

SKINVISIBLE INC
Form 10QSB
November 15, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-QSB

QUARTLERLY REPORT UNDER SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2004

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

For the transition period from _____ to _____

Commission File Number 000-25911

SKINVISIBLE, INC.

(Exact name of Small Business Issuer as specified in its charter)

NEVADA

(State or other jurisdiction of incorporation)
Identification No.)

88-0344219

(IRS Employer

6320 SOUTH SANDHILL ROAD, SUITE 10, LAS VEGAS, NEVADA 89120

(Address of principal executive offices)

702-433-7154

(Issuer's telephone number)

(Former name, former address and former fiscal year if changed since last report)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date:

54,475,062 shares of common stock as of September 30, 2004

Transitional Small Business Disclosure Format (check one): Yes No

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

Our general unaudited financial statements included with the Form 10QSB are as follows:

- (a) Consolidated Balance Sheet as of September 30, 2004 (unaudited);
- (b) Consolidated Statements of Operations for the three and nine months ended September 30, 2004, and September 30, 2003 (unaudited);
- (c) Consolidated Statement of Stockholders' Equity - January 1, 2004 to September 30, 2004 (unaudited);
- (d) Consolidated Statement of Cash Flow - nine months ended September 30, 2004 and 2003 (unaudited);
- (e) Notes to Unaudited Financial Statements.

The unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and the instructions to Form 10-QSB. In the opinion of management, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation have been included. Operating results for this interim period are not necessarily indicative of the results that can be expected for the full year.

SKINVISIBLE, INC.
CONSOLIDATED BALANCE SHEET

September 30, 2004

ASSETS

Current assets		
Cash	\$	78,384
Accounts receivable		119,163
Inventory		112,947
Due from related party		4,816
Prepaid expense and other current assets		7,435
Total current assets		322,745
Fixed assets, net		56,783
Intangible and other assets		
Patents and trademarks, net		64,937
License and distributor rights		50,000
Prepaid royalty fees		1,200,000
Total assets	\$	1,694,465

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities		
Accounts payable and accrued liabilities	\$	224,743
Unearned revenue		575,000
Total current liabilities		799,743
Long-term liabilities		
Loans payable		132,000
Total liabilities		931,743
Commitments and contingencies		--
Stockholders' equity		
Common stock; \$0.001 par value; 100,000,000 shares		
54,475,062 shares issued and outstanding		54,475
Additional paid-in capital		11,020,949
Accumulated deficit		(10,312,702)
Total stockholders' equity		762,722
Total liabilities and stockholders' equity	\$	1,694,465

SKINVISIBLE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

For the nine months ended September 30, 2004	For the nine months ended September 30, 2003	For the three months ended September 30, 2004	For the three months ended September 30, 2003
Revenues	\$ 205,550	\$ 25,851	\$ 380,989
Cost of revenues	2,461	29,195	59,133
Gross profit	203,089	(3,344)	321,856
Operating expenses			
Depreciation and amortization	14,363	16,395	36,675
Selling general and administrative	340,563	246,400	841,684
Total operating expenses	354,926	262,795	878,359
Loss before provision for income taxes	(151,837)	(266,139)	(556,503)
Other income (expense)	--	100,000	--
Provision for income taxes	--	--	--
Net loss	\$ (151,837)	\$ (166,139)	\$ (556,503)
Basic income (loss) per common share	\$ (0.00)	\$ (0.00)	\$ (0.01)
Diluted income (loss) per common share	\$ (0.00)	\$ (0.00)	\$ (0.01)
Basic weighted average common shares outstanding	54,475,440	42,404,808	54,475,440

See Accompanying Notes to Consolidated Financial Statements

SKINVISIBLE, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2004

Total				<u>Common Stock</u>		
Additional	Accumulated	Stockholders'		<u>Shares</u>	<u>Amount</u>	<u>Paid-in</u>
<u>Capital</u>	<u>Deficit</u>	<u>Equity</u>				
Balance, December 31, 2003	48,714,618	48,715		10,450,665	(9,756,199)	743,181
Issuance of stock for cash, weighted average price of \$0.10 per share	5,478,944	5,479		542,416	-	547,895
Issuance of stock for services, \$ 0.10 per share	281,500	281		27,869	-	28,150
Net loss	--	--		--	(556,503)	(556,503)
Balance, September 30, 2004	54,475,062	\$ 54,475	\$	11,020,949	\$ (10,312,702)	\$ 762,722

See Accompanying Notes to Consolidated Financial Statements

SKINVISIBLE, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2004

the nine	For the nine		For
months ended	months ended		September
30, 2004	September 30, 2003		September
Cash flows from operating activities:			
Net loss	\$	(556,503)	\$ (512,231)
Adjustments to reconcile net loss to net cash used by operating activities:			
Depreciation and amortization		36,675	49,185
Stock based compensation		28,150	--
Changes in operating assets and liabilities:			
Change in inventory		(36,259)	18,510
Change in accounts receivable		(90,986)	(16,795)
Change in deposits			225
Change in prepaid expenses and other current assets		76,887	2,232
Change in stock subscription receivable		--	(35,000)
Change in accounts payable and accrued liabilities		(450,711)	232,628
Change in unearned revenue		575,000	--
Net cash used by operating activities		(417,747)	(261,246)
Cash flows from investing activities:			
Purchase of fixed assets		(51,764)	--
Net cash used by investing activities		(51,764)	--
Cash flows from financing activities:			
Proceeds from notes payable		-	
Proceeds from issuance of common stock		547,895	385,754
Principal payments on notes payable		--	(129,252)
Net cash provided by financing activities		547,895	256,502
Net change in cash		78,384	(4,744)
Cash, beginning of period		--	4,622
Cash, end of period	\$	78,384	\$ (122)
Supplemental disclosure of cash flow information:			
Cash paid for interest	\$	4,051	\$ 5,236

See Accompanying Notes to Consolidated Financial Statements

SKINVISIBLE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

The accompanying unaudited financial statements have been prepared in accordance with Securities and Exchange Commission requirements for interim financial statements. Therefore, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. The financial statements should be read in conjunction with the Form 10-KSB for the year ended December 31, 2003 of Skinvisible, Inc. (the "Company").

The interim financial statements present the condensed balance sheet, statements of operations, stockholders' equity and cash flows of Skinvisible, Inc. The financial statements have been prepared in accordance with accounting principles generally accepted in the United States.

The interim financial information is unaudited. In the opinion of management, all adjustments necessary to present fairly the financial position as of September 30, 2004 and the results of operations, stockholders' equity and cash flows presented herein have been included in the financial statements. Interim results are not necessarily indicative of results of operations for the full year.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. SIGNIFICANT ACCOUNTING POILICIES

Use of estimates - The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition - Revenues are recognized during the period in which the revenues are received. Costs and expenses are recognized during the period in which they are incurred.

Inventory - Substantially all inventory consist of finished goods and are valued based upon first-in first-out ("FIFO") cost, not in excess of market. The determination of whether the carrying amount of inventory requires a write-down is based on an evaluation of inventory.

3. LETTER OF INTENT AND DEFINITIVE AGREEMENT

In March 2004, the Company entered into a letter of intent with Dermal Defense, Inc. (Dermal Defense) whereby, the Company would provide exclusive marketing and distribution rights to its patented Antimicrobial Hand Sanitizer product for North America to Dermal Defense. Terms of the LOI require Dermal Defense to pay a fee of \$1 million comprising of a non-refundable deposit of \$250,000 with the balance of \$750,000 payable as to \$75,000 per calendar quarter or 5% of product sales (whichever is greater) until the entire \$750,000 is received. The \$1 million fee will be recognized as revenue ratably over a five year period. As of September 30, 2004, the Company has received \$325,000

Edgar Filing: SKINVISIBLE INC - Form 10QSB

and has reflected \$225,000 as unearned revenue and \$100,000 as revenue in the accompanying consolidated financial statements. In addition and further to the payment fee of \$1 million Dermal Defense agrees to pay a royalty fee of 5% on product sales of the Antimicrobial Hand Sanitizer.

F-6

SKINVISIBLE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

In June 2004, the Company entered into a definitive agreement with Cross Global, Inc. (Cross Global) whereby, the Company would provide exclusive marketing and distribution rights to its proprietary "Sunless Tanning Spray Formulation" for Canada, the United States, Mexico, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom and Israel. In addition CGI is granted the right to use the name "Solerra(TM)" within the territory. Terms of the agreement require Cross Global to pay a fee of \$1 million comprising of a non-refundable deposit of \$200,000 with the balance of \$800,000 payable as \$200,000 due August 30, 2004, November 30, 2004, February 28, 2005 and May 30, 2005. The \$1 million fee will be recognized as revenue ratably over a five year period. As of September 30, 2004, the Company has received \$400,000 and has reflected \$350,000 as unearned revenue and \$50,000 as revenue in the accompanying consolidated financial statements. In addition and further to the payment fee of \$1 million Cross Global agrees to pay a royalty fee of 5% on product sales of the Sunless Tanning Spray Formulation.

4. GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred cumulative net losses of approximately \$10,313,000 since its inception and requires capital for its contemplated operational and marketing activities to take place. The company's ability to raise additional capital through the future issuances of the common stock is unknown. The obtainment of additional financing, the successful development of the Company's contemplated plan of operations, and its transition, ultimately, to the attainment of profitable operations are necessary for the Company to continue operations. The ability to successfully resolve these factors raise substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements of the Company do not include any adjustments that may result from the outcome of these aforementioned uncertainties.

Item 2. Management's Discussion and Analysis or Plan of Operation.

Historical results and trends should not be taken as indicative of future operations. Management's statements contained in this report that are not historical facts are 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. Actual results may differ materially from those included in the forward-looking statements. The Company intends such forward-looking statements to be covered by the safe-harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and is including this statement for purposes of complying with those safe-harbor provisions. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words "believe," "expect," "intend," "anticipate," "estimate," "project," "prospects," or similar expressions. The Company's ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse effect on the operations and future prospects of the Company on a consolidated basis include, but are not limited to: changes in economic conditions generally, legislative/regulatory changes, availability of capital, interest rates, competition, and generally accepted accounting principles. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. Further information concerning the Company and its business, including additional factors that could materially affect the Company's financial results, is included herein and in the Company's other filings with the Securities and Exchange Commission.

Overview

We were organized as a Nevada corporation on March 5, 1998 under the name "Microbial Solutions, Inc." On February 26, 1999, we changed our name to "Skinvisible, Inc."

We are focused on the development of topical polymer-based delivery systems and finished products that are produced using our topical polymer-based delivery system as a component. When topically applied, products incorporating our delivery systems adhere to the skin's outer layers, forming a protective bond, resisting wash-off, and delivering targeted levels of therapeutic or cosmetic skincare agents to the skin. Proven applications of our topical polymer-based delivery systems identified to date include antimicrobial hand sanitizers, suncare and lipcare formulations, skincare moisturizers, anti-fungals, insect repellents, acne, eczema, and psoriasis treatment applications.

Plan of Operation

We are focused on the development of topical polymer-based delivery systems and finished products that are produced using our topical polymer-based delivery system as a component. Our primary business objective is to license our technologies and/or sell our delivery systems to established brand manufacturers and marketers of topical prescription Rx, over-the-counter, cosmetic and skincare products that provide enhanced performance capabilities.

Our plan for the next twelve months is as follows:

- To continue to license our technologies and/or sell our delivery systems to established brand manufacturers and marketers of topical prescription Rx, over-the-counter, cosmetic and skincare products that provide enhanced performance capabilities.

- To explore and develop opportunities to generate revenue by offering private label business opportunities for developed products that utilize our topical polymer-based delivery systems and technologies.
- To continue to research and develop products that utilize our topical polymer-based delivery systems and technologies.
- To expand the distribution of our products into the European market.
- To further protect our intellectual property rights by securing patent protection for both our topical polymer-based delivery systems and the finished products we develop that contain our topical polymer-based delivery systems as a component in every jurisdiction where we intend to sell our products.

Antimicrobial Hand Sanitizer

In March 2004, we signed a letter of intent with Dermal Defense, Inc. (Dermal Defense), a Michigan corporation, to grant Dermal Defense the exclusive marketing and distribution rights to the antimicrobial hand sanitizer product we manufacture that is identified as Triclosan 1% formula (the Product) in the North American countries of Canada, United States, and Mexico in exchange for \$1,000,000 USD plus a 5.0% royalty fee on gross revenues received from sales of the product. Under the terms of this letter of intent, we received a non-refundable deposit in the amount of \$250,000 and the remaining \$750,000 of the purchase price is payable quarterly in an amount determined to be the greater of \$75,000 or 5% of product sales for the quarterly period. Under the terms agreed upon in the letter of intent, the rights to market and distribute the antimicrobial hand sanitizer product in the North American countries of Canada, United States, and Mexico were transferred and assigned to Dermal Defense upon the signing of the letter of intent and payment of the \$250,000 non-refundable deposit. Currently, we have not entered into a formalized licensing agreement with Dermal Defense and are continuing to negotiate a definitive agreement. We received Dermal Defense's first two scheduled payments each in the amount of \$75,000. We have also received minimum royalty payments as set forth in the letter of intent in the amount of \$5,000 for the quarter ended June 30, 2004 and \$10,000 for the quarter ended September 30, 2004,

In furtherance of our plan to expand the distribution of our topical polymer-based delivery systems in the European market, we have retained two consultants to assist us in this endeavor. We have developed a new antimicrobial hand sanitizer for use by food service providers and health care providers in European hospitals. Currently, we are in the process of testing this product. We have received positive results from the first study we commissioned and are in the process of a second study. We anticipate that the results of the second study should be available during the first quarter of the next fiscal year. In the event that this second study is successful, we will likely be able to secure governmental approval to distribute this product to food service providers; however, a third study will be required prior to any distribution this product for use in hospitals by health care providers. In the event that this second study is successful, we will attempt to secure an agreement with a hospital in Europe for a third study which entails use of the product on a trial basis. The cost of the third study would be approximately \$50,000.

Sunless Tanning Products

We have recently developed sunless tanning products which are sold as both lotions and spray-ons for air brush tanning that incorporate our topical polymer-based delivery systems. On June 9, 2004 through our wholly-owned subsidiary, Skinvisible Pharmaceuticals, Inc., we entered into a Trademark License Agreement and Distribution Agreement ("Distribution Agreement") with Cross Global, Inc. ("Cross Global"), a Delaware corporation, to grant Cross Global the exclusive right to distribute, market, sell, and promote our proprietary sunless tanning products in Canada, the United States, Mexico, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom, and Israel.

The Distribution Agreement provided that Cross Global must pay Skinvisible an up-front royalty in the amount of \$1,000,000. Cross Global paid \$200,000 upon signing the Distribution Agreement and also paid the first scheduled payment in the amount of \$200,000 during the three month period ended September 30, 2004. The remaining balance is to be made in payments in the amount of \$200,000 on November 30, 2004, February 28, 2005, and May 30, 2005. Cross Global will also be responsible for the payment of a running royalty in order to maintain the exclusivity granted under the Distribution Agreement. Under the terms of the Distribution Agreement, Cross Global is prohibited from manufacturing, marketing, distributing, or selling any competing product while the Distribution Agreement is in full force and effect.

Insect Repellents

We are in the process of developing a mosquito repellant that incorporates our topical polymer-based delivery systems. We expect to commence outside studies on this product before the end of the first quarter in the next year. The approximate cost of the outside study is \$100,000 and it is the expectation of management that we will have sufficient resources to satisfy this payment. In the event that the studies on this product are successful, we will move forward to secure all appropriate governmental approvals for the distribution of this product in the United States. It is our anticipation that the process to complete all studies and secure all government approvals will take approximately twelve (12) to eighteen (18) months.

Acne Products

We completed the development of a product to treat acne that incorporates our topical polymer-based delivery systems. We are seeking to license the rights to this product.

Other Products

We developed a clinically tested sunscreen formulation which allows labeling as Very Water Resistant with an SPF of 30 in accordance with FDA Final Sunscreen Monograph requirements. We currently sell on a contract basis private label opportunities for our clinically tested sunscreen formulation. In addition, we also manufacture other skincare products such as moisture creams.

Patents and Trademarks

On January 4, 2000, we filed a patent application for our antimicrobial dermal barrier composition, which utilized one of the Invisicare delivery systems. We received patent approval (US Patent No. 6,582,683) for our antimicrobial dermal barrier formulation in February 2003 and received the patent certificate in June 2003.

We filed a patent application on August 20, 2001 for our Invisicare topical compositions and our methodology for manufacturing and utilization of numerous delivery systems and related applications. We received patent approval (US Patent No. 6,756,059) for this application in October 2003 and received the patent certificate on June 29, 2004.

In January 2002, we received trademark approval in the United States for the name "Invisicare" to identify our family of polymer delivery systems. We have filed this trade name with the Cosmetic, Fragrance and Toiletries Association ("CFTA") as an ingredient for use in skincare and cosmetic formulations.

Results of Operations

Our revenues for the third quarter ended September 30, 2004 were \$205,550, compared to \$25,831 for the third quarter of 2003. The increase in revenues is primarily attributable to our receipt of payments due under the Distribution Agreement with Cross Global and the Letter of Intent with Dermal Defense.

Gross profit for the third quarter ended September 30, 2004 was \$203,089 versus a loss of \$3,344 for the third quarter ended September 30, 2003. The cost of revenues for the third quarter ended September 30, 2004 was \$2,461 versus \$29,195 for the third quarter ended September 30, 2003. The increase in gross profit and decrease in the cost of revenue from the third quarter of 2003 to 2004 is primarily attributable to the receipt of revenues from the payments due under the Distribution Agreement with Cross Global and the Letter of Intent with Dermal Defense.

Our operating expenses increased to \$354,926 for the third quarter ended September 30, 2004 from \$262,795 for the third quarter ended September 30, 2003. The increase in operating expenses from the third quarter of 2003 to 2004 is primarily attributable to legal fees associated with protecting out intellectual property rights.

We had a net loss of \$151,837 for the third quarter ended September 30, 2004, as compared to a net loss of \$166,139 for the quarter in the prior year.

Liquidity and Capital Resources

As of September 30, 2004, we maintained \$78,384 in cash and had total current assets of \$322,745. Our total current liabilities as of September 30, 2004 were \$799,743. As a result, on September 30, 2004 we had a working capital deficit of \$476,998.

Management believes that we will have sufficient capital to finance our operations for the next twelve months based upon revenues anticipated to be received in the current fiscal year and royalty payments due under the Distribution Agreement with Cross Global and the Letter of Intent with Dermal Defense.

Off Balance Sheet Arrangements

As of September 30, 2004, there were no off balance sheet arrangements.

Going Concern

Our independent auditors have stated in their Auditor's Report included in the Form 10-KSB that the Company has incurred operating losses, accumulated deficit, and negative cash flow from operations. We had incurred cumulative net losses of approximately \$9,638,000 and \$10,313,000 as of December 31, 2003 and September 30, 2004 respectively.

Revenue Recognition

Revenues are recognized during the period in which the revenues are received. Costs and expenses are recognized during the period in which they are incurred.

Item 3. Controls and Procedures.

The Company carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of September 30, 2004. This evaluation was carried out under the supervision and with the participation of the Company's management, including Mr. Terry Howlett, the Company's Chief Executive Officer and Chief Financial Officer. Based upon that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective. There have been no significant changes in the Company's internal controls or in other factors, which could significantly affect internal controls subsequent to the date the Company carried out its evaluation.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in Company reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in Company reports filed under the Exchange Act is accumulated and communicated to management, including the Company's Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

We are not aware of any pending litigation against the Company, its officers, directors, controlling shareholders or affiliates that we believe are of a material nature or that could negatively affect the net worth of the Company.

Item 2. Changes in Securities

None.

Item 3. Defaults upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders

No matters were submitted for a vote to our security holders during the reporting period.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number	Description
31.1	Certification of Chief Executive Officer pursuant to Securities Exchange Act Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Securities Exchange Act Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURES

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

SKINVISIBLE, INC.

Date: November 12, 2004

/s/ Terry Howlett

Terry Howlett
Chief Executive Office, Chief Financial
Officer, and Director