962	(325,212)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(321,737)	1,527,876
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	704,006	322,441
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 382,267	$ 1,850,317
Supplemental disclosures:		
Interest paid in cash	$ -	$ -
Income taxes paid in cash	$ -	$ -
Issuance of common stock for tender offer	$ -	$ 3,553,620

See notes to condensed consolidated unaudited Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

The quarterly report on Form 10-Q for the quarter ended September 30, 2018 should be read in conjunction with the financial statements for the year ended December 31, 2017 for Mr. Amazing Loans Corporation (the "Company," "we," "our," or "us"), contained in the Company's annual report on Form 10-K for the fiscal year ended December 31, 2017 as filed with the Securities and Exchange Commission (the "SEC") on March 29, 2018. As contemplated by the SEC under Article 8 of Regulation S-X, the accompanying financial statements and footnotes have been condensed and therefore do not contain all disclosures required by U.S. generally accepted accounting principles ("GAAP"). The interim financial data are unaudited, however, in the Company's opinion, the interim data includes all adjustments, consisting of only normal recurring adjustments, necessary for a fair statement of results for the interim periods. Results of interim periods are not necessarily indicative of those to be expected for the full year.

Nature of Business

The principal business activity of the Company is providing unsecured online consumer loans under the brand name "Mr. Amazing Loans" via the Company's website and online application portal at www.mramazingloans.com. The Company started its business and opened its first office in Las Vegas, Nevada in 2010. The Company currently offers $5,000 and $10,000 unsecured consumer loans that mature, unless prepaid, five years from the date they are issued. The Company is a direct lender with state licenses and/or certificates of authority in 20 states – Alabama, Arizona, California, Florida, Georgia, Illinois, Kentucky, Louisiana, Maryland, Missouri, Nevada, New Jersey, New Mexico, Ohio, Oregon, Pennsylvania, Texas, Utah, Virginia and Wisconsin. The Company originates direct consumer loans to residents of these states through its online application portal, with all loans originated, processed and serviced out of its centralized Las Vegas head office. In addition, on March 19, 2018 the Company formed a wholly-owned subsidiary, MRAL Blockchain, LLC ("MRAL Blockchain"), to explore the potential application of blockchain technology to our core consumer lending business.

Basis of Accounting

These consolidated financial statements include the operations of Mr. Amazing Loans Corporation and its wholly-owned subsidiaries, Investment Evolution Corporation ("IEC") and IEC SPV, LLC ("IEC SPV") and MRAL Blockchain and collectively with Mr. Amazing Loans Corporation, IEC, IEC SPV and MRAL Blockchain, the "Company". All inter-company transactions and balances have been eliminated in consolidation.

The Company's accounting and reporting policies are in accordance with GAAP and conform to general principles within the consumer finance industry.

The consolidated financial statements have been prepared in conformity with GAAP. The accompanying consolidated financial statements do not include any adjustments to reflect any possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities.

Liquidity

The principal conditions and events that raise substantial doubt about the Company's ability to meet its obligations as they come due are:

(i) the Company has reported recurring losses, and
(ii) the Company has not yet generated positive net cash flows from operations.

Management has evaluated their plans for the next 12 months and as a result of the plans, the Company believes that it can meet all its obligations at least through November 2019. Management's plans include a significant reduction in consulting and professional fees due to limited new capital raising costs expected over the next 12 months and a significant reduction in tender offer costs due to no planned future tender offers in 2018 or 2019. In addition, significant core operating costs have been cut from the Company starting in 2016 including reducing the number of employees from 12 to 4 due to increased automation of loan origination processes and reducing the number of office leases from 4 to 1 as old leases expired. The Company also entered into the 2018 Consulting Contract with Mr. Mathieson, which significantly reduces the Chief Executive Officer consulting expense by more than 50% percent, compared to the Chief Executive Officer consulting expense for the first half of 2018, beginning July 1, 2018. Management has been utilizing the cash flow from loan repayments for working capital needs and plans to continue to do so, until funding under our new loan facility from a related party is received. See Note 5 for details. This will provide sufficient cash flow through at least November 2019. The Board of Directors approved a stock repurchase program in 2017 that expires December 31, 2018. However, management does not intend to repurchase a significant number of shares under the stock repurchase program.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures. Management uses its historical records and knowledge of its business in making these estimates. Accordingly, actual results may differ from these estimates.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Company considers cash equivalents to include short-term, highly liquid investments with an original maturity of three months or less.

Loans Receivable and Interest Income

The Company offers its loans at or below the prevailing statutory rates. Loans are carried at the unpaid principal amount outstanding, net of an allowance for credit losses.

The Company calculates interest revenue using the interest yield method. Charges for late payments are credited to income when collected.

Accrual of interest income on loans receivable is suspended when no payment has been received on account for 91 days or more on a contractual basis, at which time a loan is considered delinquent. Payments received on nonaccrual financing loans are first applied to the unpaid accrued interest and then principal. Loans are returned to active status and accrual of interest income is resumed when all of the principal and interest amounts contractually due are brought current; at which time management believes future payments are reasonably assured. At September 30, 2018, 64 loans, with a total balance of $267,741, were delinquent or in default.

Allowance for Credit Losses

The Company maintains an allowance for credit losses due to the fact that it is probable that a portion of the loans receivable will not be collected. The allowance is estimated by management based on various factors, including specific circumstances of the individual loans, management's knowledge of the industry, and the experience and trends of other companies in the same industry.

Our portfolio of loans receivable consists of a large number of relatively small, homogenous accounts. The allowance for credit losses is determined using a systematic methodology, based on a combination of historical bad debt of comparable companies. Impaired loans are considered separately and 100% charged off.

The allowance for credit losses is primarily based upon models that analyze specific portfolio statistics and also reflect, management's judgment regarding overall accuracy. We take into account several relevant internal and external factors that affect loan receivable collectability, including the customer's transaction history, specifically the timeliness of customer payments, the remaining contractual term of the loan, the outstanding balance of the loan, historical loan receivable charge-offs, our current collection patterns and economic trends.

Impaired Loans

The Company assesses loans for impairment individually when a loan is 91 days past due. The Company defines impaired loans as bankrupt accounts and accounts that are 184 days or more past due. In accordance with the Company's charge-off policy, once a loan is deemed uncollectible, 100% of the remaining balance is charged-off. Loans can also be charged off when deemed uncollectible due to consumer specific circumstances.

The Company does not accrue interest on impaired loans and any recoveries of impaired loans are recorded to other revenue. Changes in the allowance for credit losses are recorded as operating expenses in the accompanying statement of operations.

Property and Equipment

Property and equipment are stated at cost. Depreciation and amortization are being provided using the straight-line method over the estimated useful lives of the assets as follows:

Classification	Life
Computer equipment	5 years
Furniture and fixtures	5-8 years

The Company amortizes its leasehold improvements over the shorter of their economic lives, which are generally five years, or the lease term that considers renewal periods that are reasonably assured. Expenses for repairs and maintenance are charged to expense as incurred, while renewals and betterments are capitalized. When assets are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in the consolidated statement of operations.

Operating Lease

The Company's office lease for 3960 Howard Hughes Parkway, Suite 490, Las Vegas, NV 89169 expires (unless renewed) on September 30, 2020.

Income Taxes

We account for income taxes using the liability method in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 740 "Income Taxes". To date, no current income tax liability has been recorded due to our accumulated net losses. Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of assets and liabilities and the amounts that are reported in the income tax returns. Our net deferred income tax assets have been fully reserved by a valuation allowance due to the uncertainty of our ability to realize future taxable income and to recover our net deferred income tax assets.

Earnings and Loss per Share

The Company computes net earnings (loss) per share in accordance with ASC 260-10 that establishes standards for computing and presenting net earnings (loss) per shares. Basic earnings (loss) per share are computed by dividing net income (loss) attributed to common shareholders by the weighted average number of common shares outstanding during the period. Diluted earnings per share is computed similar to basic earnings per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares, if any, had been issued and if the additional common shares were dilutive.

Fair Value of Financial Instruments

The Company has adopted guidance issued by the FASB that defines fair value, establishes a framework for measuring fair value in accordance with existing GAAP, and expands disclosures about fair value measurements. Assets and liabilities recorded at fair value in the consolidated balance sheets are categorized based upon the level of judgment associated with the inputs used to measure their fair value. The categories are as follows:

- Level I – Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
- Level II – Inputs, other than quoted prices included in Level I that are observable for the asset or liability through corroboration with market data at the measurement date.
- Level III – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

The following table summarizes fair value measurements by level at September 30, 2018 for assets and liabilities measured at fair value on a recurring basis:

	Level I	Level II	Level III	Total
Cash	$ 382,267	-	-	$ 382,267
Loans receivable, net	$ -	-	3,730,691	$ 3,730,691

The following table summarizes fair value measurements by level at December 31, 2017 for assets and liabilities measured at fair value on a recurring basis:

	Level I	Level II	Level III	Total
Cash	$ 704,006	-	-	$ 704,006
Loans receivable, net	$ -	-	4,928,704	$ 4,928,704

Loans receivable are carried net of the allowance for credit losses, which is estimated by applying historical loss rates of our portfolio and of other companies' portfolios in the same industry with recent default trends to the gross loans receivable balance. The unobservable inputs used to calculate the fair value of these loans include historical loss rates, recent default trends and estimated remaining loan terms. Therefore, the carrying value of the loans receivable approximates the fair value.

Carrying amounts reported in the consolidated balance sheets for other receivables, accounts payable, and accrued expenses approximate fair value because of their immediate or short-term nature. The fair value of borrowings is not considered to be significantly different than its carrying amount because the stated rates for such debt reflect current market rates and conditions.

Marketable Securities

On January 2, 2018, we purchased 500 shares of the common stock of Lending Club Corporation ("Lending Club") for $2,092. The security was classified as available-for-sale and had an unrealized loss of $194 prior to the sale. On March 19, 2018, we sold 500 shares of Lending Club's common stock for $1,898. At September 30, 2018 the marketable securities balance was $0.

On June 16, 2017, we closed our tender offer to purchase shares of the common stock of OneMain Holdings, Inc. ("OneMain"), pursuant to which we acquired 151,994 shares of the common stock of OneMain (the cost of which was valued at an aggregate of $3.55 million based on the closing price of the shares of OneMain's common stock of $23.38 on June 15, 2017) in exchange for 3,039,880 shares of the Company's common stock. The security was classified as available-for-sale and had an unrealized loss of $153,514 prior to the sale. On June 22, 2017, we sold 100% of the 151,994 shares of OneMain's common stock in exchange for $3.4 million in cash.

Loss on Sale of Marketable Securities

The Company sold securities classified as available for sale for net proceeds of $1,898 resulting in a loss on sale totaling $194 during the nine months ended September 30, 2018. The Company sold securities classified as available for sale for net proceeds of $3,400,106 resulting in a loss on sale totaling $153,514 during the twelve months ended December 31, 2017.

Legal Settlement and Related Fees

From time to time, the Company may be involved in legal proceedings in the normal course of its business. The Company incurred one-off legal settlements and related fees of $628,376 during the year ended December 31, 2017. Of this amount, $178,982 was in the form of reductions to outstanding loan principal. These settlements related to an action by the State of Virginia under the Virginia consumer lending program and a separate action by an individual customer. In addition, as part of the settlements, the annual interest rate on all loans originated in Virginia have been reduced to 12% APR. As of September 30, 2018, there are $56,574 in outstanding loans that originated in Virginia, which mature between February 2020 and February 2022. The Company is not involved in any material legal proceedings at the present time.

Other Comprehensive Income

The Company's other comprehensive income consists of unrealized gains (losses) on securities classified as available for sale that are recorded as an element of shareholder's equity but are excluded from net income.

Recent Accounting Pronouncements

Recently Issued or Newly Adopted Accounting Standards

In May 2014, the FASB issued Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers*. The standard will eliminate the transaction and industry specific revenue recognition guidance under current GAAP and replace it with a principles based approach for determining revenue recognition. ASU 2014-09 is effective for annual and interim periods beginning after December 15, 2017. Early adoption is not permitted. The revenue recognition standard is required to be applied retrospectively, including any combination of practical expedients as allowed in the standard. In April 2016, the FASB issued ASU 2016-10, *Revenue from Contracts with Customers (Topic 606)*, which amends certain aspects of the Board's new revenue standard, ASU 2014-09, Revenue from Contracts with Customers. The standard should be adopted concurrently with adoption of ASU 2014-09 which is effective for annual and interim periods beginning after December 15, 2017. Early adoption is permitted. As we adopted these standards effective January 1, 2018, adoption of these changes has no impact on the consolidated financial statements.

In November 2015, the FASB issued ASU No. 2015-17, *Income Taxes* (Topic 740). The amendments in ASU 2015-17 change the requirements for the classification of deferred taxes on the balance sheet. Currently, GAAP requires an entity to separate deferred income tax liabilities and assets into current and noncurrent amounts in a classified statement of financial position. To simplify the presentation of deferred income taxes, the amendments in this ASU require that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. The pronouncement became effective for the 2017 fiscal year. Adoption of these changes had no material impact on the consolidated financial statements.

In January 2016, the FASB issued ASU 2016-01, *Financial Instruments – Overall* (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities. The update intends to enhance the reporting model for financial instruments to provide users of financial statements with more decision-useful information and addresses certain aspects of the recognition, measurement, presentation, and disclosure of financial instruments. The new standard affects all entities that hold financial assets or owe financial liabilities. For public business entities, the amendments in this update are effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. Management is evaluating the impact of the adoption of these changes will have on the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842),* which supersedes existing guidance on accounting for leases in "Leases (Topic 840)" and generally requires all leases to be recognized in the consolidated balance sheet. ASU 2016-02 is effective for annual and interim reporting periods beginning after December 15, 2018; early adoption is permitted. The provisions of ASU 2016-02 are to be applied using a modified retrospective approach. The Company is currently evaluating the impact of the adoption of this standard on its consolidated financial statements.

In July 2018, the FASB issued ASU No. 2018-10, *Codification Improvements to Topic 842, Leases*. The amendments in this Update affect the amendments in Update 2016-02, which are not yet effective, but for which early adoption upon issuance is permitted. For entities that early adopted Topic 842, the amendments are effective upon issuance of this Update, and the transition requirements are the same as those in Topic 842. For entities that have not adopted Topic 842, the effective date and transition requirements will be the same as the effective date and transition requirements in Topic 842. The Company has not yet selected a transition method nor has it determined the effect of the standard on its ongoing financial reporting.

2. LOANS RECEIVABLE

Loans receivable consisted of the following at September 30, 2018 and December 31, 2017:

	September 30, 2018		December 31, 2017	
Loans receivable	$	4,663,363	$	6,160,881
Allowance for credit losses	$	(932,672)	$	(1,232,177)
Loans receivable, net	$	3,730,691	$	4,928,704

A reconciliation of the allowance for credit losses consist of the following at September 30, 2018 and December 31, 2017:

	September 30, 2018		December 31, 2017	
Beginning balance, January 1	$	1,232,177	$	1,212,441
Provision for credit losses	$	347,163	$	1,494,843
Loans charged off	$	(646,668)	$	(1,475,107)
Ending balance	$	932,672	$	1,232,177
Basis of assessment:				
Individually	$	-	$	-
Collectively	$	932,672	$	1,232,177

The following is an age analysis of past due receivables as of September 30, 2018 and December 31, 2017:

	31-60 Days Past Due	61-90 Days Past Due	Greater than 90 Days	Total Past Due	Current	Total Financing Receivables	Recorded Investment > 90 Days and not Accruing
September 30, 2018	$ 120,942	$ 95,047	$ 267,741	$ 483.730	$ 4,179,633	$ 4,663,363	$ 267,741
December 31, 2017	$ 157,988	$ 84,640	$ 327,705	$ 570,334	$ 5,590,547	$ 6,160,881	$ 327,705

The Company's primary credit quality indicator is the customer's Vantage model 1.0 credit score as determined by Experian on the date of loan origination. The Company does not update the customer's credit profile during the contractual term of the loan.

The following is a summary of the loan receivable balance as of September 30, 2018 and December 31, 2017 by credit quality indicator:

Credit Score	September 30, 2018	December 31, 2017
550-575	$ 2,444	$ 12,911
576-600	$ 54,681	$ 86,883
601-650	$ 2,282,906	$ 2,992,076
651-700	$ 1,748,596	$ 2,326,006
701-750	$ 403,819	$ 543,433
751-800	$ 117,445	$ 152,042
801-850	$ 37,826	$ 34,607
851-900	$ 15,646	$ 12,923
	$ 4,663,363	$ 6,160,881

3. PROPERTY AND EQUIPMENT

At September 30, 2018 and December 31, 2017, property and equipment consisted of the following:

	September 30, 2018	December 31, 2017
Computer equipment	$ 99,556	$ 99,556
Furniture and fixtures	21,303	21,303
Leasehold improvements	2,000	2,000
	$ 122,859	$ 122,859
Less accumulated depreciation and amortization	113,757	109,483
Total	$ 9,102	$ 13,376

Depreciation of property and equipment amounted to $4,274 and $4,495 during the nine months ended September 30, 2018 and 2017, respectively. Depreciation of property and equipment amounted to $1,425 and $1,451 during the three months ended September 30, 2018 and 2017, respectively. Depreciation costs are included in the accompanying statements of operations in operating expenses.

4. SENIOR DEBT

We previously had a credit facility in the form of a line of credit with BFG Investment Holdings, LLC ("BFG") in the amount of $10,000,000 pursuant to a Loan and Security Agreement, as amended (the "BFG Loan Agreement"), among BFG and certain of our wholly-owned subsidiaries. In connection with the BFG Loan Agreement, IEC SPV and certain of our other wholly-owned subsidiaries entered into a profit-sharing agreement with BFG pursuant to which IEC SPV is required to pay BFG 20% of its net profit ("Net Profit") for a period beginning on June 11, 2012 and ending 10 years from the date the BFG Loan Agreement is repaid in full. Net Profit is defined in the profit sharing agreement as gross revenue less (i) interest paid on the loan, (ii) payments on any other debt incurred as a result of refinancing the loan through a third party, as provided in the BFG Loan Agreement, (iii) any costs, fees or commissions paid on account of the loan (including loan servicing fees of 0.5% on eligible consumer loans receivable), and (iv) charge-offs to bad debt resulting from consumer loans. All of IEC SPV's loans receivable as of September 30, 2018 were pledged as collateral for fulfillment of the Net Profit interest due.

Effective as of July 15, 2015, BFG converted the credit facility from a revolving facility to a term loan and on August 21, 2015, we, through certain of our wholly-owned subsidiaries, repaid the entire balance of principal and accrued interest under the BFG Loan Agreement. There is currently no outstanding balance under the BFG Loan Agreement, but IEC SPV will be required to pay 20% of its Net Profit to BFG until August 21, 2025 (10 years from August 21, 2015) or until we pay BFG $3,000,000 to terminate the profit-sharing agreement. Net Profit for the nine months ended September 30, 2018 and 2017 was calculated at $14,241 and $0, respectively.

On June 8, 2018, MRAL Blockchain, a wholly owned subsidiary of the Company, entered into a Loan Agreement (the “IEC Ltd. Loan Agreement”) with Investment Evolution Coin Ltd. (“IEC Ltd.”). Mr. Mathieson, the Company’s President, Chief Executive Officer, Chief Financial Officer and sole director, and a significant stockholder of the Company, is IEC Ltd.’s majority stockholder, Chief Executive Officer and sole director. IEC Ltd. is wholly owned by certain Company stockholders, including Mr. Mathieson. Pursuant to the IEC Ltd. Loan Agreement, IEC Ltd. agreed to loan to MRAL Blockchain up to $20,000,000, as requested from time to time by MRAL Blockchain pursuant to one or more drawdown notices. Any amounts borrowed under the IEC Ltd. Loan Agreement are subject to a 12% per annum interest rate, and must be repaid by June 7, 2023. The outstanding balance of the loan facility at September 30, 2018 is $0.

5. STOCKHOLDERS’ EQUITY

As of September 30, 2018, the aggregate number of shares which the Company had the authority to issue is 350,000,000 shares, of which 300,000,000 shares are common stock, par value $0.001 per share, and 50,000,000 shares are preferred stock, par value $0.001 per shares. At September 30, 2018, the Company had 17,226,283 shares of common stock and 360,000 shares of Series H preferred stock issued and outstanding. The Company’s Board of Directors is authorized at any time, and from time to time, to provide for the issuance of preferred stock in one or more series, and to determine the designations, preferences, limitations and relative or other rights of the preferred stock or any series thereof.

In January 2017, the Company’s Board of Directors approved a stock repurchase program pursuant to which the Company may purchase on the open market and at prevailing prices outstanding shares of the Company’s common stock with an aggregate value of up to $2,000,000. During the nine months ended September 30, 2018, the Company purchased an aggregate of 237,166 shares under the stock repurchase program for an aggregate purchase price of $56,038 and cancelled the 237,166 shares. During the year ended December 31, 2017, the Company purchased an aggregate of 458,973 shares under the stock repurchase program for an aggregate purchase price of $287,404 and cancelled the 458,973 shares. On October 30, 2017, our Board of Directors authorized the extension of the stock repurchase program from December 31, 2017 to December 31, 2018 under the same terms. Management does not intend to repurchase a significant number of shares pursuant to the stock repurchase program.

Common Stock Dividends

Historically, prior to 2017, we have not paid any cash dividends on our common stock. In May 2017, we announced the declaration of a cash dividend of $0.005 per common share for the first quarter of 2017. The dividend was paid on August 21, 2017 to stockholders of record at the close of business on June 5, 2017. In August 2017, we announced the declaration of a cash dividend of $0.005 per common share for the second quarter of 2017. The dividend was paid on August 21, 2017 to stockholders of record at the close of business on August 11, 2017. In October 2017, our Board of Directors declared a cash dividend of $0.005 per common share for the third quarter of 2017 payable on November 20, 2017 to stockholders of record at the close of business on November 11, 2017. Future dividends, if any, will be determined and paid annually instead of quarterly going forward in November each year as the administrative and transfer agent costs and banking currency conversion fees for our predominately international shareholders results in quarterly dividend costs being prohibitive. Payment of future dividends on our common stock, if any, will be at the discretion of our board of directors and will depend on, among other things, our results of operations, cash requirements and surplus, financial condition, contractual restrictions and other factors that our board of directors may deem relevant. We may determine to retain future earnings, if any, for reinvestment in the development and expansion of our business.

Series H Preferred Stock

During the nine months ended September 30, 2018 and year ended December 31, 2017, the Company issued 360,000 and 1,292,089 of Series H convertible preferred stock, respectively, with a par value of $0.001 per share. At September 30, 2018, 360,000 shares of Series H convertible preferred stock were outstanding. On December 31, 2017, 1,292,089 Series H preferred shares outstanding on issue converted into 5,168,356 common shares.

Description of Series H Preferred Stock

Our amended and restated articles of incorporation, as amended, authorize 10,000,000 shares of Series H preferred stock, of which 360,000 shares are outstanding as of June 30, 2018. There are no sinking fund provisions applicable to our Series H preferred stock.

Ranking. The Series H preferred stock ranks *pari passu* with any other series of preferred stock subsequently designated by the Company and not designated as senior securities or subordinate to the Series H preferred stock.

Liquidation Preference. In the event of a liquidation or winding up of the Company, a holder of Series H preferred stock will be entitled to receive $1.00 per share of Series H preferred stock.

Dividends. The Series H Preferred Stock is not entitled to receive dividends.

Voting. The holders of the Series H preferred stock have 50 votes per share of Series H preferred stock held. The holders of Series H preferred stock vote together with the holders of the outstanding shares of all other capital stock of the Company, and not as a separate class, series or voting group.

Redemption and Call Rights. The Series H preferred stock have no redemption or call rights.

Conversion. Holders of Series H preferred stock have the following rights with respect to the conversion of Series H preferred stock into shares of the Company's common stock:

● At any time after June 6, 2018, and upon notice provided by the holder to the Company, a holder shall have the right to convert, at face value per share, all or any portion of their Series H preferred stock into shares of the Company's common stock on the basis of 50 shares of common stock for each share of Series H preferred stock so converted (the "Conversion Ratio").

● If at any time after the date of issuance of the Series H preferred stock, in the event the Company shall (i) make or issue a dividend or other distribution payable in common stock (other than with respect to the Series H preferred stock); (ii) subdivide outstanding shares of common stock into a larger number of shares; or (iii) combine outstanding shares of common stock into a smaller number of shares, the Conversion Ratio shall be adjusted appropriately by the Company's Board of Directors.

● If the common stock issuable upon the conversion of the Series H preferred stock shall be changed into the same or different number of shares of any class or classes of stock, whether by capital reorganization, reclassification or otherwise (other than a subdivision or combination of shares or stock dividend provided for elsewhere in the certificate of designations), then in each such event, the holder of each share of Series H preferred stock shall have the right thereafter to convert such share into the kind and amount of shares of stock and other securities and property receivable upon such capital reorganization, reclassification or other change by holders of the number of shares of common stock into which such shares of Series H preferred stock might have been converted immediately prior to such capital reorganization, reclassification or other change.

● In each case of an adjustment or readjustment of the conversion ratio, the Company, at its expense, will seek to furnish each holder of Series H preferred stock with a certificate, showing such adjustment or readjustment, and stating in detail the facts upon which such adjustment or readjustment is based.

● Promptly after the Company's receipt of a conversion notice, and upon surrender of the Series H preferred stock certificate for cancellation, the Company shall deliver to the holder a certificate representing the number of the Company's shares of common stock into which such Series H preferred stock is converted. No fractional shares shall be issued, and, in lieu of any such fractional securities, each holder of Series H preferred stock who will otherwise be entitled to a fraction of a share upon surrender shall receive the next highest whole share.

6. CONCENTRATION OF CREDIT RISK

The Company's portfolio of finance receivables is with consumers living throughout Alabama, Arizona, California, Florida, Georgia, Illinois, Kentucky, Louisiana, Maryland, Missouri, Nevada, New Jersey, New Mexico, Ohio, Oregon, Pennsylvania, Texas, Utah, Virginia and Wisconsin and consequently, such consumers' ability to honor their installment contracts may be affected by economic conditions in these areas.

The Company maintains cash at financial institutions which may, at times, exceed federally insured limits.

At September 30, 2018, the Company had cash and cash equivalents exceeding insured limits by $38,867.

7. COMMITMENTS AND CONTINGENCIES

Operating Leases

The Company entered into a new non-cancelable operating lease on August 1, 2017, with a term commencing on September 19, 2017 and expiring on September 30, 2020, for an office property located at 3960 Howard Hughes Parkway, Las Vegas. The Company relocated its principal offices from the property located at 6160 West Tropicana Avenue, Las Vegas office in September 2017. Monthly rental payments under the new operating lease are $5,794, and the Company is responsible for its pro rata shares of operating expenses and property taxes. Total rent expense for the nine months ended September 30, 2018 and 2017 was $47,477 and $52,715 respectively. Total rent expense for the three months ended September 30, 2018 and 2017 was $11,761 and $23,826 respectively.

Set forth below is information regarding the Company's future minimum rental payment as of September 30, 2018. Such payments relate to the Company's Las Vegas, NV lease.

12 Months Ending September 30, 2019	12 Months Ending September, 2020	Thereafter	Total
$ 69,528	$ 69,528	$ -	$ 139,056

Legal Matters

From time to time, the Company may be involved in legal proceedings in the normal course of its business. The Company incurred one-off legal settlements and related fees of $628,376 during the year ended December 31, 2017. Of this amount, $178,982 was in the form of reductions to outstanding loan principal. These settlements related to an action by the State of Virginia under the Virginia consumer lending program and a separate action by an individual customer. In addition, as part of the settlements, the annual interest rate on all loans originated in Virginia have been reduced to 12% APR. As of September 30, 2018, there are $56,574 in outstanding loans that originated in Virginia, which mature between February 2020 and February 2022. The Company is not involved in any material legal proceedings at the present time.

Professional Consulting Contract

On July 1, 2017, the Company and Mr. Mathieson, the Company's President, Chief Executive Officer, Chief Financial Officer and sole member of our Board of Directors, and a significant stockholder of the Company, agreed to terminate, effective July 1, 2017, the consulting contract dated January 1, 2017 between Mr. Mathieson and the Company (the "January 2017 Consulting Contract") pursuant to which the Company was required to pay Mr. Mathieson $1 annually in exchange for certain consulting services. Concurrently with the termination of the January 2017 Consulting Contract, IEC and Mr. Mathieson entered into a new professional consulting contract, effective as of July 1, 2017 (the "July 2017 Consulting Contract"). Pursuant to the terms of the 2017 Consulting Contract, Mr. Mathieson agreed to provide regulatory and management consulting services as requested by the Company and/or IEC. The July 2017 Consulting Contract had a term of 1.5 years and renewed automatically for successive one-year periods unless notice of termination was provided 30 days prior to the automatic renewal date. In exchange for the services provided to the Company and/or IEC by Mr. Mathieson, IEC agreed to pay him $1,200,000 annually in quarterly payments of $300,000 due in advance each quarter and to provide health insurance benefits as well as a discretionary bonus to be determined by the Company's Board of Directors, which consists solely of Mr. Mathieson.

On March 22, 2018, we entered into a new professional consulting contract with Mr. Mathieson (the "2018 Consulting Contract") and terminated the July 2017 Consulting Contract. Pursuant to the terms of the 2018 Consulting Contract, Mr. Mathieson agreed to provide regulatory and management consulting services as requested by the Company and/or IEC, including the hiring and compensation of IEC personnel, interaction with third party service providers and vendors and, as requested by the Company, other activities that are designed to assist IEC in conducting business. The term of the 2018 Consulting Contract began as of July 1, 2018 and continues indefinitely unless three months' written notice of termination is provided by either party.

Pursuant to the terms of the 2018 Consulting Contract, in exchange for Mr. Mathieson's services, the Company agreed to pay Mr. Mathieson an annual base salary of $600,000. Pursuant to the terms of the 2018 Consulting Contract, no bonus is to be paid to Mr. Mathieson by the Company. Pursuant to the terms of the 2018 Consulting Contract, fees are to be paid quarterly in advance on July 1st, October 1st, January 1st and April 1st beginning on July 1, 2018. Unlike in prior years, the Company will not pay Mr. Mathieson's health insurance premiums or any bonuses. Mr. Mathieson will also receive reimbursement for all reasonable expenses incurred for the benefit of IEC, including but not limited to travel expenses for him and his entourage, hotel expenses, communication, security and entertainment expenses.

Pursuant to the July 2017 and 2018 Consulting Contracts, the Company paid Mr. Mathieson $750,000 in cash and $0 in health insurance premiums and costs for the nine months ended September 30, 2018. Pursuant to the January 2017 and July 2017 Consulting Contracts, the Company paid Mr. Mathieson $300,000 in cash and $0 in health insurance premiums and costs for the nine months ended September 30, 2017.

Regulatory Requirements

State statutes authorizing the Company's products and services typically provide state agencies that regulate banks and financial institutions with significant regulatory powers to administer and enforce the law. Under statutory authority, state regulators have broad discretionary power and may impose new licensing requirements, interpret or enforce existing regulatory requirements in different ways, or issue new administrative rules. In addition, when the staff of state regulatory bodies change, it is possible that the interpretations of applicable laws and regulations may also change.

Net Profit Interest

The Company has a net profit interest agreement with a third party lender, under which the Company pays 20% of its subsidiary IEC SPV's net profit to the lender (see note 4).

8. RELATED PARTY TRANSACTIONS

Chief Executive Officer

During the nine months ended September 30, 2018 and nine months ended September 30, 2017, the Company incurred compensation expense to Mr. Mathieson, the Company's President, Chief Executive Officer, Chief Financial Officer and sole director, and a significant stockholder of the Company under professional consulting contracts of $750,000 and $300,000 respectively. During the nine months ended September 30, 2018 and September 30, 2017, the Company paid in cash common share dividends in the amount of $0 and $69,000, respectively, for our Chief Executive Officer. During the three months ended September 30, 2018 and three months ended September 30, 2017, the Company incurred compensation expense to our Chief Executive Officer under the professional consulting contracts of $150,000 and $300,000, respectively.

Chief Operating Officer

During the nine months ended September 30, 2018 and nine months ended September 30, 2017, the Company incurred compensation expense to our Chief Operating Officer of $168,077 and $172,500, respectively. During the nine months ended September 30, 2018 and September 30, 2017, the Company paid in cash common share dividends in the amount of $0 and $20, respectively, for our Chief Operating Officer. During the three months ended September 30, 2018 and three months ended September 30, 2017, the Company incurred compensation expense to our Chief Operating Officer of $53,077 and $57,500, respectively.

Issuance of Series H Preferred Stock

On June 8, 2018, the Company issued 360,000 shares of the Company's Series H preferred stock at a price of $1.00 per share to IEC Ltd. for an aggregate purchase price of $360,000. Mr. Mathieson, the Company's President, Chief Executive Officer, Chief Financial Officer and sole director, and a significant stockholder of the Company, is IEC Ltd.'s majority stockholder, Chief Executive Officer and sole director. IEC Ltd. is wholly owned by certain Company stockholders, including Mr. Mathieson.

IEC Ltd. Loan Agreement

On June 8, 2018, MRAL Blockchain entered into the IEC Ltd. Loan Agreement with IEC Ltd. Mr. Mathieson, the Company's President, Chief Executive Officer, Chief Financial Officer and sole director, and a significant stockholder of the Company, is IEC Ltd.'s majority stockholder, Chief Executive Officer and sole director. IEC Ltd. is wholly owned by certain Company stockholders, including Mr. Mathieson.

Pursuant to the IEC Ltd. Loan Agreement, IEC Ltd. agreed to loan to MRAL Blockchain up to $20,000,000, as requested from time to time by MRAL Blockchain pursuant to one or more drawdown notices. Any amounts borrowed under the IEC Ltd. Loan Agreement are subject to a 12% per annum interest rate, and must be repaid by June 7, 2023.

MRAL Blockchain may cancel the loan offered pursuant to the IEC Ltd. Loan Agreement at any time by written notice to IEC Ltd. If MRAL Blockchain cancels the loan in this manner, MRAL Blockchain must repay any outstanding principal and interest due under the IEC Ltd. Loan Agreement on the cancellation date.

Each of the following events is deemed to be an event of default under the IEC Ltd. Loan Agreement:

a) A default under the IEC Ltd. Loan Agreement,
b) Execution of a court's or other authority's order permitting seizure of any of MRAL Blockchain's assets
c) The IEC Ltd. Loan Agreement is terminated or liable to be terminated or is or becomes void, voidable, illegal, invalid or otherwise unenforceable, or, in the reasonable opinion of IEC Ltd. is likely to become void, voidable, illegal, invalid or otherwise unenforceable,
d) In the reasonable opinion of IEC Ltd., if there has been a material adverse change in the financial position of MRAL Blockchain, or IEC Ltd.'s security for the loan is materially diminished or is in jeopardy,
e) If a liquidator, provisional liquidator, official manager or a receiver or a receiver and manager is appointed for any of the assets of MRAL Blockchain, or if any event or circumstance occurs whereby, in the reasonable opinion of IEC Ltd., any of the foregoing could or is likely to occur,
f) In the reasonable opinion of IEC Ltd., MRAL Blockchain is unable to pay its debts from its own money as they fall due,
g) If a judgment for an amount of the lesser of $50,000 or 10% of the loan is signed or entered against MRAL Blockchain and remains unsatisfied or is not appealed against for a period of seven days, and
h) If any representation or warranty made by MRAL Blockchain proves to be materially incorrect.

If an event of default occurs, the loan will, at the option of IEC Ltd., become and be payable to and recoverable by IEC Ltd. immediately.

As at September 30, 2018, none of the facility has been drawn down under the IEC Ltd. Loan Agreement.

9. SUBSEQUENT EVENTS

None.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

We are a consumer finance company providing responsible online personal loan products under the brand name "Mr. Amazing Loans" to customers in 20 states via our website and online application portal. We provide unsecured personal consumer loans to individuals in amounts of $5,000 and $10,000. Each of our online personal loans carries a fixed APR in the range of 12.0% to 29.9%, is unsecured, and has a non-revolving term of five-years. We originate, process and service all of our personal loans centrally from our Las Vegas head office and have an 8-year track record of origination, underwriting and servicing personal loans to underbanked consumers. Our customers are primarily non-prime consumers who we believe have limited access to credit from banks and credit card companies. We leverage our experience and knowledge in the consumer finance industry to generate revenue from the interest earned on our portfolio of personal loans.

In this quarterly report on Form 10-Q, we refer to Mr. Amazing Loans Corporation, collectively with its wholly owned subsidiaries, Investment Evolution Corporation ("IEC"), IEC SPV, LLC ("IEC SPV") and MRAL Blockchain, LLC ("MRAL Blockchain"), as the "Company." References to "we" and "our" mean the Company, including its wholly owned subsidiaries, and its predecessors, collectively, unless the context otherwise requires or where otherwise indicated.

We have a history of reporting recurring losses and have not generated positive net cash flows from operations. During 2018 and 2017, we completed private placements of our preferred stock in exchange for which we received an aggregate of approximately $1.66 million, which we used to finance our operations and offer personal loans to our customers. We also received $3.4 million in connection with our tender offer to purchase shares of the common stock of OneMain Holdings, Inc. ("OneMain") in June 2017 and the subsequent sale of the OneMain shares we acquired as a result of that tender offer.

As at September 30, 2018, we had 1,363 loans issued and outstanding to our customers, with an aggregate amount of $4,663,363. The table below sets forth the payment status of the loans in our portfolio as of September 30, 2018.

Portfolio Ledger Stratification as at September 30, 2018

	Current Unpaid Principal Balance	%
0 - 30 days	$ 4,179,633	89.6%
31 - 60 days	120,942	2.6%
61 - 90 days	95,047	2.0%
91 - 120 days	85,593	1.8%
121 - 184 days	182,148	3.9%
Total	$ 4,663,363	100.0%

At September 30, 2018, we had 64 loans delinquent or in default (defined as 91+ days past due) representing 4.8% of the number of loans in our active portfolio. Loans typically become eligible for the lender to take legal action at 60 days past due.

We operate in the consumer loans business segment.

Recent Developments

2018 Lending Club Tender Offer

On January 5, 2018, we launched an offer to exchange 13 shares of the Company's common stock for each share of common stock of Lending Club Corporation ("Lending Club"), up to an aggregate of 20,701,999 shares of Lending Club common stock, representing approximately 4.99% of Lending Club's outstanding shares as of October 31, 2017, validly tendered and not properly withdrawn in the offer (the "2018 Lending Club Tender Offer"). On February 20, 2018, we terminated and withdrew the 2018 Lending Club Tender Offer due to a comment that we received from the Securities and Exchange Commission (the "SEC") raising a concern that the 2018 Lending Club Tender Offer was improperly commenced. Any shares that were tendered by Lending Club stockholders were not accepted by us and were promptly returned to the relevant stockholders.

Formation of MRAL Blockchain

On March 19, 2018, the Company formed a wholly owned subsidiary, MRAL Blockchain, to explore the potential application of blockchain technology to our core consumer lending business.

Corporate Name Change to Mr. Amazing Loans Corporation

On March 26, 2018, we filed articles of amendment (the "Amendment") to our amended and restated articles of incorporation, as amended (the "Articles") with the Florida Secretary of State. The Amendment had the effect of changing our corporate name from IEG Holdings Corporation to Mr. Amazing Loans Corporation, in order to align our consumer brand (Mr. Amazing Loans) with our corporate name. The Amendment was approved by Mr. Mathieson, our President, Chief Executive Officer, Chief Financial Officer and sole director, and a significant stockholder of the Company, and by holders of a majority of the voting power of our voting stock. The Amendment and the corporate name change became effective on April 30, 2018.

Mathieson 2018 Consulting Contract

On March 22, 2018, we entered into a new professional consulting contract with Mr. Mathieson (the "2018 Consulting Contract") and terminated the Professional Consulting Contract dated July 1, 2017 between Mr. Mathieson and the Company. Pursuant to the terms of the 2018 Consulting Contract, Mr. Mathieson agreed to provide regulatory and management consulting services as requested by Mr. Amazing Loans and/or IEC, including the hiring and compensation of IEC personnel, interaction with third party service providers and vendors and, as requested by Mr. Amazing Loans, other activities that are designed to assist IEC in conducting business. The term of the 2018 Consulting Contract began as of July 1, 2018 continues indefinitely unless three months' written notice of termination is provided by either party.

Amendment of Series H Preferred Stock

Effective June 8, 2018, the Company filed articles of amendment (the "Amendment") to its amended and restated articles of incorporation, as amended. The Amendment has the effect of revising the terms of the Series H preferred stock to:

(1) Provide that the Series H preferred stock will have voting rights, at the rate of 50 votes per share of Series H preferred stock, voting together with the holders of the outstanding shares of all other capital stock of the Company, and not as a separate class;

(2) Provide that at any time after June 6, 2018, and upon notice to the Company, the holder of Series H preferred stock may convert all or a portion of their shares of Series H preferred stock into shares of the Company's common stock on the basis of 50 shares of common stock for each share of Series H preferred stock converted.

The Amendment was approved by the Company's sole director on June 6, 2018.

Issuance of Series H Preferred Stock

On June 8, 2018, the Company issued 360,000 shares of the Company's Series H preferred stock at a price of $1.00 per share to IEC Evolution Coin Ltd. ("IEC Ltd.") for an aggregate purchase price of $360,000 (the "Series H Stock Purchase"). No underwriter was involved in the Series H Stock Purchase. Mr. Mathieson, the Company's President, Chief Executive Officer, Chief Financial Officer and sole director, and a significant stockholder of the Company, is IEC Ltd.'s majority stockholder, Chief Executive Officer and sole director. IEC Ltd. is wholly owned by certain Company stockholders, including Mr. Mathieson.

The issuance of shares of Series H preferred stock was exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act") in reliance upon Regulation S promulgated pursuant to the Securities Act. The issuances of Series H preferred stock involved offers and sales of securities made outside the United States. The offers and sales were made in offshore transactions from the United States and no directed selling efforts were made by the Company, any distributor, their affiliates or any persons acting on their behalf.

IEC Ltd. Loan Agreement

On June 8, 2018, MRAL Blockchain entered into a Loan Agreement (the "IEC Ltd. Loan Agreement") with IEC Ltd. Mr. Mathieson, the Company's President, Chief Executive Officer, Chief Financial Officer and sole director, and a significant stockholder of the Company, is IEC Ltd.'s majority stockholder, Chief Executive Officer and sole director. IEC Ltd. is wholly owned by certain Company stockholders, including Mr. Mathieson.

Pursuant to the IEC Ltd. Loan Agreement, IEC Ltd. agreed to loan to MRAL Blockchain up to $20,000,000, as requested from time to time by MRAL Blockchain pursuant to one or more drawdown notices. Any amounts borrowed under the IEC Ltd. Loan Agreement are subject to a 12% per annum interest rate, and must be repaid by June 7, 2023.

MRAL Blockchain may cancel the loan offered pursuant to the IEC Ltd. Loan Agreement at any time by written notice to IEC Ltd. If MRAL Blockchain cancels the loan in this manner, MRAL Blockchain must repay any outstanding principal and interest due under the IEC Ltd. Loan Agreement on the cancellation date.

Each of the following events is deemed to be an event of default under the IEC Ltd. Loan Agreement:

a) A default under the IEC Ltd. Loan Agreement,
b) Execution of a court's or other authority's order permitting seizure of any of MRAL Blockchain's assets,
c) The IEC Ltd. Loan Agreement is terminated or liable to be terminated or is or becomes void, voidable, illegal, invalid or otherwise unenforceable, or, in the reasonable opinion of IEC Ltd. is likely to become void, voidable, illegal, invalid or otherwise unenforceable,
d) In the reasonable opinion of IEC Ltd., if there has been a material adverse change in the financial position of MRAL Blockchain, or IEC Ltd.'s security for the loan is materially diminished or is in jeopardy,
e) If a liquidator, provisional liquidator, official manager or a receiver or a receiver and manager is appointed for any of the assets of MRAL Blockchain, or if any event or circumstance occurs whereby, in the reasonable opinion of IEC Ltd., any of the foregoing could or is likely to occur,
f) In the reasonable opinion of IEC Ltd., MRAL Blockchain is unable to pay its debts from its own money as they fall due,
g) If a judgment for an amount of the lesser of $50,000 or 10% of the loan is signed or entered against MRAL Blockchain and remains unsatisfied or is not appealed against for a period of seven days, and
h) If any representation or warranty made by MRAL Blockchain proves to be materially incorrect.

If an event of default occurs, the loan will, at the option of IEC Ltd., become and be payable to and recoverable by IEC Ltd. immediately.

Results of Operations

Nine Months Ended September 30, 2018 Compared to Nine Months Ended September 30, 2017

Interest Revenue

For the nine months ended September 30, 2018, interest revenue decreased to $976,453, compared to $1,238,280 for the nine months ended September 30, 2017. This decrease was due to the decreased average interest-earning loan book size of consumer receivables during the period and a one-off reduction of revenue in the 2018 second quarter of $69,788 resulting from an adjustment of the interest rate on our book of loans. This decreased loan book size is primarily due to minimal advertising to new customers during the nine months ended September 30, 2018 resulting from a decrease in cash available to fund new loans during that nine month period and leading to lower loans receivable originated as compared to loans receivable repaid during the nine months ended September 30, 2018.

Other Revenue

For the nine months ended September 30, 2018, other revenue increased to $86,382, compared to $50,414 for the nine months ended September 30, 2017. Other revenue consisted of declined lead revenue, consisting of revenue from the sale of leads regarding potential customers whose loan applications did not meet our lending standards, and loan loss recovery. The increase was attributable to a significant increase in loan loss recovery revenue in the second and third quarters of 2018.

Salaries and Compensation Expenses

For the nine months ended September 30, 2018, salaries and compensation expenses increased to $1,071,879, compared to $658,347 for the nine months ended September 30, 2017. The increase was primarily attributable to a $450,000 increase in the compensation paid to our Chief Executive Officer as compared to the prior period.

Other Operating Expenses

For the nine months ended September 30, 2018, other operating expenses increased to $385,017, compared to $299,551 for the nine months ended September 30, 2017. The increase was attributable to increased credit reference check costs and business licensing fees.

Provision for Credit Losses

For the nine months ended September 30, 2018, the provision for credit losses expense decreased to $347,163, compared to $919,529 for the nine months ended September 30, 2017. We carry a provision for credit losses which is estimated collectively based on our loan portfolio and general economic conditions. The decrease in provision for credit losses from the prior year period was due to the smaller loan portfolio and lower loan chargeoffs in the current period.

Advertising

For the nine months ended September 30, 2018, advertising expenses decreased to $14,572, compared to $184,268 for the nine months ended September 30, 2017. The decrease was attributable to the decrease in customer acquisition costs incurred mainly in direct mail advertising campaigns in the current period.

Rent Expense

For the nine months ended September 30, 2018, rent expense decreased to $47,477, compared to $52,715 for the nine months ended September 30, 2017. The decrease was due to the decrease in rent costs from our new Las Vegas lease in 2018.

Public Company and Corporate Finance Expenses

For the nine months ended September 30, 2018, public company and corporate finance expenses decreased to $1,019,263, compared to $1,644,856 for the nine months ended September 30, 2017. The decrease was due to fewer one-off costs incurred related to the 2018 Lending Club Tender Offer compared to the one-off costs incurred related to the 2017 OneMain Tender Offer and the terminated tender offer for Lending Club shares launched by the Company in 2017. In addition, the Company incurred fewer investor relations costs in the nine months ended September 30, 2018 versus the nine months ended September 30, 2017.

Depreciation and Amortization

For the nine months ended September 30, 2018, depreciation and amortization marginally decreased to $4,274, compared to $4,495 for the nine months ended September 30, 2017. The minimal movement was in line with expectations.

Loss on Sale of Marketable Securities

For the nine months ended September 30, 2018, loss on sale of marketable securities decreased to $194, compared to $153,514 for the nine months ended September 30, 2017. The decrease was due to the loss on sale of 500 Lending Club shares acquired by an open market purchase in January 2018 and subsequently sold in March 2018 being substantially less than the loss on sale of OneMain shares in 2017.

Three Months Ended September 30, 2018 Compared to Three Months Ended September 30, 2017

Interest Revenue

For the three months ended September 30, 2018, interest revenue decreased to $313,592, compared to $386,565 for the three months ended September 30, 2017. This decrease was due to the decreased average interest-earning loan book size of consumer receivables during the period. This decreased loan book size is primarily due to minimal advertising to new customers during the three months ended September 30, 2018 resulting from a decrease in cash available to fund new loans during that three-month period and leading to lower loans receivable originated as compared to loans receivable repaid during the three months ended September 30, 2018.

Other Revenue

For the three months ended September 30, 2018, other revenue increased to $39,161, compared to $20,805 for the three months ended September 30, 2017. Other revenue consisted of declined lead revenue, consisting of revenue from the sale of leads regarding potential customers whose loan applications did not meet our lending standards, and loan loss recovery. The increase was attributable to a significant increase in loan loss recovery revenue in the 2018 quarter.

Salaries and Compensation Expenses

For the three months ended September 30, 2018, salaries and compensation expenses decreased to $250,188, compared to $419,144 for the three months ended September 30, 2017. The decrease was primarily attributable to a $150,000 decrease in the compensation paid to our Chief Executive Officer as compared to the prior period.

Other Operating Expenses

For the three months ended September 30, 2018, other operating expenses increased to $124,075, compared to $104,985 for the three months ended September 30, 2017. The minimal movement was in line with expectations.

Provision for Credit Losses

For the three months ended September 30, 2018, the provision for credit losses expense decreased to $68,061, compared to $300,205 for the three months ended September 30, 2017. We carry a provision for credit losses which is estimated collectively based on our loan portfolio and general economic conditions. The decrease in provision for credit losses from the prior year period was due to the smaller loan portfolio and lower loan chargeoffs in the current period.

Advertising

For the three months ended September 30, 2018, advertising expenses decreased to $8,192, compared to $180,808 for the three months ended September 30, 2017. The decrease was attributable to the decrease in customer acquisition costs incurred mainly in direct mail advertising campaigns in the current period.

Rent Expense

For the three months ended September 30, 2018, rent expense decreased to $11,761, compared to $23,826 for the three months ended September 30, 2017. The decrease was due to the decrease in rent costs from our new Las Vegas lease in the corresponding period.

Public Company and Corporate Finance Expenses

For the three months ended September 30, 2018, public company and corporate finance expenses decreased to $155,044, compared to $449,321 for the three months ended September 30, 2017. The decrease was due to the one-off costs incurred related to the 2017 OneMain Tender Offer and the terminated tender offer for Lending Club shares launched by the Company in 2017 not being incurred in 2018. In addition, the Company incurred fewer investor relations costs in the three months ended September 30, 2018 versus the three months ended September 30, 2017.

Depreciation and Amortization

For the three months ended September 30, 2018, depreciation and amortization marginally decreased to $1,425, compared to $1,451 for the three months ended September 30, 2017. The minimal movement was in line with expectations.

Financial Position

Cash and Cash Equivalents

We had cash and cash equivalents of $382,267 as of September 30, 2018, compared to $704,006 as of December 31, 2017. The decrease resulted from significant operating expenses in excess of net cash proceeds from financing and investing activities.

Loans Receivable

We had net loan receivables of $3,730,691 as of September 30, 2018, as compared to $4,928,704 as of December 31, 2017. The decrease was due to lower loan originations in the current period versus repayment and write-off of loan principal by customers. Net loan receivables are calculated by reducing our outstanding loans receivable balance by an allowance for credit losses.

Other Receivables

We had other receivables of $76,904 as of September 30, 2018, as compared to $75,364 as of December 31, 2017. Other receivables is comprised of outstanding invoices for declined lead revenue due from marketing partners and accrued interest receivable on our consumer loans at September 30, 2018. The minimal movement was in line with expectations.

Property and Equipment

We had net property and equipment of $9,102 as of September 30, 2018 as compared to $13,376 as of December 31, 2017. The minimal movement was in line with expectations and a direct result of recording depreciation expense for the current period.

Accounts Payable and Accrued Expenses

We had accounts payable and accrued expenses of $50,346 as of September 30, 2018, compared to $51,053 as of December 31, 2017. The minimal movement was in line with expectations.

Financial Condition, Liquidity and Capital Resources

During the nine months ended September 30, 2018 and the 12 months ended December 31, 2017, we incurred operating expenses in excess of net revenue. However, anticipated cash flow from our existing loan receivable repayments plus net revenue, combined with current cash on hand, is expected to meet the needs of our budgeted cash operating expenses through November 2019. To expand operations significantly we will be required to draw down from our loan facility with IEC Ltd., a related party, until operating results improve.

Liquidity and Capital Resources

We used cash in operations of $1,416,155 during the nine months ended September 30, 2018, compared to $1,847,645 during the nine months ended September 30, 2017. This decrease is primarily due to a decrease in tender offer costs in 2018 compared to 2017.

The Company has historically financed its operations and loans made to its customers through placements of shares of the Company's common stock and preferred stock, private credit facilities, and working capital loans. We also received $3.4 million in connection with our tender offer to purchase shares of the common stock of OneMain in June 2017 and the subsequent sale of the OneMain shares we acquired as a result of that tender offer. The Company intends to finance its operations and the planned expansion of its business through draw downs on its new $20 million loan facility with IEC, Ltd., a related party.

The Company received net cash from investing activities of $790,456 during the nine months ended September 30, 2018, compared to $3,700,733 received from investing activities during the nine months ended September 30, 2017. The decrease in cash provided by investing activities is primarily due to the sale of all OneMain shares acquired in the 2017 OneMain Tender Offer not being repeated in 2018.

We were provided $303,962 of net cash in financing activities during the nine months ended September 30, 2018, compared to $325,212 used in financing activities during the same period in 2017. The increase was attributable to equity capital raised through Series H preferred shares, lower buybacks of common stock in 2018 and no common stock dividends paid in 2018.

At September 30, 2018, we had cash on hand of $382,267, which we believe is sufficient to meet our operating needs for the next 12 months, when added to budgeted cash inflows from loans receivable repaid and budgeted cash inflows from revenues.

The principal conditions and events that raise substantial doubt about the Company's ability to meet its obligations as they come due are:

(i) the Company has reported recurring losses, and
(ii) the Company has not yet generated positive net cash flows from operations.

Management has evaluated their plans for the next 12 months and as a result of the plans, the Company believes that it can meet all its obligations at least through November 2019. Management's plans include a significant reduction in consulting and professional fees due to limited new capital raising costs expected over the next 12 months and a significant reduction in tender offer costs due to no planned future tender offers in 2018 or 2019. In addition, significant core operating costs have been cut from the Company starting in 2016. including reducing the number of employees from 12 to 4 due to increased automation of loan origination processes and reducing the number of office leases from 4 to 1 as old leases expired. The Company also entered into the 2018 Consulting Contract with Mr. Mathieson, which significantly reduces the Chief Executive Officer consulting expense by more than 50% percent, compared to the Chief Executive Officer consulting expense for the first half of 2018, beginning July 1, 2018. Management has been utilizing the cash flow from loan repayments for working capital needs and plans to continue to do so, until funding under our new loan facility from a related party is received. See Note 5 for details. This will provide sufficient cash flow through at least November 2019. The Board of Directors approved a stock repurchase program in 2017 that expires December 31, 2018. However, management does not intend to repurchase a significant number of shares under the stock repurchase program.

We previously had a credit facility in the form of a line of credit with BFG Investment Holdings, LLC ("BFG") in the amount of $10,000,000 pursuant to a Loan and Security Agreement, as amended (the "BFG Loan Agreement"), among BFG and certain of our wholly owned subsidiaries. In connection with the BFG Loan Agreement, IEC SPV and certain of our other wholly owned subsidiaries entered into a profit-sharing agreement with BFG pursuant to which IEC SPV is required to pay BFG 20% of its net profit ("Net Profit") for a period beginning on June 11, 2012 and ending 10 years from the date the BFG Loan Agreement is repaid in full. Net Profit is defined in the profit sharing agreement as gross revenue less (i) interest paid on the loan, (ii) payments on any other debt incurred as a result of refinancing the loan through a third party, as provided in the BFG Loan Agreement, (iii) any costs, fees or commissions paid on account of the loan (including loan servicing fees of 0.5% on eligible consumer loans receivable), and (iv) charge-offs to bad debt resulting from consumer loans. All of IEC SPV's loans receivable as of September 30, 2018, were pledged as collateral for fulfillment of the Net Profit interest due.

Effective as of July 15, 2015, BFG converted the credit facility from a revolving facility to a term loan and on August 21, 2015, we, through certain of our wholly owned subsidiaries, repaid the entire balance of principal and accrued interest under the BFG Loan Agreement. There is currently no outstanding balance under the BFG Loan Agreement, but IEC SPV will be required to pay 20% of its Net Profit to BFG until August 21, 2025 (10 years from August 21, 2015) or until we pay BFG $3,000,000 to terminate the profit-sharing agreement. Net Profit for the nine months ended September 30, 2018 and 2017 was calculated at $14,241 and $0, respectively.

On June 8, 2018, MRAL Blockchain entered into the IEC Ltd. Loan Agreement with IEC Ltd. Mr. Mathieson, the Company's President, Chief Executive Officer, Chief Financial Officer and sole director, is IEC Ltd.'s majority stockholder, Chief Executive Officer and sole director. IEC Ltd. is wholly owned by certain Company stockholders, including Mr. Mathieson. Pursuant to the IEC Ltd. Loan Agreement, IEC Ltd. agreed to loan to MRAL Blockchain up to $20,000,000, as requested from time to time by MRAL Blockchain pursuant to one or more drawdown notices. Any amounts borrowed under the IEC Ltd. Loan Agreement are subject to a 12% per annum interest rate, and must be repaid by June 7, 2023. The current outstanding balance of the loan facility is $0.

Dividend Policy

The amount of future common stock dividends, if any, will be based upon a level deemed by the Company's board of directors to be sustainable based on budgeted operating free cash flow. The amount, timing and frequency of dividends will be authorized by the Company's board of directors and declared based on a variety of factors deemed relevant by our board of directors and no assurance can be given that our dividend policy will not change in the future.

Off-Balance Sheet Arrangements

As of September 30, 2018, we did not have any off-balance sheet arrangements that have or 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 are material to investors. The term "off-balance sheet arrangement" generally means any transaction, agreement or other contractual arrangement to which an entity unconsolidated with us is a party, under which we have any obligation arising under a guarantee contract, derivative instrument or variable interest or a retained or contingent interest in assets transferred to such entity or similar arrangement that serves as credit, liquidity or market risk support for such assets.

Basis of Accounting

These consolidated financial statements include the operations of Mr. Amazing Loans Corporation and its wholly owned subsidiaries, IEC, IEC SPV and MRAL Blockchain. All inter-company transactions and balances have been eliminated in consolidation.

The Company's accounting and reporting policies are in accordance with U.S. generally accepted accounting principles ("GAAP") and conform to general practices within the consumer finance industry.

The consolidated financial statements have been prepared in conformity with GAAP. The accompanying consolidated financial statements do not include any adjustments to reflect any possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities.

Critical Accounting Policies

We have identified the following policies below as critical to our business and results of operations. Our reported results are impacted by the application of the following accounting policies, certain of which require management to make subjective or complex judgments. These judgments involve making estimates about the effect of matters that are inherently uncertain and may significantly impact quarterly or annual results of operations. For all of these policies, management cautions that future events rarely develop exactly as expected, and the best estimates routinely require adjustment. Specific risks associated with these critical accounting policies are described in the following paragraphs.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures. Management uses its historical records and knowledge of its business in making these estimates. Accordingly, actual results may differ from these estimates.

Loans Receivable and Interest Income

The Company offers its loans at or below the prevailing statutory rates. Loans are carried at the unpaid principal amount outstanding, net of an allowance for credit losses.

The Company calculates interest revenue using the interest yield method. Charges for late payments are credited to income when collected.

Accrual of interest income on loans receivable is suspended when no payment has been received on account for 91 days or more on a contractual basis, at which time a loan is considered delinquent. Payments received on nonaccrual financing loans are first applied to the unpaid accrued interest and then principal. Loans are returned to active status and accrual of interest income is resumed when all of the principal and interest amounts contractually due are brought current; at which time management believes future payments are reasonably assured. At September 30, 2018, 64 loans, with a total balance of $267,741, were delinquent or in default.

Allowance for Credit Losses

The Company maintains an allowance for credit losses due to the fact that it is probable that a portion of the loans receivable will not be collected. The allowance is estimated by management based on various factors, including specific circumstances of the individual loans, management's knowledge of the industry, and the experience and trends of other companies in the same industry.

Our portfolio of loans receivable consists of a large number of relatively small, homogenous accounts. The allowance for credit losses is determined using a systematic methodology, based on a combination of historical bad debt of comparable companies. Impaired loans are considered separately and 100% charged off.

The allowance for credit losses is primarily based upon models that analyze specific portfolio statistics and also reflect management's judgment regarding overall accuracy. We take into account several relevant internal and external factors that affect loan receivable collectivity, including the customer's transaction history, specifically the timeliness of customer payments, the remaining contractual term of the loan, the outstanding balance of the loan, historical loan receivable charge-offs, our current collection patterns, and economic trends.

Impaired Loans

The Company assesses loans for impairment individually when a loan is 91 days past due. The Company defines impaired loans as bankrupt accounts and accounts that are 184 days or more past due. In accordance with the Company's charge-off policy, once a loan is deemed uncollectible, 100% of the remaining balance is charged-off. Loans can also be charged off when deemed uncollectible due to consumer specific circumstances.

The Company does not accrue interest on impaired loans and any recoveries of impaired loans are recorded to other revenue. Changes in the allowance for credit losses are recorded as operating expenses in the accompanying statement of operations.

Income Taxes

We account for income taxes using the liability method in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 740 "Income Taxes". To date, no current income tax liability has been recorded due to our accumulated net losses. Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of assets and liabilities and the amounts that are reported in the income tax returns. Our net deferred income tax assets have been fully reserved by a valuation allowance due to the uncertainty of our ability to realize future taxable income and to recover our net deferred income tax assets.

Earnings and Loss per Share

The Company computes net earnings (loss) per share in accordance with ASC 260-10 that establishes standards for computing and presenting net earnings (loss) per shares. Basic earnings (loss) per share are computed by dividing net income (loss) attributed to common shareholders by the weighted average number of common shares outstanding during the period. Diluted earnings per share is computed similar to basic earnings per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares, if any, had been issued and if the additional common shares were dilutive.

Fair Value of Financial Instruments

Carrying amounts reported in the consolidated balance sheets for other receivables, accounts payable, and accrued expenses approximate fair value because of their immediate or short-term nature. The fair value of borrowings is not considered to be significantly different than its carrying amount because the stated rates for such debt reflect current market rates and conditions. Loans receivable are carried net of the allowance for credit losses and approximate their fair value.

Recently Issued or Newly Adopted Accounting Standards

In May 2014, the FASB issued Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers*. The standard will eliminate the transaction and industry specific revenue recognition guidance under current GAAP and replace it with a principles based approach for determining revenue recognition. ASU 2014-09 is effective for annual and interim periods beginning after December 15, 2017. Early adoption is not permitted. The revenue recognition standard is required to be applied retrospectively, including any combination of practical expedients as allowed in the standard. In April 2016, the FASB issued ASU 2016-10, *Revenue from Contracts with Customers (Topic 606)*, which amends certain aspects of the Board's new revenue standard, ASU 2014-09, Revenue from Contracts with Customers. The standard should be adopted concurrently with adoption of ASU 2014-09 which is effective for annual and interim periods beginning after December 15, 2017. Early adoption is permitted. As we adopted these standards effective January 1, 2018, adoption of these changes has no impact on the consolidated financial statements.

In November 2015, the FASB issued ASU No. 2015-17, *Income Taxes* (Topic 740). The amendments in ASU 2015-17 change the requirements for the classification of deferred taxes on the balance sheet. Currently, GAAP requires an entity to separate deferred income tax liabilities and assets into current and noncurrent amounts in a classified statement of financial position. To simplify the presentation of deferred income taxes, the amendments in this ASU require that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. The pronouncement became effective for the 2017 fiscal year. Adoption of these changes had no material impact on the consolidated financial statements.

In January 2016, the FASB issued ASU 2016-01, *Financial Instruments – Overall* (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities. The update intends to enhance the reporting model for financial instruments to provide users of financial statements with more decision-useful information and addresses certain aspects of the recognition, measurement, presentation, and disclosure of financial instruments. The new standard affects all entities that hold financial assets or owe financial liabilities. For public business entities, the amendments in this update are effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. Management is evaluating the impact of the adoption of these changes will have on the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842),* which supersedes existing guidance on accounting for leases in "Leases (Topic 840)" and generally requires all leases to be recognized in the consolidated balance sheet. ASU 2016-02 is effective for annual and interim reporting periods beginning after December 15, 2018; early adoption is permitted. The provisions of ASU 2016-02 are to be applied using a modified retrospective approach. The Company is currently evaluating the impact of the adoption of this standard on its consolidated financial statements.

In July 2018, the FASB issued ASU No. 2018-10, *Codification Improvements to Topic 842, Leases*. The amendments in this Update affect the amendments in Update 2016-02, which are not yet effective, but for which early adoption upon issuance is permitted. For entities that early adopted Topic 842, the amendments are effective upon issuance of this Update, and the transition requirements are the same as those in Topic 842. For entities that have not adopted Topic 842, the effective date and transition requirements will be the same as the effective date and transition requirements in Topic 842. The Company has not yet selected a transition method nor has it determined the effect of the standard on its ongoing financial reporting.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We do not have any financial instruments that are exposed to significant market risk. We maintain our cash and cash equivalents in bank deposits and short-term, highly liquid money market investments. A hypothetical 100-basis point increase or decrease in market interest rates would not have a material impact on the fair value of our cash equivalents securities, or our earnings on such cash equivalents.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Mr. Mathieson, our Chief Executive Officer and Chief Financial Officer has reviewed and evaluated the effectiveness of the Company's disclosure controls and procedures as of September 30, 2018. Based on such review and evaluation, Mr. Mathieson concluded that, as of September 30, 2018, the disclosure controls and procedures were effective to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act, (a) is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (b) is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rule 13a-15 or 15d-15 of the Exchange Act that occurred during the fiscal quarter ended September 30, 2018 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

There are no material pending legal proceedings (or material proceedings known to be contemplated), other than ordinary routine litigation incidental to the business, to which the Company or any of its subsidiaries is a party or of which any of their property is the subject.

Item 1A. Risk Factors

None.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table summarizes the information relating to our purchase of shares of our common stock in the three months ended September 30, 2018.

Period	Total number of shares purchased[1]	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs
July 1 – July 31, 2018	600	$ 0.235	600	$ 1,712,455
August 1 – August 31, 2018	127,149	$ 0.218	127,149	$ 1,684,738
September 1 – September 30, 2018	109,417	$ 0.258	109,417	$ 1,656,558
Total	237,166	$ 0.236	237,166	$ 1,656,558

[1] On January 9, 2017, the Company announced that its Board of Directors approved a stock repurchase program authorizing the open market repurchase of up to $2,000,000 of its common stock. This share repurchase program expires on December 31, 2018. Management does not intend to repurchase a significant number of shares pursuant to the stock repurchase program.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number	Description of Exhibit
31.1	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation
101.DEF	XBRL Taxonomy Extension Definition
101.LAB	XBRL Taxonomy Extension Labels
101.PRE	XBRL Taxonomy Extension Presentation

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.

MR. AMAZING LOANS CORPORATION

Date: November 13, 2018

By: */s/ Paul Mathieson*
Paul Mathieson
President, Chief Executive Officer and Chief Financial Officer
(principal executive officer, principal financial officer and principal accounting officer)

EXHIBIT 31.1

CERTIFICATIONS

I, Paul Mathieson, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended September 30, 2018 of Mr. Amazing Loans Corporation;

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 evaluation; 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 the 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: November 13, 2018

/s/ Paul Mathieson

Paul Mathieson
President, Chief Executive Officer and Chief Financial Officer
(principal executive officer and principal financial officer)

EXHIBIT 32.1

CERTIFICATION
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Mr. Amazing Loans Corporation (the “Company”) on Form 10-Q for the period ended September 30, 2018, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Paul Mathieson, President, Chief Executive Officer and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Dated: November 13, 2018

/s/ Paul Mathieson
Paul Mathieson
President, Chief Executive Officer and Chief Financial Officer
(principal executive officer and principal financial officer)