UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended **June 30, 2017**

[ ] Transition Report pursuant to 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from __________ to__________

Commission File Number: **000-21202**

Textmunication Holdings, Inc.
(Exact name of registrant as specified in its charter)

Nevada	**58-1588291**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

1940 Contra Costa Blvd. Pleasant Hill, CA 94523
(Address of principal executive offices)

925-777-2111
(Registrant's telephone number)

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

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.
[X] Yes [ ] 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 (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). [X] Yes [ ] 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.

[ ] Large accelerated filer	[ ] Accelerated filer
[ ] Non-accelerated filer	[X] Smaller reporting company
	[ ] Emerging growth company

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. [ ]

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 1,570,839,890 common shares as of August 15, 2017

TEXTMUNICATION

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Our consolidated financial statements included in this Form 10-Q are as follows:

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and the SEC instructions to Form 10-Q. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Operating results for the interim period ended June 30, 2017 are not necessarily indicative of the results that can be expected for the full year.

TEXTMUNICATION HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	June 30, 2017	December 31, 2016
ASSETS		
Current assets		
Cash and cash equivalents	$ 53,364	$ -
Receivables	25,892	3,757
Total current assets	79,256	3,757
Fixed assets, net	-	305
Software	12,349	-
Investment in equity method investee	452,336	454,062
Total assets	543,941	458,124
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued liabilities	$ 132,072	$ 196,731
Due to related parties	11,750	11,750
Loans payable	11,500	3,712
Convertible notes payable, net of discount	465,308	555,464
Derivitive liability	444,943	870,921
Total current liabilities	1,065,573	1,638,578
Total liabilities	1,065,573	1,638,578
Stockholders' deficit		
Preferred stock, 5,933,333 shares authorized, $0.0001 par value, 4,000,000 issued and outstanding	400	400
Series B - Preferred stock, 66,667 shares authorized, $0.0001 par value, 66,667 issued and outstanding	7	7
Series C - Preferred stock, 2,000,000 shares authorized, $0.0001 par value, 2,000,000 issued and outstanding	200	-
Common stock; $0.0001 par value; 250,000,000 shares authorized; 1,227,993,542 and 199,404,940 shares issued and outstanding as of June 30, 2017 and December 31, 2016, respectively.	122,800	19,941
Additional paid-in capital	13,561,103	6,238,344
Accumulated deficit	(14,206,142)	(7,439,146)
Total stockholders' deficit	(521,632)	(1,180,454)
Total liabilities and stockholders' deficit	$ 543,941	$ 458,124

TEXTMUNICATION HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	The Three Months Ended		The Six Months Ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
Revenues	$ 307,788	$ 103,449	$ 536,548	$ 191,859
Cost of revenues	84,047	32,843	157,466	50,519
Gross profit	223,741	70,606	379,082	141,340
Operating expenses				
Professional fees	-		-	
Officer Compensation	227,016	-	6,301,516	-
General and administrative expenses	83,081	184,301	171,832	377,777
Total operating expenses	310,097	184,301	6,473,348	377,777
Loss from operations	(86,356)	(113,695)	(6,094,266)	(236,437)
Other expense				
Interest expense	(7,064)	(43,438)	(39,747)	(110,117)
Loss on change of derivitive liability	4,032,108	(42,593)	(613,463)	(961,363)
Amortization of debt discount	(26,703)	(112,357)	(111,414)	(239,705)
Loss on settlement of notes payable	87,375	-	93,620	-
Total other expense	4,085,716	(198,388)	(671,004)	(1,311,185)
Income (loss) from investment in equity method investee	-	6,663	(1,726)	12,279
Net income (loss)	$ 3,999,360	$ (305,420)	$ (6,766,996)	$ (1,535,343)
Basic weighted average common shares outstanding	1,227,993,542	122,472,460	1,227,993,542	117,826,454
Net loss per common share: basic and diluted	$ 0.00	$ (0.00)	$ (0.01)	$ (0.01)

TEXTMUNICATION HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOW
(UNAUDITED)

	Six Months Ended	
	June 30, 2017	June 30, 2016
Cash Flows from Operating Activities		
Net loss	(6,766,995)	$ (1,535,343)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Amortization of debt discount	96,926	239,705
Loss on derivative liability	627,952	961,363
Non cash interest expense	50,000	-
Depreciation	304	362
Share based compensation	6,115,100	-
Gain on the settlement of debt	(87,375)	
Income from equity method investee	1,726	(12,279)
Changes in assets and liabilities		
Receivables	(22,135)	(695)
Accounts payable and accrued expenses	(64,659)	99,517
Net cash used in operating activities	(49,156)	(247,370)
Distributions from equity method investee	(12,349)	24,335
Net cash provided by investing activities	(12,349)	24,335
Cash Flows from Financing Activities		
Proceeds on loans payable	11,500	31,200
Payments on loans payable	(3,712)	(76,034)
Proceeds from convertible notes payable	129,489	259,998
Payments on convertible notes payable	(22,408)	-
Net cash provided by financing activities	114,869	215,164
Net increase in cash	53,364	(7,871)
Cash, beginning of period	-	61,130
Cash, end of period	$ 53,364	$ 53,259
Supplemental disclosure of cash flow information		
Cash paid for interest	$ -	$ 20,907
Cash paid for tax	$ -	$ -
Non-Cash investing and financing transactions		
Preferred shares issued for equity method investee	$ -	$ 460,002
Conversion of convertible notes payable	$ -	$ 90,441
Settlement of derivative liability	$ -	$ 967,031

NOTE 1 – BASIS OF PRESENTATION AND GOING CONCERN

Basis of Presentation

The accompanying unaudited interim financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission, and should be read in conjunction with the audited financial statements and notes thereto contained in the Company's most recent Annual Financial Statements filed with the SEC on Form 10-K. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim period presented have been reflected herein. The results of operations for the interim period are not necessarily indicative of the results to be expected for the full year. Notes to the financial statements which would substantially duplicate the disclosures contained in the audited financial statements for the most recent fiscal period, as reported in the Form 10-K, have been omitted.

Going concern

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. As of June 30, 2017, the Company has an accumulated deficit of $14,206,142. The company's ability to continue as a going concern is contingent upon the successful completion of additional financing arrangements and its ability to achieve and maintain profitable operations. While the Company is expanding its best efforts to achieve the above plans, there is no assurance that any such activity will generate funds that will be available for operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments that might arise from this uncertainty.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash

The Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

The Company minimizes its credit risk associated with cash by periodically evaluating the credit quality of its primary financial institution. The balance at times may exceed federally insured limits. At June 30, 2017, no cash balances exceeded the federally insured limit.

Accounts receivable and allowance for doubtful accounts

Accounts receivable are stated at the amount management expects to collect. The Company generally does not require collateral to support customer receivables. The Company provides an allowance for doubtful accounts based upon a review of the outstanding accounts receivable, historical collection information and existing economic conditions. As of June 30, 2017 and 2016 the allowance for doubtful accounts was $0 and $0 and bad debt expense of $0 and $0, respectively.

Revenue Recognition

We recognize revenue in accordance with Accounting Standards Codification, or ("ASC"), 605, Revenue Recognition. We recognize revenue when all of the following conditions are satisfied: (1) there is persuasive evidence of an arrangement; (2) the service has been provided to the customer; (3) the amount of fees to be paid by the customer is fixed or determinable; and (4) the collection of our fees is reasonably assured.

Thus, we recognize subscription revenue on a monthly basis, as services are provided. Customers are billed for the subscription on a monthly, quarterly, semi-annual or annual basis, at the customer's option.

Fair Value of Financial Instruments

The carrying amounts reflected in the balance sheets for cash, accounts payable and accrued expenses approximate the respective fair values due to the short maturities of these items.

As required by the Fair Value Measurements and Disclosures Topic of the FASB ASC, fair value is measured based on a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows: (Level 1) observable inputs such as quoted prices in active markets; (Level 2) inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and (Level 3) unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not active, or inputs that is observable, either directly or indirectly, for substantially the full term of the asset or liability;

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The fair value of the accounts receivable, accounts payable, notes payable are considered short term in nature and therefore their value is considered fair value.

Financial assets and liabilities measured at fair value on a recurring basis are summarized below for the six months ended June 30, 2017:

	Level 1	Level 2	Level 3	Total
Liabilities				
Derivative Financial Instruments	$ —	$ —	$ 444,943	$ 444,943

Financial assets and liabilities measured at fair value on a recurring basis are summarized below for the year ended December 31, 2016:

	Level 1	Level 2	Level 3	Total
Liabilities				
Derivative Financial Instruments	$ —	$ —	$ 870,921	$ 870,921

Net income (loss) per Common Share

Basic net income (loss) per share is computed by dividing the net loss attributable to the common stockholders by the weighted average number of shares of common stock outstanding during the period. Fully diluted loss per share is computed similar to basic loss 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 had been issued and if the additional common shares were dilutive.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Stock-Based Compensation

The Company accounts for employee stock-based compensation in accordance with the guidance of FASB ASC Topic 718, Compensation – Stock Compensation which requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values. The fair value of the equity instrument is charged directly to compensation expense and credited to additional paid-in capital over the period during which services are rendered.

The Company follows ASC Topic 505-50, formerly EITF 96-18, "Accounting for Equity Instruments that are Issued to Other than Employees for Acquiring, or in Conjunction with Selling Goods and Services," for stock options and warrants issued to consultants and other non-employees. In accordance with ASC Topic 505-50, these stock options and warrants issued as compensation for services provided to the Company are accounted for based upon the fair value of the services provided or the estimated fair market value of the option or warrant, whichever can be more clearly determined. The fair value of the equity instrument is charged directly to compensation expense and additional paid-in capital over the period during which services are rendered.

Investments in Securities

Investments in securities are accounted for using the equity method if the investment provides the Company the ability to exercise significant influence, but not control, over an investee. Significant influence is generally deemed to exist if the Company has an ownership interest in the voting stock of the investee between 20% and 50%, although other factors, such as representation on the investee's Board of Directors, are considered in determining whether the equity method is appropriate.

Recent Accounting Pronouncements

No new accounting pronouncements issued or effective during the fiscal year has had or is expected to have a material impact on the financial statements.

NOTE 4 – RELATED PARTY TRANSACTIONS

As of June 30, 2017, the Company had advances due to a related party. The loans are due on demand and have no interest. Amounts outstanding as of June 30, 2017 and December 31, 2016 were approximately $11,750 and $11,750, respectively

NOTE 5 – LOANS PAYABLE

As of June 30, 2017 and December 31, 2016, the Company has short term loans payable of $11,500 and $3,712, respectively. During the six months ended June 30, 2017 and 2016, the Company received proceeds of $11,500 and $0 and made payments of $3,712 and $34,594, respectively, from certain short-term loans payable with interest rates ranging from 23%-28%.

NOTE 6 - CONVERTIBLE NOTE PAYABLE

Convertible notes payable consist of the following as of June 30, 2017 and December 31, 2016:

	2017	2016
Total convertible notes payable	469,977	657,059
Less discounts	(4,669)	(101,595)
Convertible notes net of discount	$ 465,308	$ 555,464

The Company accounts for the fair value of the conversion features of its convertible debt in accordance with ASC Topic No. 815-15 "Derivatives and Hedging; Embedded Derivatives" ("Topic No. 815-15"). Topic No. 815-15 requires the Company to bifurcate and separately account for the conversion features as an embedded derivative contained in the Company's convertible debt. The Company is required to carry the embedded derivative on its balance sheet at fair value and account for' any unrealized change in fair value as a component of results of operations. The Company values the embedded derivatives using the Black-Scholes pricing model.

The following table presents details of the Company's derivative liabilities associated with its convertible notes as of June 30, 2017 and December 31, 2016:

	Amount
Balance December 31, 2016	$ 870,921
Debt discount originated from derivative liabilities	14,489
Initial loss recorded	11,658
Adjustment to derivative liability due to debt conversion	(1,053,930)
Change in fair market value of derivative liabilities	601,805
Balance March 31, 2017	$ 444,943

During the three months ended June 30, 2017, the Company issued 547,756,269 shares of common stock with a fair value of $270,928 for the partial conversion of convertible notes payable. The converted portion of the notes also had associated derivative liabilities with fair values on the date of conversion of $1,053,930. The conversion of the derivative liabilities has been recorded through additional paid-in capital.

The Black-Scholes model utilized the following inputs to value the derivative liability at the date of issuance of the convertible note and at June 30, 2017:

Fair value assumptions – derivative notes:	**June 30, 2017**
Risk free interest rate	0.40-0.80%
Expected term (years)	0.01-0.159
Expected volatility	289-337%
Expected dividends	0%

NOTE 7 – INVESTMENT IN ASPIRE CONSULTING GROUP, LLC

On January 5, 2016, the Company entered into a Share Exchange Agreement with Aspire Consulting Group, LLC, a Virginia limited liability company and certain members of Aspire. Pursuant to the terms of the Exchange Agreement, the Company agreed to acquire 49% of all of the issued and outstanding membership units of Aspire in exchange for the issuance of 66,667 shares of the Company's newly created Series B Convertible Preferred Stock to the Members valued at $460,002.

The Company has concluded that it has the ability to exercise significant influence, but not control, over an Aspire through its acquired 49% equity interest and therefore has accounted for the acquisition of the interest under the equity method.

The following table presents details of the Company's investment is Aspire as of June 30, 2017 and December 31, 2016:

		Amount
Balance December 31, 2016	$	454,062
Fair value of shares issued for ownership 49% interest in Aspire		-
Income (loss) from equity method investee		(1,726)
Distributions received from Aspire		-
Balance June 30, 2017	$	452,336

NOTE 8 – COMMITMENTS AND CONTINGENCIES

Office Lease

On January 6, 2015 the Company signed an amendment to its lease originally signed on May 9, 2008. The amended lease commenced January 1, 2015 and expires on thirty days' notice. Rent expense was approximately $5,268 and $10,535 for the six months ended June 30, 2016 and 2015, respectively.

Executive Employment Agreement

The Company has an employment agreement with the CEO/Chairman to perform duties and responsibilities as may be assigned by the Board of Directors. The base salary is in the amount of $100,000 per annum plus an annual discretionary bonus plus benefits commencing on December 17, 2013 and ending May 1, 2017 with an automatic renewal on each anniversary date (May 1) thereafter.

Litigations, Claims and Assessments

The Company may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business.

Included in this litigation is a dispute over a $36,363 note secured by 59,400,000 shares of the Company's common stock. In the view of management, there are significant issues of fact regarding the proper issuance and assumption of this note by the Company. Additionally, there are issues over the validity of the prior debt. Regardless, the Company is in discussions to settle this note, and while no guarantee can be given as to the successful resolution of this matter, the Company believes it will be resolved without litigation.

However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise that may harm its business. The Company is currently not aware of any such legal proceedings or claims that they believe will have, individually or in the aggregate, a material adverse effect on its business, financial condition or operating results.

On July 7, 2016, the Company entered into an agreement to settle the note and accrued interest for 2,000,000 shares of common stock valued at $146,000. (See Note 6).

NOTE 9 – STOCKHOLDERS' EQUITY

The Company is authorized to issue an aggregate of 4,000,000,000 shares of common stock with a par value of $0.0001. The Company is also authorized to issue 10,000,000 shares of "blank check" preferred stock with a par value of $0.0001, which includes 4,000,000 shares of preferred stock.

On May 9, 2017, pursuant to Article III of the Company's Articles of Incorporation, the Board of Directors voted to designate a class of preferred stock entitled Series C Convertible Preferred Stock, consisting of up 2,000,000 shares, par value $0.0001. Under the Certificate of Designation, holders of Series C Convertible Preferred Stock will participate on an equal basis per-share with holders of common stock, Series A Preferred Stock and Series B Preferred Stock in any distribution upon winding up, dissolution, or liquidation. Holders of Series C Convertible Preferred Stock are entitled to vote together with the holders of our common stock on all matters submitted to shareholders at a rate of 875 votes for each share held. Holders of Series C Convertible Preferred Stock are entitled to convert each share held for 875 shares of common stock.

As of June 30, 2017, and December 31, 2015, 1,227,993,542 and 199,404,940 shares of common stock, 0 and 0 shares of Series A preferred stock and 66,667 and 0 Series B preferred stock and 66,667 and 2,000,000 and 0 Series C preferred stock, were issued and outstanding, respectively.

During the six months ended June 30, 2017, the Company issued 547,756,269 shares of common stock with a fair value of $270,928 for the partial conversion of convertible notes payable. The converted portion of the notes also had associated derivative liabilities with fair values on the date of conversion of $1,053,930. The conversion of the derivative liabilities has been recorded through additional paid-in capital.

On February 16, 2017, the Company issued a total of 2,000,000,000 shares of our common stock to our officer and director, Wais Asefi, as compensation for services rendered. During the six months ended June 30, 2017, the officer exchanged the common shares for 2,000,000 shares of newly designated Series C Preferred stock.

During the six months ended June 30, 2017, the Company issued 77,500,000 shares of common stock for services valued at $115,100.

NOTE 10 – SUBSEQUENT EVENTS

Effective July 3, 2017, the Company and Auctus Fund, LLC ("Auctus") entered into a Settlement Agreement and Mutual General Release (the "Settlement Agreement"). Pursuant to the Settlement Agreement, the parties agreed as follows:

- The Company agreed to issue 550,000,000 shares of our common stock to Auctus in settlement of a Securities Purchase Agreement with Auctus dated July 22, 2016;
- The shares are subject to a Leak-Out Agreement, which provides that Auctus may publicly sell daily the greater of 4,910,714 shares or 20% of the average daily trading volume over the prior 10-day trading period; and
- Upon receipt of the Shares and an irrevocable letter of instruction to our transfer agent, which was executed on July 3, 2017, the parties agreed to release each other from all claims.

Effective August 4, 2017, our company and Carebourn Capital, L.P. ("Carebourn") entered into a Debt Settlement Agreement. Pursuant to the Settlement Agreement, the parties agreed as follows:

- We agreed to issue 70,000,000 shares of our common stock to Carebourn in settlement of the balance remaining on a convertible promissory note dated November 5, 2015, which was amended on July 12, 2016;
- $30,500 of the note was sold to a third party, and we owed $15,250 to Carebourn, which amount is settled by the issuance of shares; and
- Upon receipt of the shares, the parties agreed to release each other from all claims.

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

Forward-Looking Statements

Certain statements, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives, and expected operating results, and the assumptions upon which those statements are based, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements generally are identified by the words "believes," "project," "expects," "anticipates," "estimates," "intends," "strategy," "plan," "may," "will," "would," "will be," "will continue," "will likely result," and similar expressions. We intend 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 are including this statement for purposes of complying with those safe-harbor provisions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. Our 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 our operations and future prospects on a consolidated basis include, but are not limited to: changes in economic conditions, legislative/regulatory changes, availability of capital, interest rates, competition, and generally accepted accounting principles. These risks and uncertainties should also be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Further information concerning our business, including additional factors that could materially affect our financial results, is included herein and in our other filings with the SEC.

Company Overview

We are a developing player in the mobile marketing and loyalty industry, providing cutting-edge mobile marketing solutions, rewards and loyalty to our clients. With a powerful yet intuitive suite of services, clients are able to reach more customers faster and reward them for repeat business. We help clients reach their marketing and revenue goals by educating clients with the most effective tools in mobile marketing, rewards, paperless redemption and loyalty.

In the past 4 years, we have grown to over 300 clients and more than 800 different locations in the United States, Canada and Mexico. We have achieved this with an expanded focus on a variety of industries, including restaurants, retailers, entertainment venues and other partnership opportunities. We have decided to focus our energy on the gym, health and fitness club market.

More recently, we have also entered into the IT consulting business through our acquisition of a minority interest in Aspire Consulting, LLC. We plan to assist our controlling partner in the development of this consulting business in addition to improving the market position of our mobile marketing business.

Our principal executive office is located at 1940 Contra Costa Blvd. Pleasant Hill, CA 94523 and our telephone number is (925-777-2111).

Results of Operation for Three and Six Months Ended June 30, 2017 and 2016

Revenues

For the three months ended June 30, 2017, we earned revenues in the amount of $307,788, as compared with revenues of $103,449 for the three months ended June 30, 2016. For the six months ended June 30, 2017, we earned revenues in the amount of $536,548, as compared with revenues of $191,859 for the three months ended June 30, 2016.

The increase in revenues for the three and six months ended June 30, 2017 over the prior year period is due to more customer accounts achieved from a change in our pricing model to become more competitive. We expect to achieve greater revenues for the rest of 2017.

Cost of Revenues

Cost of revenues was $84,047 for the three months ended June 30, 2017, as compared with $32,843 for the same period ended June 30, 2016. Cost of revenues was $157,466 for the six months ended June 30, 2017, as compared with $50,519 for the same period ended June 30, 2016.

Gross Profit

Our gross profit was $223,741 for the three months ended June 30, 2017 or approximately 73% of revenues, as compared with $70,606 for the same period ended June 30, 2016, or approximately 68% of revenues. Our gross profit was $379,082 for the six months ended June 30, 2017 or approximately 71% of revenues, as compared with $141,340 for the same period ended June 30, 2016, or approximately 74% of revenues.

We had spent more on web hosting costs and that is the main reason for the decrease in margin in the six months ended June 30, 2017 compared with the same period ended 2016. However, we experienced an increased margin in the three months ended June 30, 2017 over the same period ended 2016 and we expect that our increased revenues will result in a similar or greater margin in future quarters.

Operating Expenses

Our operating expenses were $310,097 for the three months ended June 30, 2017, as compared with $184,301 for the three months ended June 30, 2016. Our operating expenses were $6,473,348 for the six months ended June 30, 2017, as compared with $377,777 for the six months ended June 30, 2016.

Our operating expenses for the six months ended June 30, 2017 mainly consisted of a share issuance to our officer and director of 2 billion shares valued at $6,000,000. We expect that our operating expenses for the rest of 2017 will decrease, provided that we do not have to issue stock for services, which was the main reason for our increased expenses for the half year. Given our lack of operating capital, we have been forced to issue shares for services rendered to the company. We hope that increase revenues will lessen that trend for 2017 and beyond.

Other Income/Expenses

We had other income of $4,085,716 for the three months ended June 30, 2017 compared with other expenses of $198,388 for the same period ended June 30, 2016. We had other expenses of $671,004 for the six months ended June 30, 2017 compared with other expenses of $377,777 for the same period ended June 30, 2016.

Other income for the three months ended June 30, 2017 consisted mainly of $4,032,108 change in the fair value of derivative liabilities based on Black Scholes.

Net Income/Loss

We had net income of $3,999,360 for the three months ended June 30, 2017, as compared with a net loss of $305,420 for the three months ended June 30, 2016. We had a net loss of $6,766,996 for the six months ended June 30, 2017, as compared with net loss of $1,535,343 for the three months ended June 30, 2016.

Liquidity and Capital Resources

As of June 30, 2017, we had total current assets of $79,256, consisting of cash and receivables. Our total current liabilities as of June 30, 2017 were $1,065,573. We had a working capital deficit of $98,317 as of June 30, 2017.

Cash Flows from Operating Activities

Operating activities used $12,349 in cash for the six months ended June 30, 2017, compared with cash provided of $23,335 for the six months ended June 30, 2016. Our negative operating cash flow for the six months ended June 30, 2017 was largely the result of our net loss for the period of $6,766,995, offset by share based compensation of $6,115,100 and loss on derivative liabilities of $627,952.

Cash Flows from Financing Activities

Cash flows provided by financing activities during the six months ended June 30, 2017 amounted to $114,869, compared with cash flows provided by financing activities of $215,164 for the six months ended June 30, 2016. Our positive cash flows for the six months ended June 30, 2017 consisted of proceeds from convertible notes and loans payable, offset by payments on such.

Our optimum level of growth for success will be achieved if we are able to raise $250,000 in the next twelve months. However, funds are difficult to raise in today's economic environment. If we are unable to raise $250,000 our ability to implement our business plan and achieve our goals will be significantly diminished.

We have experienced a history of losses. With our revenues increasing, however, we are less reliant on outside capital as we have been in the past. We will need at a minimum $120,000 in capital to operate in the next 12 months. We are dependent on investment capital to continue our survival. We have raised money through convertible debt, almost always on unfavorable terms. There is no guarantee that these small convertible loans will be available to us in the future or on terms acceptable to us.

We do not have any formal commitments or arrangements for the sales of stock or the advancement or loan of funds at this time. There can be no assurance that such additional financing will be available to us on acceptable terms, or at all.

Going Concern

As of June 30, 2017, we have an accumulated deficit of $14,206,142. Our ability to continue as a going concern is contingent upon the successful completion of additional financing arrangements and our ability to achieve and maintain profitable operations. While we are expanding our best efforts to achieve the above plans, there is no assurance that any such activity will generate funds that will be available for operations. These conditions raise substantial doubt about our ability to continue as a going concern. These financial statements do not include any adjustments that might arise from this uncertainty.

Off Balance Sheet Arrangements

As of June 30, 2017, there were no off balance sheet arrangements.

Critical Accounting Policies

In December 2001, the SEC requested that all registrants list their most "critical accounting polices" in the Management Discussion and Analysis. The SEC indicated that a "critical accounting policy" is one which is both important to the portrayal of a company's financial condition and results, and requires management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. Our critical accounting policies are disclosed in Note 2 of our audited financial statements included in the Form 10-K filed with the Securities and Exchange Commission.

Recent Accounting Pronouncements

No new accounting pronouncements issued or effective during the fiscal year has had or is expected to have a material impact on the financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

A smaller reporting company is not required to provide the information required by this Item.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

We conducted an evaluation, with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act, as of June 30, 2017, to ensure that information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities Exchange Commission's rules and forms, including to ensure that information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of June 30, 2017, our disclosure controls and procedures were not effective at the reasonable assurance level due to the material weaknesses identified and described below.

Our principal executive officers do not expect that our disclosure controls or internal controls will prevent all error and all fraud. Although our disclosure controls and procedures were designed to provide reasonable assurance of achieving their objectives and our principal executive officers have determined that our disclosure controls and procedures are effective at doing so, a control system, no matter how well conceived and operated, can provide only reasonable, not absolute assurance that the objectives of the system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented if there exists in an individual a desire to do so. There can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Remediation Plan to Address the Material Weaknesses in Internal Control over Financial Reporting

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. Management identified the following three material weaknesses that have caused management to conclude that, as of June 30, 2017, our disclosure controls and procedures, and our internal control over financial reporting, were not effective at the reasonable assurance level:

1. We do not have written documentation of our internal control policies and procedures. Written documentation of key internal controls over financial reporting is a requirement of Section 404 of the Sarbanes-Oxley Act as of the period ending June 30, 2017. Management evaluated the impact of our failure to have written documentation of our internal controls and procedures on our assessment of our disclosure controls and procedures and has concluded that the control deficiency that resulted represented a material weakness.

2. We do not have sufficient segregation of duties within accounting functions, which is a basic internal control. Due to our size and nature, segregation of all conflicting duties may not always be possible and may not be economically feasible. However, to the extent possible, the initiation of transactions, the custody of assets and the recording of transactions should be performed by separate individuals. Management evaluated the impact of our failure to have segregation of duties on our assessment of our disclosure controls and procedures and has concluded that the control deficiency that resulted represented a material weakness.

3. Effective controls over the control environment were not maintained. Specifically, a formally adopted written code of business conduct and ethics that governs our employees, officers, and directors was not in place. Additionally, management has not developed and effectively communicated to employees its accounting policies and procedures. This has resulted in inconsistent practices. Further, our Board of Directors does not currently have any independent members and no director qualifies as an audit committee financial expert as defined in Item 407(d)(5)(ii) of Regulation S-K. Since these entity level programs have a pervasive effect across the organization, management has determined that these circumstances constitute a material weakness.

To address these material weaknesses, management performed additional analyses and other procedures to ensure that the financial statements included herein fairly present, in all material respects, our financial position, results of operations and cash flows for the periods presented. Accordingly, we believe that the financial statements included in this report fairly present, in all material respects, our financial condition, results of operations and cash flows for the periods presented.

To remediate the material weakness in our documentation, evaluation and testing of internal controls we plan to engage a third-party firm to assist us in remedying this material weakness once resources become available.

We intend to remedy our material weakness with regard to insufficient segregation of duties by hiring additional employees in order to segregate duties in a manner that establishes effective internal controls once resources become available.

Changes in Internal Control over Financial Reporting

No change in our system of internal control over financial reporting occurred during the period covered by this report, the period ended June 30, 2017, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

Below is a list of our legal proceedings and the settlements we recently entered into.

JSJ Investments, Inc. vs. Textmunication Holdings, Inc.
95th District Court of Dallas County, Texas
Filed on 2/7/2017
Case DC-17-01404

Auctus Fund vs. Textmunication Holdings, Inc.
United States District Court – District of Massachusetts
Filed on 3/24/2017
Case 1:17-cv-10504

Textmunication Holdings, Inc. vs. Carebourn Capital. L.P.
United States District Court – District of Nevada
Filed on 4/5/2017
Case 2:17-cv-00968-JAD-VCF

Textmunication Holdings, Inc. vs. Lester Einhaus
Eighth Judicial District Court of Clark County, Nevada
Filed on 4/10/2017
A-17-753743-C

On May 24, 2017, our company and JSJ Investments Inc. ("JSJ") entered into a Final Settlement Agreement. Pursuant to the Settlement Agreement, the parties agreed as follows:

- We agreed to execute an amendment to the 12% convertible promissory note in favor of JSJ, which will allow JSJ to convert the note's outstanding balance and accrued interest of $53,280.57 into a fixed 262,500,000 shares of our common stock under conversion notices;
- Upon receipt of the 262,500,000 shares, the parties will release each other from all claims; and
- As security for the issuance, we agreed to execute a judgment in favor of JSJ, but it will not be entered if we comply with the terms of settlement.

Effective July 3, 2017, our company and Auctus Fund, LLC ("Auctus") entered into a Settlement Agreement and Mutual General Release. Pursuant to the Settlement Agreement, the parties agreed as follows:

- We agreed to issue 550,000,000 shares of our common stock to Auctus in settlement of a Securities Purchase Agreement with Auctus dated July 22, 2016;
- The shares are subject to a Leak-Out Agreement, which provides that Auctus may publicly sell daily the greater of 4,910,714 shares or 20% of the average daily trading volume over the prior 10-day trading period; and
- Upon receipt of the shares and an irrevocable letter of instruction to our transfer agent, which was executed on July 3, 2017, the parties agreed to release each other from all claims.

Effective August 4, 2017, our company and Carebourn Capital, L.P. ("Carebourn") entered into a Debt Settlement Agreement. Pursuant to the Settlement Agreement, the parties agreed as follows:

- We agreed to issue 70,000,000 shares of our common stock to Carebourn in settlement of the balance remaining on a convertible promissory note dated November 5, 2015, which was amended on July 12, 2016;
- $30,500 of the note was sold to a third party, and we owed $15,250 to Carebourn, which amount is settled by the issuance of shares; and
- Upon receipt of the shares, the parties agreed to release each other from all claims.

Item 1A: Risk Factors

For our mobile marketing business, see risk factors included in our Annual Report on Form 10-K for the year ended December 31, 2014 filed on April 15, 2015.

For our interest in Aspire Consulting Group, LLC, see risk factors included in our Current Report on Form 8-K filed on January 1, 2016.

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

The information set forth below relates to our issuances of securities without registration under the Securities Act of 1933.

During the six months ended June 30, 2017, we issued 77,500,000 shares of common stock for services valued at $115,100.

During the six months ended June 30, 2017, we issued 547,756,269 shares of common stock with a fair value of $270,928 for the partial conversion of convertible notes payable.

On February 16, 2017, we issued a total of 2,000,000,000 shares of our common stock to our officer and director, Wais Asefi, as compensation for services rendered. During the six months ended June 30, 2017, the officer exchanged the common shares for 2,000,000 shares of our newly designated Series C Preferred stock.

On May 24, 2017, we agreed to execute an amendment to the 12% convertible promissory note in favor of JSJ, which will allow JSJ to convert the note's outstanding balance and accrued interest of $53,280.57 into a fixed 262,500,000 shares of our common stock under conversion notices.

On July 3, 2017, we agreed to issue 550,000,000 shares of our common stock to Auctus in settlement of a Securities Purchase Agreement with Auctus dated July 22, 2016;

On August 4, 2017, we agreed to issue 70,000,000 shares of our common stock to Carebourn in settlement of the balance remaining on a convertible promissory note dated November 5, 2015, which was amended on July 12, 2016.

These securities were issued pursuant to Section 4(2) of the Securities Act and/or Rule 506 promulgated thereunder. The holders represented their intention to acquire the securities for investment only and not with a view towards distribution. The investors were given adequate information about us to make an informed investment decision. We did not engage in any general solicitation or advertising. We directed our transfer agent to issue the stock certificates with the appropriate restrictive legend affixed to the restricted stock.

Item 3. Defaults upon Senior Securities

None

Item 4. Mine Safety Disclosures

N/A

Item 5. Other Information

None

Item 6. Exhibits

Exhibit Number	Description of Exhibit
3.1	Certificate of Designation, dated May 15, 2017
10.1	Debt Settlement Agreement, dated August 4, 2017
31.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, 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
101**	The following materials from the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2017 formatted in Extensible Business Reporting Language (XBRL).

**Provided herewith

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.

Textmunication Holdings, Inc.

Date: August 15, 2017

By: */s/ Wais Asefi*

Wais Asefi

Title: President, Chief Executive Officer, and Director

STATE OF NEVADA

BARBARA K. CEGAVSKE
Secretary of State

KIMBERLEY PERONDI
Deputy Secretary
for Commercial Recordings

Commercial Recordings Division
202 N. Carson Street
Carson City, NV 89701-4201
Telephone (775) 684-5708
Fax (775) 684-7138

OFFICE OF THE
SECRETARY OF STATE

TEXTMUNICATION HOLDINGS, INC.

NV

Job:C20170516-1242
May 18, 2017

Special Handling Instructions:
1FSC, EMAIL, DRR, 5/18/17

Charges

Description	Document Number	Filing Date/Time	Qty	Price	Amount
Designation	20170213770-90	5/15/2017 6:01:34 AM	1	$175.00	$175.00
Total					$175.00

Payments

Type	Description	Amount
Credit	4951210258796272303072	$175.00
Total		$175.00

Credit Balance: $0.00

Job Contents:
File Stamped Copy(s): 1

TEXTMUNICATION HOLDINGS, INC.

NV

150103

BARBARA K. CEGAVSKE
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5708
Website: www.nvsos.gov

Filed in the office of	Document Number 20170213770-90
Barbara K. Cegavske Secretary of State State of Nevada	Filing Date and Time 05/15/2017 6:01 AM
	Entity Number E0524932013-3

Certificate of Designation
(PURSUANT TO NRS 78.1955)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Designation For Nevada Profit Corporations (Pursuant to NRS 78.1955)

1. Name of corporation:

Textmunication Holdings, Inc.

2. By resolution of the board of directors pursuant to a provision in the articles of incorporation this certificate establishes the following regarding the voting powers, designations, preferences, limitations, restrictions and relative rights of the following class or series of stock.

SERIES C CONVERTIBLE PREFERRED STOCK
On behalf of Textmunication Holdings, Inc., a Nevada corporation (the "Corporation"), the undersigned hereby certifies that the following resolution has been duly adopted by the board of directors of the Corporation (the "Board"):
RESOLVED, that, pursuant to the authority granted to and vested in the Board by the provisions of the articles of incorporation of the Corporation (the "Articles of Incorporation"), there hereby is created, out of the ten million (10,000,000) shares of preferred stock, par value $0.0001 per share, of the Corporation authorized by Article III of the Articles of Incorporation ("Preferred Stock"), a series of Series C Convertible Preferred Stock, consisting of two million (2,000,000) shares,
SEE ATTACHED

3. Effective date of filing: (optional)

(must not be later than 90 days after the certificate is filed)

4. Signature: (required)

X

Signature of Officer

Filing Fee: $175.00

IMPORTANT: Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.

This form must be accompanied by appropriate fees.

CERTIFICATE OF DESIGNATION

OF

TEXTMUNICATION HOLDINGS, INC.

Pursuant to Section 78.1955 of the

Nevada Revised Statutes

SERIES C CONVERTIBLE PREFERRED STOCK

On behalf of Textmunication Holdings, Inc., a Nevada corporation (the "Corporation"), the undersigned hereby certifies that the following resolution has been duly adopted by the board of directors of the Corporation (the "Board"):

RESOLVED, that, pursuant to the authority granted to and vested in the Board by the provisions of the articles of incorporation of the Corporation (the "Articles of Incorporation"), there hereby is created, out of the ten million (10,000,000) shares of preferred stock, par value $0.0001 per share, of the Corporation authorized by Article III of the Articles of Incorporation ("Preferred Stock"), a series of Series C Convertible Preferred Stock, consisting of two million (2,000,000) shares, which series shall have the following powers, designations, preferences and relative participating, optional and other special rights, and the following qualifications, limitations and restrictions:

The specific powers, preferences, rights and limitations of the Series C Convertible Preferred Stock are as follows:

1. Designation; Rank. This series of Preferred Stock shall be designated and known as "Series C Convertible Preferred Stock." The number of shares constituting the Series C Convertible Preferred Stock shall be two million (2,000,000) shares. Except as otherwise provided herein, the Series C Convertible Preferred Stock shall, with respect to rights on liquidation, winding up and dissolution, rank *pari passu* to the common stock, par value $0.0001 per share (the "Common Stock"), the Series A Convertible Preferred Stock, par value $0.0001 per share (the "Series A Preferred Stock") and the Series B Convertible Preferred Stock, par value $0.0001 per share (the "Series B Preferred Stock").

2. Dividends. The holders of shares of Series C Convertible Preferred Stock have no dividend rights except as may be declared by the Board in its sole and absolute discretion, out of funds legally available for that purpose.

3. Liquidation Preference.

(a) In the event of any dissolution, liquidation or winding up of the Corporation (a "Liquidation"), whether voluntary or involuntary, the Holders of Series C Convertible Preferred Stock shall be entitled to participate in any distribution out of the assets of the Corporation on an equal basis per share with the holders of the Common Stock, the Series A Preferred Stock and the Series B Preferred Stock.

(b) A sale of all or substantially all of the Corporation's assets or an acquisition of the Corporation by another entity by means of any transaction or series of related transactions (including, without limitation, a reorganization, consolidated or merger) that results in the transfer of fifty percent (50%) or more of the outstanding voting power of the Corporation (a "Change in Control Event"), shall not be deemed to be a Liquidation for purposes of this Designation.

4. Voting. The holders of Series C Convertible Preferred Stock shall have the right to cast eight hundred and seventy five (875) votes for each share held of record on all matters submitted to a vote of holders of the Corporation's common stock and Series A Preferred Stock, including the election of directors, and all other matters as required by law. There is no right to cumulative voting in the election of directors. The holders of Series C Preferred Stock shall vote together with all other classes and series of common stock and Series A Preferred Stock of the Corporation as a single class on all actions to be taken by the common stock and Series A Preferred Stock holders of the Corporation except to the extent that voting as a separate class or series is required by law.

5. Optional Conversion of Series C Convertible Preferred Stock. The Holders of Series C Convertible Preferred Stock shall have conversion rights as follows:

(a) Conversion Right. Each share of Series C Convertible Preferred Stock shall be convertible at the option of the Holder thereof and without the payment of additional consideration by the Holder thereof, at any time, into shares of Common Stock on the Optional Conversion Date (as hereinafter defined) at a conversion rate of eight hundred and seventy five (875) shares of Common Stock (the "Conversion Rate") for every one (1) share of Series C Convertible Preferred Stock, subject to adjustment as provided in Section 5 of this Designation.

(b) Mechanics of Optional Conversion. To effect the optional conversion of shares of Series C Convertible Preferred Stock in accordance with Section 5(a) of this Designation, any Holder of record shall make a written demand for such conversion (for purposes of this Designation, a "Conversion Demand") upon the Corporation at its principal executive offices setting forth therein (i) the certificate or certificates representing such shares, and (ii) the proposed date of such conversion, which shall be a business day not less than fifteen (15) nor more than thirty (30) days after the date of such Conversion Demand (for purposes of this Designation, the "Optional Conversion Date"). Within five days of receipt of the Conversion Demand, the Corporation shall give written notice (for purposes of this Designation, a "Conversion Notice") to the Holder setting forth therein (i) the address of the place or places at which the certificate or certificates representing any shares not yet tendered are to be converted are to be surrendered; and (ii) whether the certificate or certificates to be surrendered are required to be endorsed for transfer or accompanied by a duly executed stock power or other appropriate instrument of assignment and, if so, the form of such endorsement or power or other instrument of assignment. The Conversion Notice shall be sent by first class mail, postage prepaid, to such Holder at such Holder's address as may be set forth in the Conversion Demand or, if not set forth therein, as it appears on the records of the stock transfer agent for the Series C Convertible Preferred Stock, if any, or, if none, of the Corporation. On or before the Optional Conversion Date, each Holder of the Series C Convertible Preferred Stock so to be converted shall surrender the certificate or certificates representing such shares, duly endorsed for transfer or accompanied by a duly executed stock power or other instrument of assignment, if the Conversion Notice so provides, to the Corporation at any place set forth in such notice or, if no such place is so set forth, at the principal executive offices of the Corporation. As soon as practicable after the Optional Conversion Date and the surrender of the certificate or certificates representing such shares, the Corporation shall issue and deliver to such Holder, or its nominee, at such Holder's address as it appears on the records of the stock transfer agent for the Series C Convertible Preferred Stock, if any, or, if none, of the Corporation, a certificate or certificates for the number of whole shares of Common Stock issuable upon such conversion in accordance with the provisions hereof.

(c) No Fractional Shares. No fractional shares of Common Stock or scrip shall be issued upon conversion of shares of Series C Convertible Preferred Stock. In lieu of any fractional share to which the Holder would be entitled but for the provisions of this Section 5(c) based on the number of shares of Series C Convertible Preferred Stock held by such Holder, the Corporation shall issue a number of shares to such Holder rounded up to the nearest whole number of shares of Common Stock. No cash shall be paid to any Holder of Series C Convertible Preferred Stock by the Corporation upon conversion of Series C Preferred Convertible Stock by such Holder.

(d) Reservation of Stock. The Corporation shall at all times when any shares of Series C Preferred Convertible Stock shall be outstanding, reserve and keep available out of its authorized but unissued Common Stock, such number of shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Series C Convertible Preferred Stock. If at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all outstanding shares of the Series C Convertible Preferred Stock, the Corporation will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose.

(e) Stock Dividends, Splits, Combinations and Reclassifications. If the Corporation shall (i) declare a dividend or other distribution payable in securities, (ii) split its outstanding shares of Common Stock into a larger number, (iii) combine its outstanding shares of Common Stock into a smaller number, or (iv) increase or decrease the number of shares of its capital stock in a reclassification of the Common Stock including any such reclassification in connection with a merger, consolidation or other business combination in which the Corporation is the continuing entity (any such corporate event, an "Event"), then in each instance the Conversion Rate shall be proportionately adjusted to take into account such Event.

(f) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Rate pursuant to Section 5 of this Designation, the Corporation at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and cause its principal financial officer to verify such computation and prepare and furnish to each Holder of Series C Convertible Preferred Stock a certificate setting forth such adjustment or readjustment and setting forth in reasonable detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any Holder of Series C Convertible Preferred Stock, furnish or cause to be furnished to such Holder a like certificate setting forth: (i) such adjustments and readjustments; (ii) the Conversion Rate in effect at such time for the Series C Convertible Preferred Stock; and (iii) the number of shares of Common Stock and the amount, if any, of other property that at such time would be received upon the conversion of the Series C Convertible Preferred Stock.

(g) Issue Taxes. The converting Holder shall pay any and all issue and other non-income taxes that may be payable in respect of any issue or delivery of shares of Common Stock on conversion of shares of Series C Convertible Preferred Stock.

6. No Preemptive Rights. No holder of the Series C Convertible Preferred Stock shall be entitled to rights to subscribe for, purchase or receive any part of any new or additional shares of any class, whether now or hereinafter authorized, or of bonds or debentures, or other evidences of indebtedness convertible into or exchangeable for shares of any class, but all such new or additional shares of any class, or any bond, debentures or other evidences of indebtedness convertible into or exchangeable for shares, may be issued and disposed of by the Board of Directors on such terms and for such consideration (to the extent permitted by law), and to such person or persons as the Board of Directors in their absolute discretion may deem advisable.

7. Vote to Change the Terms of or Issue Preferred Stock. The affirmative vote at a meeting duly called for such purpose or the written consent without a meeting, of the majority holders (in addition to any other corporate approvals then required to effect such action), shall be required for any change to this Certificate of Designation or the Company's Articles of Incorporation which would amend, alter, change or repeal any of the powers, designations, preferences and rights of the Series C Convertible Preferred Stock.

8. Lost or Stolen Certificates. Upon receipt by the Company of evidence satisfactory to the Company of the loss, theft, destruction or mutilation of any Preferred Stock Certificates representing the shares of Series C Convertivle Preferred Stock, and, in the case of loss, theft or destruction, of any indemnification undertaking by the holder to the Company and, in the case of mutilation, upon surrender and cancellation of the Preferred Stock Certificate(s), the Company shall execute and deliver new preferred stock certificate(s) of like tenor and date; provided, however, that the Company shall not be obligated to re-issue Preferred Stock Certificates if the holder contemporaneously requests the Company to convert such shares of Series C Convertivle Preferred Stock into Common Stock.

9. Failure or Indulgence Not Waiver. No failure or delay on the part of a holder of Series C Convertible Preferred Stock in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege.

IN WITNESS WHEREOF the undersigned has signed this Designation this 9th day of May 2017.

TEXTMUNICATION HOLDINGS, INC.

By: ______________________________

Name: Wais Asefi
Title: CEO

D E BT S ETT L EMENT AGR E EME N T

This D E BT SE T TLEMENT AGREEMENT (this “Agree m e n t”) is dated August 4, 2017 (the “E f fective Date”), by and between Carebourn Capital, L . P. (“H O LD ER ”), and Text m unication Holdin g s , Inc., a N e vada corp o ration (“T X H D ”).

R E C I T A L S:

WHER E AS , T X HD is s ued a convertible pro m issory note in the prin c ipal a m ount of $30,500.00 to the H O LDER (the “Not e ”) on No v e m ber 5, 2015, which was a m ended on July 12, 2016 to refl e ct an ad d iti o n of $ 15,250.00 in pri n cipal to the b a l a nce of the Note;

WHER E AS , H O L D ER sold an int e rest in the N o te worth $3 0 ,500.00 to a third p arty, but ret a ined t h e re m aining $15,250.00 intere s t in the N ot e ; and

WHER E AS, H O LD E R and TXHD desire to s ettle all of the outstan d ing oblig a tions under the re m aining a m ounts due u n der the No t e , as further p rovided h e rei n .

NOW, THE R EFOR E , in consider a tion of the pr e m ises and of the ter m s and conditions herein contained, the p arties m utually agree as f ollows:

1. Settlem e nt of Note .

1.1 Settle m ent . T X HD and H O LD E R agree to s e ttle all of the outstan d ing prin c ipal, int e rest, and penalties o wed under t h e Note as follows: t h e H O LDER s hall be e n titled to convert all a m ounts owed under the Note, p u rsuant to the ter m s of the Note, p rovided, ho w e v er, that all re m aining amounts owed under the Note shall be dee m ed forgiven by the H O LD E R a fter T X H D ’s i s suance of an aggregate total of 70,000,000 shares of its c o m m on stock (the “Settle m ent Shares”) to H O LDER pursuant to s uch conver s ion(s). For the a v oida n ce of doubt, the H O L D ER shall be entitled to ef f ectuate su c h conversion(s) under t h e Note in the a m ounts and at such ti m es as the H O LDER desires in H O L D ER’s sole discretion, provided, howeve r , that the aggre g ate a m ount of shares of c o m m on stock to be iss u ed to H O LD E R pursuant to such conversion(s) shall n o t exceed the S ettle m ent Share s . Furth e r, T X H D ’s c urrent trans f er agent is W orldwide Stock Trans f er, LLC (“Worldwide ”), and T X HD shall not ter m inate W orldwide a s T X H D ’s transfer agent until the HOL D ER has s old all of the Settle m ent Shares.

2. Representations a n d Warranties of T X HD .

2.1 Authoriz a ti o n . The e x ecution, d e livery and perfor m ance by T X HD of this Agree m ent and the per f o r m ance of all of TX H D’s obligations h e reunder ha v e been duly authorized b y all neces s ary corpora t e action, a n d this Agree m ent has been duly executed and deliv e red b y T X H D . This Agre e m ent constitutes the v alid and binding obli g ati o n of T X HD enforceable in accorda n ce with its t er m s. The execution and perfor m ance of the transactions conte m plat e d by this Agree m ent and c o m pliance with its provisions by T X HD will not conflict with or res u lt in any breach of any of the ter m s, conditions, or provi s i o ns of, or constit u te a default und e r, its Certi f icate of Inc o rporation or Bylaws or any agree m ent to which T X HD is a party or by which it o r any of its pr o perties is b o und.

2.3 Binding Obligation. Assuming the due execution and delivery of this Agreement, this Agreement constitutes the valid and binding obligation of TXHD, enforceable against TXHD in accordance with its terms.

2.4 Holder Release. TXHD, on behalf of itself and its agents, heirs, representatives, successors and assigns, agrees to fully release, acquit and forever discharge the HOLDER, and its respective officers, directors, agents, employees, attorneys, owners, members, affiliates, predecessors, successors and assigns and all past, present and future officers, directors, agents, employees, attorneys, owners, members, affiliates, successors, predecessors and assigns, any one of them, or any combination of them, and anyone or any entity related thereto from all known or unknown, revealed and concealed, contingent and non-contingent claims, actions, causes of action, and suits for damages, at law or in equity, filed or otherwise, and all other claims whatsoever, in law or in equity, contract or tort, which TXHD ever had or now has against any of the aforementioned, by reason of any matter that is related to or arising from the acts and events underlying or giving rise to the Note, the dispute and the claims asserted therein. This waiver and release does not include TXHD's rights to enforce this Agreement and any action or claim that cannot be waived as a matter of law.

2.5 TXHD Release. The HOLDER, on behalf of itself and its agents, heirs, representatives, successors and assigns, agrees to fully release, acquit and forever discharge TXHD and its respective agents, employees, attorneys, predecessors, successors and assigns and all past, present and future agents, employees, attorneys, successors, predecessors and assigns, any one of them, or any combination of them, and anyone or any entity related thereto from all known or unknown, revealed and concealed, contingent and non-contingent claims, actions, causes of action, and suits for damages, at law or in equity, filed or otherwise that the HOLDER ever had or now has against any of the aforementioned, by reason of any matter that is related to or arising from the acts and events underlying or giving rise to the Note, the dispute and the claims asserted therein. This waiver and release does not include HOLDER's rights to enforce this Agreement and any action or claim that cannot be waived as a matter of law.

2.6 HOLDER and TXHD further acknowledge that they may hereafter discover claims or facts in addition to or different from those which they now know or believe to exist with respect to the subject matter of the Note, which, if known or suspected at the time of the execution of this Agreement, may have materially affected their decision. Nevertheless, the parties hereby waive any rights, claim or cause of action that existed at the time of the execution of this Agreement. The parties acknowledge that they understand the significance and consequence of their release and the specific waiver of all such known and unknown claims.

3. Representations and Warranties of the HOLDER.

3.1 Authorization. The HOLDER has full power and authority to enter into this Agreement, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. This Agreement constitutes a valid and legally binding obligation of the HOLDER, enforceable in accordance with the terms.

3.2 Bona Fide Interest. The HOLDER has not assigned or in any way conveyed any portion of the remaining principal amount of $15,250.00 under the Note.

4. Miscellaneous.

4.1 No Third Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any person other than the parties and their respective successors and permitted assigns.

4.2 Entire Agreement. This Agreement (including the documents referred to herein) constitutes the entire agreement among the parties and supersedes any prior understandings, agreements, or representations by or among the parties, written or oral, to the extent they related in any way to the subject matter hereof.

4.3 Counterparts. This agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

4.4 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada (without regard to conflict of laws).

4.5 No Waiver/Amendments. Any waiver by any party to this Agreement of any provision of this Agreement shall not be construed as a waiver of any other provision of this Agreement, nor shall such waiver be construed as a waiver of such provision respecting any future event or circumstance. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by the HOLDER and TXHD.

4.6 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

4.7 Costs. Each party will bear the costs and expenses incurred by it in connection with this Agreement and the transaction contemplated thereby.

4.8 Survival of Terms. All representations, warranties and covenants contained in this Agreement or in any certificates or other instruments delivered by or on behalf of the parties hereto shall be continuous and survive the execution of this Agreement.

4.9 Non-Assignment. This Agreement and the obligations hereunder shall not be assignable.

4.10 Notices. Notices hereunder shall be given only by personal delivery, registered or certified mail, return receipt requested, overnight courier service, or telex, telegram, facsimile or other form of electronic mail and shall be deemed transmitted when personally delivered or deposited in the mail or delivered to a courier service or a carrier for electronic transmittal or electronically transmitted by facsimile (as the case may be), postage or charges prepaid, and properly addressed to the particular party to whom the notice is to be sent.

4.11 Headings. The headings used in this Agreement are for convenience only and shall not by themselves determine the interpretation, construction or meaning of this Agreement.

4.12 Attorneys' Fees and Costs. In the event any party to this Agreement shall be required to initiate legal proceedings to enforce performance of any term or condition of this Agreement, including, but not limited to, the interpretation of any term or provision hereof, the payment of moneys or the enjoining of any action prohibited hereunder, the prevailing party shall be entitled to recover such sums in addition to any other damages or compensation received, as will reimburse the prevailing party for reasonable attorneys' fees and court costs incurred on account thereof (including, without limitation, the costs of any appeal) notwithstanding the nature of the claim or cause of action asserted by the prevailing party.

[Signature page to follow]

IN WITN E SS WHER E O F , the H O L D ER and T X HD have caused this Agr e e m ent to be executed as of the E f fective Date.

HOL D E R :

C A REBOURN CAPITA L , L.P.

By: Carebourn P artners, LLC
a Minnesota limited liability c om pany,
its Gene r al Partner

By:
Na m e: Chip Rice
Titl e : Managing Me m ber

THE ISSUE R :

T E XTMUNIC A TION HOL D ING S , IN C .

By:
Na m e: W ais Ase f i
Titl e : Chief E xecutive O f f icer

CERTIFICATIONS

I, Wais Asefi, certify that;

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended June 30, 2017 of Textmunication Holdings, Inc. (the "registrant");

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 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 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: August 15, 2017

By: *_/s/ Wais Asefi_*
Wais Asefi
Title: Chief Executive Officer

CERTIFICATIONS

I, Wais Asefi, certify that;

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended June 30, 2017 of Texmunication Holdings, Inc. (the "registrant");

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 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 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: August 15, 2017

By: */s/ Wais Asefi*
Wais Asefi
Title: Chief **Executive Officer**

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

In connection with the quarterly Report of Textmunication Holdings, Inc. (the "Company") on Form 10-Q for the quarter ended June 30, 2017 filed with the Securities and Exchange Commission (the "Report"), I, Wais Asefi, Chief Executive 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:

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

2. The information contained in the Report fairly presents, in all material respects, the consolidated financial condition of the Company as of the dates presented and the consolidated result of operations of the Company for the periods presented.

By: */s/ Wais Asefi*
Name: Wais Asefi
Title: Chief Executive Officer
Date: August 15, 2017

This certification has been furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.