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PROBE MANUFACTURING INC

FORM 10-K
(Annual Report)

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Address	17475 GILLETTE AVENUE IRVINE, CA 92614
Telephone	(949) 273-4990
CIK	0001329606
Symbol	PMFI
SIC Code	3672 - Printed Circuit Boards
Industry	Electronic Instr. & Controls
Sector	Technology
Fiscal Year	12/31

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

FORM 10-K

(Mark One)

[X] **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended : **December 31, 2014**

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

For the transition period from ___________________ **to** ___________________

Commission File Number: **333-125678**

PROBE MANUFACTURING, INC.

(Exact name of registrant as specified in its charter)

Nevada	**20-2675800**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

17475 Gillette Avenue, Irvine, California 92614
(Address of principal executive offices)
(949) 273-4990
(Registrant's telephone number)

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

Title of each class
Common Stock, par value $0.001

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

None
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
[ ] Yes **[X]** No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
[ ] Yes **[X]** No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

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

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

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant as of June 30, 2014 was $605,048 based upon the price ($0.075) at which the common stock was last sold as of the last business day of the most recently completed second fiscal quarter, multiplied by the approximate number of shares of common stock held by persons other than executive officers, directors and five percent stockholders of the registrant without conceding that any such person is an "affiliate" of the registrant for purposes of the federal securities laws. Our common stock is not traded in the over-the-counter market and quoted on the Over-The-Counter Bulletin Board.

State the number of shares outstanding of each of the issuer's classes of common equity, as of March 31, 2015 was 33,061,344 shares of common stock, $.001 par value.

DOCUMENTS INCORPORATED BY REFERENCE

None.

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FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements are not historical facts but rather are based on current expectations, estimates and projections. We may use words such as "anticipate," "expect," "intend," "plan," "believe," "foresee," "estimate" and variations of these words and similar expressions to identify forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted. These risks and uncertainties include the following:

- *The availability and adequacy of our cash flow to meet our requirements;*
- *Economic, competitive, demographic, business and other conditions in our local and regional markets;*
- *Changes or developments in laws, regulations or taxes in our industry;*
- *Actions taken or omitted to be taken by third parties including our suppliers and competitors, as well as legislative, regulatory, judicial and other governmental authorities;*
- *Competition in our industry;*
- *The loss of or failure to obtain any license or permit necessary or desirable in the operation of our business;*
- *Changes in our business strategy, capital improvements or development plans;*
- *The availability of additional capital to support capital improvements and development; and*
- *Other risks identified in this report and in our other filings with the Securities and Exchange Commission or the SEC.*

This report should be read completely and with the understanding that actual future results may be materially different from what we expect. The forward looking statements included in this report are made as of the date of this report and should be evaluated with consideration of any changes occurring after the date of this Report. We will not update forward-looking statements even though our situation may change in the future and we assume no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Use of Term

Except as otherwise indicated by the context, references in this report to "Company", **"PMFI"** , "Probe", "we", "us" and "our" are references to **Probe Manufacturing Inc.** All references to "USD" or United States Dollars refer to the legal currency of the United States of America.

PART I

Item 1. Business.

Our Company

Probe Manufacturing, Inc. (the "Company," "Probe," or "PMI") headquartered in Irvine, California is a product development accelerator providing engineering and manufacturing services to startups and venture capital backed companies with emphasis in cleantech. Our cross-market segment experience from medical, instrumentation, to aerospace helps us bring effective solutions to tough technical product development and manufacturing problems. Our revenue is generated from sales of our core expertise in manufacturing, project management and product development incubation services.

We offer our customers' integrated design and manufacturing services, from initial product design to production and both pre and post sales services. Our engineering services include product design, printed circuit board layout, prototyping, and test development. Our supply chain management solutions include purchasing, management of materials, and order fulfillment. Our manufacturing services include printed circuit board assembly, cable assembly, mechanical assembly, and fully integrated box build systems for high complexity electronics.

Some examples of our customer's finished goods products include storage devices for wind and solar, energy savings lighting solutions, instrumentation devices, ultrasound therapeutic medical devices, PCB's for landing gear systems and flap controllers and fluid control units for airliners.

As innovation, cost, and time to market become hyper-competitive, both startups and VC backed companies are now compelled to use engineering and manufacturing partners with easy onshore access, providing local project management and manufacturing expertise during product conceptualization, development, and integration. Our project management and manufacturing expertise combined with our product development capabilities support clients through product development and design resulting in improved return on investment, utilization of global supply chain reducing material acquisition time and cost and accelerate time to market by rapidly executing newly defined production processes.

Our growth strategy is to leverage our currency and core competencies in product development incubation, project management and manufacturing for increased sales and equity opportunities.

We believe that with our focus on Cleantech and new growing opportunities in our medical, aerospace and instrumentation segments we are able to leverage our core competencies for long term manufacturing agreements and equity opportunities resulting in increased sales, profitability and shareholder value.

On March 15, 2013, we entered into an Agreement and Plan of Acquisition with Trident Manufacturing, Inc., a Utah corporation, ("Trident"), and the shareholders of Trident, to acquire 100% of the issued and outstanding common stock shares of Trident. Trident is a full-service electronics manufacturing service company with a 16,000 sq. ft. manufacturing facility based in Salt Lake City, Utah and has been servicing the industrial, aerospace, military, instrumentation, and medical markets since 2005.

On March 20, 2013, we completed the acquisition of Trident whereby we acquired 100% of the issued and outstanding common stock shares of Trident and all its operational assets in exchange for 1,600,000 shares of our restricted shares of common stock. As a result of the acquisition, Trident has become a wholly-owned subsidiary of Probe Manufacturing, Inc. As a result we recognized $420,673 in goodwill.

Going Concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of operations, realization of assets and liquidation of liabilities in the normal course of business. The Company had a total stockholder's deficit of $59,331 and a working capital deficit of $599,915 and a net loss of $1,235,194 for the year ended December 31, 2014 and an accumulated deficit of $2,305,203 as of December 31, 2014 and used $708,337 in net cash from operating activities for the year ended December 31, 2014. Therefore, there is substantial doubt about the ability of the Company to continue as a going concern. There can be no assurance that the Company will achieve its goals and reach a profitable operating stand and is still dependent upon its ability (1) to obtain sufficient debt and/or equity capital and/or (2) to generate positive cash flow from operations.

Our operating results are affected by a number of factors, including the following:

- changes in the macro-economic environment and related changes in consumer demand;
- the mix of the manufacturing services we are providing, the number and size of new manufacturing programs, the degree to which we utilize our manufacturing capacity, seasonal demand, shortages of components and other factors;
- the effects on our business when our customers are not successful in marketing their products, or when their products do not gain widespread commercial acceptance;
- our components offerings which have required that we make substantial investments in the resources necessary to design and develop these products;
- our ability to achieve commercially viable production yields and to manufacture components in commercial quantities to the performance specifications demanded by our OEM customers;

Plan of Operation

Management is taking the following steps to sustain profitability and growth: (i) organic growth through our targeted profitable and scalable accounts (ii) leveraging core competencies with emphasis in cleantech for manufacturing rights and equity; and (iii) expansion of capabilities and competencies through mergers & acquisitions providing scale, cost synergies and revenue opportunities.

Our future success is likely dependent on our ability to sustain profitable growth and attain additional capital to support growth. There can be no assurance that we will be successful in obtaining any such financing, or that it will be able to generate sufficient positive cash flow from operations. The successful outcome of these or any future activities cannot be determined at this time and there is no assurance that if achieved, we will have sufficient funds to execute its business plans. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should we be unable to continue as a going concern.

Our Products and Services

Engineering. Our global engineering team supports technology customers and innovative start-ups with a broad range of electrical, mechanical and software engineering services. PMI has assembled a team of experts from around the globe to assist customers at any point in the design cycle. These services include design processes from electrical, software, mechanical, Industrial and PCB design. Utilization of PMI's design services will enable rapid market entry for our customers. It provides flexibility by becoming the extension of their engineering and allowing customers to focus on their business strategy.

Supply Chain Management. PMI's supply chain solution provides maximum flexibility and responsiveness through a collaborative and strategic approach with our customers. PMI can assume supply chain responsibility from component sourcing through delivery of finished product. PMI's supply chain focus is on building internal and external systems and relationships, which allow us to capitalize on our expertise to align with our customer's objectives and integrate with their processes.

Manufacturing. Flexibility, responsiveness, communication, global supply chain management and speed are key values in what we offer our customers. We establish clear communication about our customer needs and requirements enabling a seamless integration with their objectives and processes. PMI's manufacturing capability supports high and low-mix assemblies to low to medium-volume quantities. Our manufacturing operations include printed circuit board assembly and testing; cable and harness assembly; mechanical assembly; and complex system integration.

Sales and Marketing

Our marketing approach is to position PMI as a US based product development accelerator providing engineering and manufacturing services to startups and VC backed companies with emphasis in cleantech.

We utilize both direct sales force and sales representatives with expertise in engineering and manufacturing services.
We also target startups and innovators through technology venture capital companies or investment communities. PMI maintains an online presence through our web portal and social media.
Once the relationships are established, programs are managed through our customer centric program management teams.
We support our clients through collaboration and early supplier involvement, which results in improved return on investment. Program Managers are responsible for managing the global supply chain, reducing material acquisition time and cost. They're also responsible for the profitability of the programs and ultimately the customer satisfaction index, including on-time delivery, quality, communication and technology.

Growth Strategy

Our growth strategy is to leverage our currency and core competencies in product development incubation, project management and manufacturing for increased sales and equity opportunities. We are also planning the expansion of our capabilities and competencies through mergers & acquisitions.

Personnel

We presently have approximately 18 employees, including production, program management, materials management, engineering, sales, quality, and administrative and management personnel. We have never experienced work stoppages, and are not a party to any collective bargaining agreement.

Regulatory Restrictions on Our Business

Our operations, and the operations of businesses that we may acquire, are subject to certain foreign, federal, state and local regulatory requirements relating to environmental, waste management, and health and safety matters. We believe we operate in substantial compliance with all applicable requirements. However, material costs and liabilities may arise from these requirements or from new, modified or more stringent requirements. Material cost may rise due to additional manufacturing cost of raw or made parts with the application of new regulations. Our liabilities may also increase due to additional regulations imposed by foreign, federal, state and local regulatory requirements relating to environmental, waste management, and health and safety matters. In addition, our past, current and future operations and those of businesses we acquire, may give rise to claims of exposure by employees or the public or to other claims or liabilities relating to environmental, waste management or health and safety concerns.

Item 1a. Risk Factors.

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item. We reserve the right not to provide risk factors in our future filings. Our primary risk factors and other considerations include:

RISKS ABOUT OUR BUSINESS

OUR INDEPENDENT ACCOUNTANTS HAVE ISSUED A GOING CONCERN OPINION AND IF WE CANNOT OBTAIN ADDITIONAL FINANCING AND/OR REDUCE OUR OPERATING COSTS SUFFICIENTLY, WE MAY HAVE TO CURTAIL OPERATIONS AND MAY ULTIMATELY CEASE TO EXIST.

The financial statements have been prepared on a going concern basis, which contemplates continuity of operations, realization of assets and liquidation of liabilities in the normal course of business. The Company had a total stockholder's deficit of $59,331 and a working capital deficit of $599,915 and a net loss of $1,235,194 for the year ended December 31, 2014 and an accumulated deficit of $2,305,203 as of December 31, 2014 and used $708,337 in net cash from operating activities for the year ended December 31, 2014. Therefore, there is substantial doubt about the ability of the Company to continue as a going concern. There can be no assurance that the Company will achieve its goals and reach a profitable operating stand and is still dependent upon its ability (1) to obtain sufficient debt and/or equity capital and/or (2) to generate positive cash flow from operations.

WE HAVE AN ACCUMULATED DEFICIT AND MAY INCUR ADDITIONAL LOSSES; THEREFORE, WE MAY NOT BE ABLE TO OBTAIN THE ADDITIONAL FINANCING NEEDED FOR WORKING CAPITAL, CAPITAL EXPENDITURES AND TO MEET OUR DEBT SERVICE OBLIGATIONS.

As of December 31, 2014, we had current liabilities of $1,491,078. Our debt could limit our ability to obtain additional financing for working capital, capital expenditures, debt service requirements, or other purposes in the future, as needed; to plan for, or react to, changes in technology and in our business and competition; and to react in the event of an economic downturn.

We may not be able to meet our debt service obligations. If we are unable to generate sufficient cash flow or obtain funds for required payments, or if we fail to comply with covenants in our revolving lines of credit, we will be in default.

IF DEMAND FOR THE PRODUCTS AND SERVICES THAT THE COMPANY OFFERS SLOWS OUR BUSINESS WOULD BE MATERIALLY AFFECTED.

Demand for products which it intends to sell depends on many factors, including:

- the economy, and in periods of rapidly declining economic conditions, customers may defer luxury purchases or may choose alternate products.
- the competitive environment in the EMS sectors may force it to reduce prices below its desired pricing level or increase promotional spending;
- our ability to anticipate changes in consumer preferences and to meet customers' needs for our EMS products in a timely cost-effective manner;
- our ability to maintain efficient, timely and cost-effective production and delivery of the products and services; and,
- All of these factors could result in immediate and longer term declines in the demand for the products and services that we offer, which could adversely affect our sales, cash flows and overall financial condition.

WE FACE INTENSE COMPETITION, WHICH MAY REDUCE OUR SALES, OPERATING PROFITS, OR BOTH .

The Electronics Manufacturing and Original Design Manufacturing industry is large, competitive and diverse, and is serviced by many companies, including several that have achieved significant market share, whereby we compete with numerous domestic and foreign EMS firms. We do not compete with first tier EMS companies such as Benchmark Electronics, Inc.; Celestica Inc; Flextronics International Ltd.; Foxconn; Jabil Circuit, Inc.; Plexus Corp.; Sanmina-SCI Corporation; and CTS Electronics. We mostly compete with second and third tier EMS companies. With our new focus in product development incubation we are going to compete with engineering companies depending on the type of service and/or geographic area.

WE MAY BE ADVERSELY AFFECTED BY SHORTAGES OF REQUIRED ELECTRONIC COMPONENTS. IN ADDITION, WE DEPEND ON A LIMITED NUMBER OF SUPPLIERS TO PROCURE OUR PARTS FOR PRODUCTION WHICH IF AVAILABILITY OF PRODUCTS BECOMES COMPROMISED IT COULD ADD TO OUR COST OF GOODS SOLD AND AFFECT OUR REVENUE GROWTH.

At various times, there have been shortages of some of the electronic components that we use, as a result of strong demand for those components or problems experienced by suppliers. These unanticipated component shortages have resulted in curtailed production or delays in production, which prevented us from making scheduled shipments to customers in the past and may do so in the future. Our inability to make scheduled shipments could cause us to experience a reduction in our sales and an increase in our costs and could adversely affect our relationship with existing customers as well as prospective customers. Component shortages may also increase our cost of goods sold because we may be required to pay higher prices for components in short supply and redesign or reconfigure products to accommodate substitute components.

OUR PRINCIPAL SHAREHOLDERS, DIRECTORS AND EXECUTIVE OFFICERS , IN THE AGGREGATE, BENEFICIALLY OWN MORE THAN 50% OF OUR OUTSTANDING COMMON STOCK AND THESE SHAREHOLDERS, IF ACTING TOGETHER, WILL BE ABLE TO EXERT SUBSTANTIAL INFLUENCE OVER ALL MATTERS REQUIRING APPROVAL OF OUR SHAREHOLDERS .

Our principal shareholders, directors and executive officers in the aggregate, beneficially own more than 50% our outstanding common stock on a fully diluted basis. These shareholders, if acting together, will be able to exert substantial influence over all matters requiring approval of our shareholders, including amendments to our Articles of Incorporation, fundamental corporate transactions such as mergers, acquisitions, the sale of the company, and other matters involving the direction of our business and affairs and specifically the ability to determine the members of our board of directors. (See “Principal Shareholders”).

THE MAJORITY OF OUR SALES COME FROM A SMALL NUMBER OF CUSTOMERS WITH WHOM WE DO NOT HAVE LONG TERM CONTRACTS; IF WE LOSE ANY OF THESE CUSTOMERS, OUR SALES COULD DECLINE SIGNIFICANTLY.

Sales to our five largest customers have represented a significant percentage of our net sales in recent periods. Our five largest customers accounted for approximately 80% of net sales during the twelve months ended December 31, 2014.

Our principal customers have varied from year to year, and our principal customers may not continue to purchase services from us at current levels, if at all. Significant reductions in sales to any of these customers, or the loss of major customers, would seriously harm our business. If we are not able to timely replace expired, canceled or reduced contracts with new business, our revenues could be harmed.

We do not have any long term agreements with our customers, and our principal customers may not continue to purchase services from us. The duration of a purchase order is usually from 30 to 360 days.

IF WE LOSE KEY SENIOR MANAGEMENT PERSONNEL OUR BUSINESS COULD BE NEGATIVELY AFFECTED. FURTHER, WE WILL NEED TO RECRUIT AND RETAIN ADDITIONAL SKILLED MANAGEMENT PERSONNEL AND IF WE ARE NOT ABLE TO DO SO, OUR BUSINESS AND OUR ABILITY TO CONTINUE TO GROW COULD BE HARMED.

Our success depends to a large extent upon the continued services of our executive officers. We could be seriously harmed by the loss of any of our executive officers. In order to manage our growth, we will need to recruit and retain additional skilled management personnel and if we are not able to do so, our business and our ability to continue to grow could be harmed. Although a number of companies in our industry have implemented workforce reductions, there remains substantial competition for highly skilled employees.

WE ARE SUBJECT TO ENVIRONMENTAL COMPLIANCE RISKS AND UNEXPECTED COSTS THAT WE MAY INCUR WITH RESPECT TO ENVIRONMENTAL MATTERS MAY RESULT IN ADDITIONAL LOSS CONTINGENCIES, THE QUANTIFICATION OF WHICH CANNOT BE DETERMINED AT THIS TIME.

We are subject to various federal, state, local and foreign environmental laws and regulations, including those governing the use, storage, discharge and disposal of hazardous substances in the ordinary course of our manufacturing process. If more stringent compliance or cleanup standards under environmental laws or regulations are imposed, or the results of future testing and analyses at our current or former operating facilities indicate that we are responsible for the release of hazardous substances, we may be subject to additional remediation liability. Further, additional environmental matters may arise in the future at sites where no problem is currently known or at sites that we may acquire in the future. Currently unexpected costs that we may incur with respect to environmental matters may result in additional loss contingencies, the quantification of which cannot be determined at this time.

AS AN "EMERGING GROWTH COMPANY" UNDER THE JUMPSTART OUR BUSINESS STARTUPS ACT (THE "JOBS ACT"), THE COMPANY IS PERMITTED TO RELY ON EXEMPTIONS FROM CERTAIN DISCLOSURE REQUIREMENTS.

PMFI qualifies as an "emerging growth company" under the JOBS Act. As a result, it is permitted to, and intends to, rely on exemptions from certain disclosure requirements. For so long as the Company is an emerging growth company, it will not be required to:

- have an auditor report on its internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act;
- comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (i.e., an auditor discussion and analysis);
- submit certain executive compensation matters to shareholder advisory votes, such as "say-on-pay" and "say-on-frequency;" and
- disclose certain executive compensation related items such as the correlation between executive compensation and performance and comparisons of the CEO's compensation to median employee compensation.

In addition, Section 107 of the JOBS Act also provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. The Company will remain an emerging growth company for up to five full fiscal years, although if the market value of its common stock that is held by non-affiliates exceeds $700 million as of any June 30 before that time, it would cease to be an emerging growth company as of the following December 31, or if its annual revenues exceed $1 billion, it would cease to be an emerging growth company the following fiscal year, or if it issues more than $1 billion in non-convertible debt in a three-year period, the Company would cease to be an emerging growth company immediately.

RISKS ABOUT OUR STOCK

SHARES OF OUR COMMON STOCK ARE SUBJECT TO THE PENNY STOCK RESTRICTIONS WHICH CREATES A LACK OF LIQUIDITY AND MAKE TRADING DIFFICULT OR IMPOSSIBLE .

Our shares of common stock are traded in the over-the-counter markets which are commonly referred to as the OTCQB. As a result, an investor may find it difficult to dispose of, or to obtain accurate quotations as to the price of our securities.

The United States Securities and Exchange Commission, or the SEC, has adopted rules that regulate broker-dealer practices in connection with transactions in "penny stocks." Penny stocks (generally) are equity securities with a price of less than $5.00, other than securities registered on certain national securities exchanges or quoted on NASDAQ, provided that current price and volume information with respect to transactions in such securities is provided by the exchange or system. Prior to a transaction in a penny stock, a broker-dealer is required to:

- Deliver a standardized risk disclosure document prepared by the SEC;
- Provide the customer with current bid and offer quotations for the penny stock;
- Explain the compensation of the broker-dealer and its salesperson in the transaction;
- Provide monthly account statements showing the market value of each penny stock held in the customer's account;
- Make a special written determination that the penny stock is a suitable investment for the purchaser; and
- Provide a written agreement to the transaction.

These requirements may have the effect of reducing the level of trading activity in the secondary market for our stock. Because our shares are subject to the penny stock rules, you may find it more difficult to sell your shares.

OUR SECURITIES ARE THINLY TRADED WHICH DOES NOT PROVIDE LIQUIDITY FOR OUR INVESTORS.

Our securities are quoted on the Over-the-Counter QB level. The OTCQB is an inter-dealer, over-the-counter market that provides significantly less liquidity than the NASDAQ Stock Market or national or regional exchanges. Securities traded on the OTCQB are usually thinly traded, highly volatile, have fewer market makers and are not followed by analysts. The Securities and Exchange Commission's order handling rules, which apply to NASDAQ-listed securities, do not apply to securities quoted on the OTCQB. Quotes for stocks included on the OTCQB are not listed in newspapers. Therefore, prices for securities traded solely on the OTCQB may be difficult to obtain and holders of our securities may be unable to resell their securities at or near their original acquisition price, or at any price.

Investors must contact a broker-dealer to trade over-the-counter bulletin board securities. As a result, you may not be able to buy or sell our securities at the times that you may wish. Furthermore, when investors place market orders to buy or sell a specific number of shares at the current market price it is possible for the price of a stock to go up or down significantly during the lapse of time between placing a market order and its execution.

THE MARKET PRICE AND TRADING VOLUME OF SHARES OF OUR COMMON STOCK MAY BE VOLATILE.

The market price of our common stock could fluctuate significantly for many reasons, including for reasons unrelated to our specific performance, such as reports by industry analysts, investor perceptions, or negative announcements by customers, or competitors regarding their own performance, as well as general economic and industry conditions. In addition, when the market price of a company’s shares drops significantly, stockholders could institute securities class action lawsuits against the company. A lawsuit against us could cause us to incur substantial costs and could divert the time and attention of our management and other resources.

IF WE FAIL TO MAINTAIN EFFECTIVE INTERNAL CONTROLS OVER FINANCIAL REPORTING, THE PRICE OF OUR COMMON STOCK MAY BE ADVERSELY AFFECTED.

As a public reporting company, we are required to establish and maintain appropriate internal controls over financial reporting. Failure to establish those controls, or any failure of those controls once established, could adversely impact our public disclosures regarding our business, financial condition or results of operations. Any failure of these controls could also prevent us from maintaining accurate accounting records and discovering accounting errors and financial frauds. Rules adopted by the SEC pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 require annual assessment of our internal control over financial reporting, and may require attestation of this assessment by our independent registered public accountants. The standards that must be met for management to assess the internal control over financial reporting as effective are complex, and require significant documentation, testing and possible remediation to meet the detailed standards. We may encounter problems or delays in completing activities necessary to make an assessment of our internal control over financial reporting. In addition, the attestation process by our independent registered public accountants is new and we may encounter problems or delays in completing the implementation of any requested improvements and receiving an attestation of our assessment by our independent registered public accountants.

COMPLIANCE WITH CHANGING REGULATION OF CORPORATE GOVERNANCE AND PUBLIC DISCLOSURE WILL RESULT IN ADDITIONAL EXPENSES.

Changing laws, regulations and standards relating to corporate governance and public disclosure, including the Sarbanes-Oxley Act of 2002 and related SEC regulations, have significantly increased the costs and risks associated with accessing the public markets and public reporting. Our management team will need to invest significant management time and financial resources to comply with both existing and evolving standards for public companies, which will lead to increased general and administrative expenses and a diversion of management time and attention from revenue generating activities to compliance activities.

WE DO NOT INTEND TO PAY DIVIDENDS IN THE FORESEEABLE FUTURE; THEREFORE, YOU MAY NEVER SEE A RETURN ON YOUR INVESTMENT.

We do not anticipate the payment of cash dividends on our common stock in the foreseeable future. We anticipate that any profits from our operations will be devoted to our future operations. Any decision to pay dividends will depend upon our profitability at the time, cash available and other factors.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

On October 14, 2009 we entered into a 5 year lease with Bernard family trust, with a commencement date of December 31, 2009. The facility is approximately 21,300 square feet and located at 17475 Gillette, Irvine CA, 92614.

On March 28, 2011 we signed an amendment to our facility lease with an increase of 1,600 square feet. The increase in the lease commenced on April 1, 2011 and continues through year five. The amended lease has the following payments and terminated on March 31 2015:

	Original Lease	Amended lease
Year	Monthly Rent	Monthly Rent
2015	12,805	13,845

On February 21st, 2012 Trident Manufacturing, Inc. entered into a 5 year lease with First Industrial Realty Trust, Inc. with a commencement date of February 21, 2012. The facility is approximately 15,040 square feet and located at 440 West Lawndale Drive, Salt Lake City UT 84115

Year	**Monthly Rent**
2015	6,580
2016	6,768
2017	6,768

Our wholly owned subsidiary Trident Manufacturing, a Utah corporation has entered into a sublease agreement with Lucky Spoon, LLC. The terms the terms of this lease commence as of April 1st, 2015 and shall expire on the last day of the Trident's lease. As a result we are estimating substantial savings and have consolidated the majority of our Utah's manufacturing requirement to our headquarters in Irvine, California.

Item 3. Legal Proceedings.

None.

Item 4. Mine Safety Disclosures

Not Applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Bid and ask quotations for our common shares are routinely submitted by registered broker dealers who are members of the National Association of Securities Dealers on the NASD Over-the-Counter Electronic Bulletin Board. These quotations reflect inner-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions. The high and low bid information for our shares for each quarter for the last two years, so far as information is reported, through the quarter ended December 31, 2014, as reported by the Bloomberg Financial Network, are as follows:

2014 FISCAL YEAR	High	Low
First Quarter	$0.2	$0.12
Second Quarter	$0.17	$0.065
Third Quarter	$0.11	$0.015
Fourth Quarter	$0.145	$0.04

2013 FISCAL YEAR	High	Low
First Quarter	$0.15	$0.089
Second Quarter	$0.10	$0.05
Third Quarter	$0.13	$0.05
Fourth Quarter	$0.145	$0.08

* The low and high bid prices have been adjusted to reflect the 10:1 reverse stock split that was declared effective on January 22, 2013.

Record Holders

As of December 31, 2014, there were 30,676,445 shares of the registrant's $0.001 par value common stock issued and outstanding and were owned by approximately 240 holders of record, based on information provided by our transfer agent.

Dividend Policy

We have never declared a cash dividend on our common stock and our Board of Directors does not anticipate that we will pay cash dividends in the foreseeable future. Any future determination to pay cash dividends will be at the discretion of our board of directors and will depend upon our financial condition, operating results, capital requirements, restrictions contained in our agreements and other factors which our Board of Directors deems relevant.

Re-Purchase of Equity Securities

On November 1, 2011, the Company adopted a plan to repurchase up to 500,000 shares of its issued and outstanding common stock in accordance with the guidelines specified in Rule 10b-18 and Rule 10b5-1 of the Securities Exchange Act of 1934, as amended.

The plan allows the Company to purchase its issued and outstanding common shares in the open market or in negotiated transactions, from time to time, depending on market conditions and other factors as well as being subject to relevant rules under Untied States securities regulations. The plan does not obligate the Company to make any purchases, at any specific time or in any particular situation. The plan may be suspended or discontinued at any time at the sole discretion of the Company. Share repurchases will be funded with the Company's available cash, after determining the working capital requirements of the Company. Accordingly, there is no guarantee as to the exact number of shares that will be repurchased under the plan.

The company's Board of Directors authorized the repurchase plan because it believes recent market conditions may have caused the Company's common stock to be undervalued. The timing and number of any shares repurchased will depend on the terms and conditions of the plan and no assurance can be given that any specific amount of common stock will be repurchased.

As of December 31, 2014, we had repurchased 11,500 shares of our common stock.

Securities Authorized For Issuance Under Equity Compensation Plans

The following table summarizes securities authorized for issuance under equity compensation plans:

	Equity Compensation Plan Information		
Plan Category	Number of shares of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)
	(a)	(b)	(c)
Qualified Equity compensation plans approved by security holders	17,789	$1.70	467,250
Non-Qualified Equity compensation plans approved by security holders	90,000	$1.30	-
Total	107,789	$1.40	467,250

Recent Sales of Unregistered Securities

For the years ended December 31, 2014, 2013 and 2012, we issued the following securities without registration under the Securities Act of 1933, as amended. These securities were issued on the reliance of an exemption provided by Section 4(2) of the Securities Act.

On December 24, 2012 we issued 500,000 Shares of common stock to an accredited investor at $.10 per share.

On March 20, 2013, we completed the acquisition of Trident Manufacturing, Inc and as a result we issued 1,600,000 shares of our common stock at $.07

On January 25, 2013 we issued 110,000 of common stock for services at $.10

On January 25, 2013 we issued 10,000 of common stock to employees at $.10

Convertible Promissory Note
On February 15, 2013 we entered into a convertible promissory note with a related party for $120,000. The note bears interest at the rate of 10% simple interest and is convertible at $.10 per share and is due on February 15, 2015.

On May 10, 2013 notice of conversion for the entire note was given. The shares were converted at $.10. As a result, the company issued 1,200,000 shares of common stock. The balance due on the note on December 31, 2013 is $0.

On December 4, 2013 we issued 1,000,000 Shares of common stock to an accredited investor at $.10 per share.

On April 30, 2014 we issued 1,000,000 Shares of common stock to an accredited investor at $.10 per share.

On September 4, 2014 we issued 729,167 shares of common stock to Luxus Micro Cap S.A. for conversion of accrued interest under the series D preferred stock and $.08 per share

On November 15, 2014 we issued 850,000 shares and accrued for 450,000 of common stock for services to related parties.

On December 1, 2014 we issued 1,400,000 shares of common stock for services at $.06.

On December 2, 2014 we issued 1,945,333 for cash at $.06 per share for a total of $116,720 and took deposits of $70,699 for an additional 1,178,322 shares to be issued at $.06 per share.

On February 2, 2015 we issued 40,000 shares of common stock for services at $.08

On February 24, 2015 we issued 1,845,000 shares of common stock for cash in the amount of $110,700of which $70.699 was received in 2014 and included in "to be issued"

On March 6, 2015 we issued 450,000 shares of common stock for services to related parties at $.05 per share which was accrued for in 2014.

On March 6, 2015 we issued 50,000 shares of common stock for services at $.05.

On August 7, 2013, we held our initial closing of our Series D Preferred Stock private financing offering with two related parties, whereby we received $750,000 in financing. Our Series D Preferred Stock offering terms allow us to raise up to $1,000,000 US with an over-allotment of $500,000 in multiple closings over the course of 6 months.

The following are primary terms of the Series D Preferred Stock Offering. The Series D Preferred holders will be paid a special monthly dividend at the rate of 17.5% per annum or at the option of the Investor such special may accrue such special dividends. If the Company does not pay the special dividend within five (5) business days from the end of the calendar month for which the payment of such dividend to owed, the Company will pay the investor a penalty of 3.5%. Any unpaid or accrued special dividends will be paid upon a liquidation or redemption. For any other dividends or distributions, participation with common stock is on an as-converted basis. The Series D Preferred holders may elect to convert the Series D Preferred Stock, in his sole discretion, at any time after a one year (1) year holding period, by sending the Company a notice to convert. The conversion rate shall equal to the greater of $0.08 or a 20% discount to the average of the three (3) lowest closing market prices of the common stock during the ten (10) trading day period prior to conversion. The Series D Preferred shall be redeemable from funds legally available for distribution at the option of the individual holders of the Series D Preferred commencing any time after the one (1) year period from the Closing (the “Redemption Period”) at a price equal to the Purchase Price plus all accrued but unpaid dividends. If the Company is not in financial position to pay it back it needs to notify the Investors thirty (30) days prior the Redemption Period commencing and both parties will negotiate, in good faith, for an extension of the Redemption Period. Notwithstanding, the Company may elect to redeem the Series D Preferred shares any time after the Closing at a price equal to Purchase Price plus all accrued but unpaid dividends subject to the Investors right to convert by providing the Investors written notice about its intent to redeem whereby the Investor shall have the right to convert per the terms of the conversion terms at least ten (10) days prior to such redemption by the Company.

On June 25th, 2013 we received $500,000 from a related party for 5,000 shares of Preferred Series D Preferred stock. These shares, which the issuer has agreed to issue (as described below), have not been physically issued as of the date of this filing.
On August 21, 2014, the related party agreed to lower the interest rate to 13% and extend the term on these shares for an additional one year.

In addition, we issued series F warrants to purchase 250,000 shares of our common stock at $.10 and series G warrants to purchase 250,000 shares of our common stock at $.20. Each warrant gives the holder the right to purchase 1 share of common stock.

On September 19th 2013 we received $250,000 from a related party of Preferred Series D Preferred stock. These shares, which the issuer has agreed to issue (as described below), have not been physically issued as of the date of this filing.

In addition, we issued series F warrants to purchase 125,000 shares of our common stock at $.10 and series G warrants to purchase 125,000 shares of our common stock at $.20. Each warrant gives the holder the right to purchase 1 share of common stock.

Item 6. Selected Financial Data.

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item. We reserve the right not to provide the Selected Financial Data in our future filings.

The following selected historical financial information of Probe Manufacturing, Inc. has been derived from the historical results and are not necessarily indicative of the results to be expected in the future. The following table is qualified by reference to and should be read in conjunction with Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Item 8, "Financial Statements and Supplementary Data" and the notes thereto.

Probe Manufacturing, Inc.
Statement of Operations
for the years ended December 31,

	2014	Restated 2013
Sales	$ 3,533,503	$ 3,518,551
Cost of Goods Sold	2,741,147	2,551,447
Gross Profit	792,356	967,104
General And Administrative	1,596,587	1,365,588
Share Based Expense	160,000	9,051
Net Profit Loss From Operations	(964,231)	(407,535)
Gain on forgiveness of debt	5,833	-
Gain on conversion of accrued interest on preferred dividend	36,458	-
Interest Expense	(313,254)	(307,618)
Net Loss Before Income Taxes	(1,235,194)	(715,153)
Provision for Income Taxes	-	-
Net Loss	$ (1,235,194)	$ (715,153)

PROBE MANUFACTURING, INC.
Condensed consolidated Balance sheet
as of

	December 31, 2014	Restated December 31, 2013
Working Capital	$ (599,915)	$ 101,392
Total Assets	1,469,893	1,737,272
Long term Debt	38,147	-
Stockholder Equity (Deficit)	$ (59,332)	$ 706,567

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

You should read this section together with our consolidated financial statements and related notes thereto included elsewhere in this report.

We intend that our forward-looking statements be subject to the safe harbors created by the Securities and Exchange Act of 1934, as amended. The forward-looking statements are generally accompanied by words such as "intend," "anticipate," "believe," "estimate," "expect" and other similar words and statements and variations or negatives of these words. Our forward-looking statements are based on current expectations, forecasts and assumptions and are subject to risks, uncertainties and changes in condition, significance, value and effect, including those discussed under the heading "Risk Factors" in this report filed with the United States Securities and Exchange Commission or the SEC. Such risks, uncertainties and changes in condition, significance, value and effect could cause our actual results to differ materially from our anticipated outcomes. Although we believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. Therefore, we can give no assurance that the results implied by these forward-looking statements will be realized. The inclusion of forward-looking information should not be regarded as a representation by our company or any other person that the future events, plans or expectations contemplated by Probe Manufacturing, Inc. will be achieved. We disclaim any intention or obligation to update or revise any forward-looking statements contained in the documents incorporated by reference herein, whether as a result of new information, future events or otherwise.

Overview

Probe Manufacturing, Inc. (the "Company," "Probe," or "PMI") headquartered in Irvine, California is a product development accelerator providing engineering and manufacturing services to startups and venture capital backed companies with emphasis in cleantech. Our cross-market segment experience from clean tech, medical, instrumentation to aerospace helps us bring effective solutions to tough technical product development and manufacturing problems. Our revenue is generated from sales of our core expertise in manufacturing, project management and product development incubation services.

We offer our customers' integrated design and manufacturing services, from initial product design to production and pre and post sales services. Our engineering services include product design, printed circuit board layout, prototyping, and test development. Our supply chain management solutions include purchasing, management of materials, and order fulfillment. Our manufacturing services include printed circuit board assembly, cable assembly, mechanical assembly, and fully integrated box build systems for high complexity electronics.

We are realigning the focus of the company to our innovation & incubation services with emphasis in Cleantech and high growth opportunities.

We are very encouraged by our new focus and our upcoming programs offering product development acceleration to startups and VC backed companies. Our Growth strategy is to leverage our currency and core competencies in product development incubation, project management and manufacturing for increased sales and equity opportunities.

As a result of this new focus we are exploring several opportunities, including patented eco-friendly water agent concentration technologies developed in Europe, which in some applications reduces irrigation water need 30-50% and would be currently very useful in California; Heat to power generator technologies that can provide lower, more stable power bills and an added source of electricity revenue from the heat source today; Lithium Ion battery storage devices for wind and solar power companies that can provide an attractive cost structure relative to other alternative energy and distributed generation solutions.

We are optimistic that through these types of growth opportunities in cleantech combined with organic growth of our legacy Industries we can support a sustainable profitable growth and increase our stakeholder's value.

Going Concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of operations, realization of assets and liquidation of liabilities in the normal course of business. The Company had a total stockholder's deficit of $59,331 and a working capital deficit of $599,915 and a net loss of $1,235,194 for the year ended December 31, 2014 and an accumulated deficit of $2,305,203 as of December 31, 2014 and used $708,337 in net cash from operating activities for the year ended December 31, 2014. Therefore, there is substantial doubt about the ability of the Company to continue as a going concern. There can be no assurance that the Company will achieve its goals and reach a profitable operating stand and is still dependent upon its ability (1) to obtain sufficient debt and/or equity capital and/or (2) to generate positive cash flow from operations.

Our Products and Services

Engineering. Our global engineering team supports technology customers and innovative start-ups with a broad range of electrical, mechanical and software engineering services. PMI has assembled a team of experts from around the globe to assist customers at any point in the design cycle. These services include design processes from electrical, software, mechanical, Industrial and PCB design. Utilization of PMI's design services will enable rapid market entry for our customers. It provides flexibility by becoming the extension of their engineering and allowing customers to focus on their business strategy.

Supply Chain Management. PMI's supply chain solution provides maximum flexibility and responsiveness through a collaborative and strategic approach with our customers. PMI can assume supply chain responsibility from component sourcing through delivery of finished product. PMI's supply chain focus is on building internal and external systems and relationships, which allow us to capitalize on our expertise to align with our customer's objectives and integrate with their processes today and in the future.

Manufacturing. Flexibility, responsiveness, communication, global supply chain management and speed are key values in what we offer our customers. We establish clear communication about our customer needs and requirements enabling a seamless integration with their objectives and processes. PMI's manufacturing capability supports high and low-mix assemblies for prototypes, to medium-volume quantities in California and high-volume production in Asia. Our manufacturing operations include printed circuit board assembly and testing; cable and harness assembly; mechanical assembly; and complex system integration.

Plan of Operation

Management is taking the following steps to sustain profitability and growth: (i) organic growth only through targeted profitable and scalable customers (ii) leveraging our currency and core competencies in product development incubation, project management and manufacturing for manufacturing rights, increased sales and equity opportunities; and (iii) expansion of capabilities and competencies through mergers & acquisitions providing scale, cost synergies and revenue opportunities.

Our future success is likely dependent on our ability to sustain profitable growth and attain additional capital to support growth. There can be no assurance that we will be successful in obtaining any such financing, or that it will be able to generate sufficient positive cash flow from operations. The successful outcome of these or any future activities cannot be determined at this time and there is no assurance that if achieved, we will have sufficient funds to execute its business plans. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should we be unable to continue as a going concern.

On February 18, 2011 we entered into an Accounts Receivable Purchasing Agreement (the "ARPA") with DSCH Capital Partners, LLC d/b/a Far West Capital ("FWC"), an unaffiliated third party. Pursuant to the ARPA, FWC may purchase, in its sole discretion, eligible accounts receivable of our company on a revolving basis up to a maximum of $750,000. Under the terms of the ARPA, FWC may purchase eligible receivables from us with full recourse for the face amount of such eligible receivables less a discount of 1.0%. In addition, we are required to pay FWC a monthly cost of funds fee equal to the net funds employed by FWC at a rate equal to the Wall Street Journal Prime Lending Rate plus 4.75%, with a floor of 7.00%. FWC will retain 20% of the purchase price of the receivables as a reserve amount.

The ARPA also provides that FWC has the right to require us to repurchase any purchased accounts receivable: (a) if there is a dispute as to the validity of such receivable by the account debtor, (b) if certain covenants, warranties or representations made by us with respect to such receivables are breached, (c) upon and during the continuance of an event of default under the ARPA or upon the termination of the ARPA, or (d) if such receivable remains unpaid 90 days after the invoice date. The ARPA has an initial term of one year with automatic renewals for successive one-year periods. Notwithstanding that, FWC may terminate the ARPA at any time upon 90 days prior written notice or without notice upon and during the continuance of an event of default.

Additionally, provided there does not exist an event of default under the ARPA or the rider thereto (the "Rider"), FWC may make advances to or for the benefit of the company in an aggregate amount up to and not to exceed $250,000.00 from time to time during the term of the Rider and upon our request therefore, which advances shall be subject to all of the terms and conditions of the ARPA and shall be revolving consisting of advances against our eligible inventory as defined in the Rider as follows: (i) the advances against eligible inventory, at FWC's discretion, will be in amounts up to the sum 50% of all eligible inventory; provided, however, the advances against eligible inventory shall at no time exceed 33% of the net outstanding purchased accounts under the ARPA plus the outstanding amount due, or net funds employed, from advances made on eligible inventory within conditions contained within the rider. The balance cap percentage shall be 25% after 120 days from date of the Rider. Eligible inventory will be valued at the lower of cost or market value.

There can be no assurances that this financing will be sufficient to sustain profitable growth and attain additional capital to support growth. There can be no assurance that we will be successful in obtaining any such additional financing, or that we will be able to generate sufficient positive cash flow from operations. The successful outcome of these or any future activities cannot be determined at this time and there is no assurance that if achieved, we will have sufficient funds to execute its business plans. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should we be unable to continue as a going concern.

On November 4th, 2013 this financing line was paid off in full.

On November 22, 2013 we entered into an Accounts Receivable Purchasing Agreement with Nations Interbanc, an unaffiliated third party. Pursuant to the ARPA, Nations Interbanc may purchase, in its sole discretion, eligible accounts receivable of our company on a revolving basis up to a maximum of $500,000. Under the terms of the agreement, Nations Interbanc may purchase eligible receivables from us with full recourse for the face amount of such eligible receivables. We are required to pay Nations Interbanc FWC a monthly cost of funds fee equal to the net funds employed by Nations Interbanc at a rate equal 2% per month on the outstanding balance. Nations Interbanc will retain 20% of the purchase price of the receivables as a reserve amount.

Summary of Results

For the year ended December 31, 2014, we had a net loss of $1,235,194 compared to a net loss of $715,153 for the same period in 2013. The increase in the net loss in 2014 was mainly due to the increase of cost of goods sold of $160,290 of which $65,000 was an increase in our reserve for excess inventory. In addition we had net losses from our Trident facility of $169,418. We saw a general slowdown in the economy and a slight decrease in sales across the board. Also we recognized $160,000 in share based expense. For the year ended December 31, 2014, our revenue was $3,533,502 compared to $3,518,551 for the same period in 2013, For the year ended December 31, 2014, our cost of goods sold was 78% compared to 74% for the same period in 2013, mainly due to the increase material cost as a percent of sales as well as priority freight charges of $113,252. For the twelve months ended December 31, 2014, our gross margin was 22% compared to 27% for the same period in 2013. For the twelve months ended December 31, 2014, our SG&A cost was 45% compared to 38% for the same period in 2013. For the year ended December 31, 2014, we had a net loss from operations of $964,231. Our total stockholder's equity decreased by $765,899, resulting in shareholder deficit of $59,331 as of December 31, 2014. As of December 31, 2014, we had a working capital deficit of $599,915, compared to working capital surplus of $101,392 as of December 31, 2013, a decrease of $701,307.

Key performance indicators:

	2014	2013
Inventory Turnover	4.65	3.92
Days Sales in Backlog	266	145
Days Sales Outstanding	39	67
Days Payables Outstanding	68	76

Inventory turnover are calculated as the ratio of cost of material compared to the average inventory for that period. For the year ended December 31, 2014, our inventory turnover was 4.65 compared to 3.92 for the same period in 2013.

Days sales in backlog are calculated based on our back log divided by average daily sales during that period. For the year ended December 31, 2014, Days Sales in Backlog was 240 days compared to 145 days for the same period in 2013.
Our backlog as of December 31, 2014 was $2,579,343 compared to $1,429,555 as of December 31, 2013.

Days sales outstanding is calculated as the ratio of average accounts receivable during that period compared to average daily sales for the same period, this has deteriorated as a result of our customers stretching out payments and adverse economic conditions in general. For the year ended December 31, 2014, days receivables outstanding was 39 days compared to 67 days for the same period in 2013.

Days payable outstanding is calculated as the ratio of average accounts payable during that period compared to average daily sales for the same period. For the year ended December 31, 2014, day's payable outstanding was 68 compared to 76 for the same period in 2013.

Critical Accounting Policies and basis of presentation

The accompanying financial statements of the Company have been prepared in accordance with the instructions to Form 10-K for the fiscal year ending December 31, 2014.

We follow United States Generally Accepted Accounting Principles, or GAAP. Certain of the principles involve selection among alternatives and choices of methods, which are described in the footnotes to our financial statements.

Cash and Cash Equivalents

We maintain the majority of its cash accounts at a commercial bank. The total cash balance is insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000 per commercial bank. For purposes of the statement of cash flows we consider all cash and highly liquid investments with initial maturities of one year or less to be cash equivalents.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Such estimates may be materially different from actual financial results. Significant estimates include the recoverability of long-lived assets, the collection of accounts receivable and valuation of inventory and reserves.

Accounts Receivable

We grant credit to our customers located within the United States of America; and do not require collateral. Our ability to collect receivables is affected by economic fluctuations in the geographic areas and industries served by us.

Reserves for un-collectable amounts are provided, based on past experience and a specific analysis of the accounts. Although we expect to collect amounts due, actual collections may differ from the estimated amounts. As of December 31, 2014, we had a reserve for potentially un-collectable accounts of $70,000. Five (5) customers accounted for approximately 80% of accounts receivable at December 31, 2014 and one customer accounted for 26% and no other customer accounted for more than 22% of the accounts receivable balance. Our trade accounts primarily represent unsecured receivables. Historically, our bad debt write-offs related to these trade accounts have been insignificant.

Inventory

Inventories are valued at the lower of weighted average cost or market value. Our industry experiences changes in technology, changes in market value and availability of raw materials, as well as changing customer demand. We make provisions for estimated excess and obsolete inventories based on regular audits and cycle counts of our on-hand inventory levels and forecasted customer demands and at times additional provisions are made. Any inventory write offs are charged to the reserve account. As of December 31, 2014, we had a reserve for potentially obsolete inventory of $270,000.

Property and Equipment

Property and equipment are stated at cost. Assets held under capital leases are recorded at lease inception at the lower of the present value of the minimum lease payments or the fair market value of the related assets. We follow the practice of capitalizing property and equipment purchased over $5,000. The cost of ordinary maintenance and repairs is charged to operations. Depreciation and amortization are computed on the straight-line method over the following estimated useful lives of the related assets:

Furniture and fixtures	3 to 7 years
Equipment	7 to 10 years
Leasehold improvements	2 years (life of the lease)

Long –Lived Assets

Our management assesses the recoverability of its long-lived assets by determining whether the depreciation and amortization of long lived assets over their remaining lives can be recovered through projected undiscounted future cash flows. The amount of long-lived asset impairment if any, is measured based on fair value and is charged to operations in the period in which long-lived assets impairment is determined by management. There can be no assurance however, that market conditions will not change or demand for our services will continue, which could result in impairment of long-lived assets in the future.

Revenue Recognition

Revenue from product and services are recognized at the time goods are shipped or services are provided to the customer, with an appropriate provision for returns and allowances. Terms are generally FOB origination with the right of inspection and acceptance. We have not experienced a material amount of rejected or damaged product.

Fair Value of Financial Instruments

The carrying amount of accounts payable and accrued expenses are considered to be representative of their respective fair values because of the short-term nature of these financial instruments.

Other Comprehensive Income

We have no material components of other comprehensive income (loss) and accordingly, net loss is equal to comprehensive loss in all periods.

Net Profit/(Loss) per Common Share

Basic profit / (loss) per share is computed on the basis of the weighted average number of common shares outstanding. At December 31, 2014, we had outstanding common shares of 30,676,445 used in the calculation of basic earnings per share. Basic Weighted average common shares and equivalents at December 31, 2014 and 2013 were 25,980,566 and 22,243,577, respectively. As of December 31, 2014, we had outstanding warrants to purchase 1,050,000 additional common shares and options to purchase 107,789 additional common shares. Fully diluted weighted average common shares and equivalents for the years ended 2014 and 2013 were withheld from the calculation in 2014, as they were anti-dilutive due to the net loss.

Research and Development

We have curtailed all research and development and focusing our business on its core business of electronics contract manufacturing.

Research and Development Costs incurred in association with the alternative fuels technology development (which include salaries and equipment) were expensed as incurred. We had no expenses in Research and Development Costs during the years ended December 31, 2014 and 2013.

Segment Information

As identified above in the research and development section, we operate our primary business of electronics contract manufacturing.

Share Based Compensation

For a discussion on share based compensation and recently issued accounting pronouncements relating to share based compensation, see Note 2, Basis of Presentation and Summary of Significant Accounting Policies, to our accompanying audited financial statements.

Income Taxes

For a discussion income taxes and recently issued accounting pronouncements relating to share based compensation, see Note 2, Basis of Presentation and Summary of Significant Accounting Policies, to our accompanying financial statements.

Result of operations

The following table summarizes certain items in the statements of operations as a percentage of net sales. The financial information and discussion below should be read in conjunction with the accompanying financial statements and notes thereto.

Probe Manufacturing, Inc. Statement of Operations for the years ended December 31,	**2014**	Restated **2013**
Sales	100%	100%
Cost Of Goods Sold	78%	74%
Gross Profit	22%	26%
General And Administrative	45%	39%
Share Based Compensation	5%	0%
Net Profit / (Loss) From Operations	-27%	-12%
	0%	0%
Gain on forgiveness of debt	0%	0%
Gain on conversion of accrued interest on preferred dividend	1%	0%
Interest Expense	-9%	-9%
Net Profit / (Loss) Before Income Taxes	-35%	-20%
Income Tax Expense	0%	0%
Net Profit / (Loss)	-35%	-20%

Net Sales

For the year ended December 31, 2014, our revenue was $3,533,502 compared to $3,518,551 for the same period in 2013. Our revenue increased by $14,952 for the year ended December 31, 2014, compared to the same period in 2013.

Major Customers

Our top 5 customers accounted for approximately 80% of our net sales for the year ended December 31, 2014, compared to 69%, for the same period in 2013. We believe that our ability to grow our core business depends on increasing sales to existing customers, and on successfully attracting new customers. Customer contracts can be canceled and volume levels can be changed or delayed based on our customer's performance and the end users' markets they serve which we have no control over. The timely replacement of delayed, canceled or reduced orders with new business cannot be ensured. In addition, we cannot assume that any of our current customers will continue to utilize our services. Consequently, our results of operations may be materially adversely affected.

Gross Profit

For the year ended December 31, 2014, our gross profits decreased to 22% from 27% for the same period in 2013. Our gross profits could vary from period to period and is affected by a number of factors, including product mix, production efficiencies, component availability and costs, pricing, competition, customer requirements and unanticipated restructuring or inventory charges and potential scrap of materials.

Selling, General and Administrative (SG&A) Expenses

For the year ended December 31, 2014, our SG&A expense was 45% compared to 39% for the same period in 2013. We had Bank charges of $42,108. We also took an additional reserve for bad debt of $70,000. We also had increases in our rent and late fees both in Irvine and in Utah.

Net (Loss) from operations

For the year ended December 31, 2014, our net loss from operations was (27%)compared to net loss from operations of (12%) for the same period in 2013. This decrease was primarily due to the increase of cost of goods sold and share based expense.

Net Income / Loss

For the year ended December 31, 2014, our net loss was (35%) compared to net loss of (20)% for the same period in 2013. This decrease was primarily due to the increase of cost of goods sold and share based expense.

Interest Expense

For the year ended December 31, 2014 interest expense was $307,421 compared to $307,618 for the same period in 2013.

Liquidity and Capital Resources

PROBE MANUFACTURING, INC.
Condensed Statements of Cash Flows
for the years ended December 31,

		Un-audited		Un-audited
		2014		**2013**
Net Cash provided / (Used) In Operating Activities	$	(708,337)	$	(103,574)
Cash Flows Used In Investing Activities		(2,339)		(43,979)
Cash Flows Provided / (used) By Financing Activities		731,168		135,042
Net (Decrease) Increase in Cash and Cash Equivalents	$	20,492	$	(12,511)

Capital Requirements for long-term Obligations

None.

Off-balance Sheet Arrangement

We currently have no off-balance sheet arrangements.

Contractual Obligations

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

Item 7a. Quantitative and Qualitative Disclosures about Market Risk.

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

Item 8. Financial Statements and Supplemental Data.

PROBE MANUFACTURING, INC.
(A DEVELOPMENT STAGE COMPANY)
10-K
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FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of Probe Manufacturing, Inc.

We have audited the accompanying consolidated balance sheets of Probe Manufacturing, Inc. as of December 31, 2014 and 2013, and the related consolidated statements of operations, stockholders' equity, and cash flows for each of the years in the two-year period ended December 31, 2014. Probe Manufacturing, Inc.'s management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Probe Manufacturing, Inc. as of December 31, 2014 and 2013, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2014, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has a history of operating losses, has limited cash resources, and its viability is dependent upon its ability to meet future financing requirements. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

MartinelliMick PLLC

MartinelliMick PLLC
Spokane, Washington
April 27, 2015

PROBE MANUFACTURING, INC.
Condensed Balance Sheet

	December 31, 2014	Restated December 31, 2013
Assets		
Current Assets:		
Cash	$ 27,241	$ 6,749
Accounts receivable - net	306,540	429,413
Inventory	557,382	695,935
Total Current Assets	891,163	1,132,097
Property And Equipment - Net	123,001	142,058
Goodwill	420,673	420,673
Other Assets	35,056	42,444
Total Assets	$ 1,469,893	$ 1,737,272
Liabilities And Stockholders' (Deficit)		
Current Liabilities:		
Bank Overdraft	$ 48,744	$ 16,098
Accounts payable - trade	574,520	661,774
Accrued Expenses	311,291	169,266
Notes Payable - Current	556,523	183,567
Total Current Liabilities	1,491,078	1,030,705
Long-Term Debt:		
Notes Payable	38,147	-
Net Long-Term Debt	38,147	-
Total Liabilities	$ 1,529,225	$ 1,030,705
Commitments & Contingencies	-	-
Stockholders' (Deficit)		
Preferred D stock, stated value $100 per share; 20,000 shares authorized; 7,500 shares and 7,500 shares issued and outstanding respectively	750,000	750,000
Common stock, $.001 par value; 400,000,000 shares authorized; 30,676,445 and 24,251,945 shares issued and outstanding respectively	30,678	24,253
Shares to be issued	93,199	-
Additional paid-in capital	1,372,627	1,002,956
Treasury Stock	(633)	(633)
Accumulated deficit	(2,305,203)	(1,070,009)
Total Stockholders' (Deficit)	(59,331)	706,567
Total Liabilities And Stockholders' Deficit	$ 1,469,893	$ 1,737,272

The accompanying footnotes are an integral part of these financial statements

Probe Manufacturing, Inc.
Statement of Operations
for the years ended December 31,

	2014	Restated 2013
Sales	$ 3,533,503	$ 3,518,551
Cost of Goods Sold	2,741,147	2,551,447
Gross Profit	792,356	967,104
General And Administrative	1,596,587	1,365,588
Share Based Expense	160,000	9,051
Net Loss From Operations	(964,231)	(407,535)
Gain on forgiveness of debt	5,833	-
Gain on conversion of accrued interest on preferred dividend	36,458	-
Interest Expense	(313,254)	(307,618)
Net Loss Before Income Taxes	(1,235,194)	(715,153)
Provision for Income Taxes	-	-
Net Profit / (Loss)	$ (1,235,194)	$ (715,153)
Per Share Information:		
Basic and Diluted weighted average number of common shares outstanding	25,980,566	22,243,577
Basic and Diluted Net Loss per common share	$ (0.05)	$ (0.03)

The accompanying footnotes are an integral part of these financial statements

Probe Manufacturing, Inc.
Consolidated Statement of Stockholders Equity

	Common Stock .001 Par		Preferred Stock		Treasury Stock		Shares to be Issued				
Description	**Shares**	**Amount**	**Shares**	**Amount**	**Shares**	**Amount**	**Shares**	**Amount**	**Additional Paid in Capital**	**Accumulated Deficit**	**Stock holders' Deficit Totals**
Balance 12/31/2012	20,331,906	$ 20,333	-	$ -	11,500	$(633)			$ 620,129	$ (354,856)	$ 284,973
Shares issued For Services	110,000	110							10,890		11,000
Shares issued For Services									(10,000)		(10,000)
Shares issued to employees	10,000	10							990		1,000
Shares due to rounding	39	0							-		0
Conversion of Promissory Note	1,200,000	1,200							118,800		120,000
Issued Preferred Shares			5,000	500,000							500,000
Shares issued for Trident Acquisition	1,600,000	1,600							156,096		157,696
Issued Preferred Shares			2,500	250,000							250,000
Issued common Shares	1,000,000	1,000							99,000		100,000
											-
Share Based compensation									7,051		7,051
Net Profit										(715,153)	(715,153)
12/31/2013 (restated)	24,251,945	24,253	7,500	750,000	11,500	(633)	-	-	1,002,956	(1,070,009)	706,568
											-
Stock issued for cash	1,000,000	1,000							99,000		100,000
Conversion of Interest	729,167	729							21,146		21,875
Shares issued for cash	1,945,333	1,945							114,775		116,720
Shares to be issued											-
Shares Issued for Consulting	1,900,000	1,900							93,100		95,000
Shares Issued for Compensation	450,000	450							22,050		22,500
Shares Issued For BOD Fees	400,000	400							19,600		20,000
Shares to be issued							1,628,322	93,199			93,199
Net Loss										$ (1,235,194)	(1,235,194)
12/31/2014	30,676,445	30,678	7,500	750,000	11,500	(633)	1,628,322	93,199	1,372,627	(2,305,203)	(59,331)

The accompanying footnotes are an integral part of these financial statements

PROBE MANUFACTURING, INC.
Consolidated Statements of Cash Flows
for the years ended December 31,

		2014		Restated 2013
Cash Flows from Operating Activities:				
Net Income / (Loss)	$	(1,235,194)	$	(715,153)
Adjustments to reconcile net loss to net cash				
used in operating activities:				
Depreciation and amortization		42,108		37,980
Share based compensation		160,000		9,051
Gain from issuance of Shares for interest conversion		(36,458)		-
Interest expense converted to common shares		29,166		-
Forgiveness of Debt		(5,833)		-
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable		107,873		674,430
(Increase) decrease in inventory		138,553		(46,840)
(Increase) decrease in other assets		7,388		26,552
(Decrease) increase in accounts payable		(87,253)		(153,192)
Other (Decrease) increase in accrued expenses		171,313		63,598
Net Cash provided / (Used) In Operating Activities		(708,337)		(103,574)
Cash Flows from Investing Activities				
Purchase property plant and equipment		(2,339)		(48,451)
Cash acquired in acquisition		-		4,472
Cash Flows Used In Investing Activities		(2,339)		(43,979)
Cash Flows from Financing Activities				
Bank Overdraft / (Repayment)		32,646		16,098
(Decrease) increase in advances line of credit		262,450		(889,556)
Proceeds from sale of common stock		287,419		220,000
Proceeds from sale of Preferred Shares stock		-		750,000
Proceeds from notes payable		150,000		48,500
Payments on notes payable		(1,347)		(10,000)
Cash Flows Provided / (used) By Financing Activities		731,168		135,042
Net (Decrease) Increase in Cash and Cash Equivalents		20,492		(12,511)
Cash and Cash Equivalents at Beginning of Period		6,749		19,260
Cash and Cash Equivalents at End of Period	$	27,241	$	6,749
Supplemental Information:				
Interest Paid in cash	$	115,576	$	30,421
Shares issued for Acquisition	$	-	$	157,696

The accompanying footnotes are an integral part of these financial statements

Probe Manufacturing, Inc.
Notes to Financial Statements
For The Years Ended December 31, 2014 And 2013

Notes 1- GENERAL

The Company

Probe Manufacturing, Inc. (the "Company," "Probe," or "PMI") headquartered in Irvine, California is a product development accelerator providing engineering and manufacturing services to startups and venture capital backed companies with emphasis in cleantech. Our cross-market segment experience from medical, instrumentation, to aerospace helps us bring effective solutions to tough technical product development and manufacturing problems. Our revenue is generated from sales of our core expertise in manufacturing, project management and product development incubation services.

We are realigning the focus of the company to our innovation & incubation services with emphasis in Cleantech and high growth opportunities. Our new focus and our upcoming programs include offering product development acceleration to startups and VC backed companies. Our Growth strategy is to leverage our currency and core competencies in product development incubation, project management and manufacturing for increased sales and equity opportunities. As a result of this new focus we are exploring several opportunities abroad as well as in the United States.

We offer our customers' integrated design and manufacturing services, from initial product design to production and pre and post sales services. Our engineering services include product design, printed circuit board layout, prototyping, and test development. Our supply chain management solutions include purchasing, management of materials, and order fulfillment. Our manufacturing services include printed circuit board assembly, cable assembly, mechanical assembly, and fully integrated box build systems for high complexity electronics.

Going Concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of operations, realization of assets and liquidation of liabilities in the normal course of business. The Company had a total stockholder's deficit of $59,331 and a working capital deficit of $599,915 and a net loss of $1,235,194 for the year ended December 31, 2014 and an accumulated deficit of $2,305,203 as of December 31, 2014 and used $708,337 in net cash from operating activities for the year ended December 31, 2014. Therefore, there is substantial doubt about the ability of the Company to continue as a going concern. There can be no assurance that the Company will achieve its goals and reach a profitable operating stand and is still dependent upon its ability (1) to obtain sufficient debt and/or equity capital and/or (2) to generate positive cash flow from operations.

Our operating results are affected by a number of factors, including the following:

- changes in the macro-economic environment and related changes in consumer demand;
- the mix of the manufacturing services we are providing, the number and size of new manufacturing programs, the degree to which we utilize our manufacturing capacity, seasonal demand, shortages of components and other factors;
- the effects on our business when our customers are not successful in marketing their products, or when their products do not gain widespread commercial acceptance;
- our components offerings which have required that we make substantial investments in the resources necessary to design and develop these products;
- our ability to achieve commercially viable production yields and to manufacture components in commercial quantities to the performance specifications demanded by our OEM customers;

Plan of Operations

Management is taking the following steps to sustain profitability and growth: (i) organic growth only through targeted profitable and scalable customers (ii) leveraging our currency and core competencies in product development incubation, project management and manufacturing for manufacturing rights, increased sales and equity opportunities; and (iii) expansion of capabilities and competencies through mergers & acquisitions providing scale, cost synergies and revenue opportunities

Our future success is likely dependent on our ability to sustain profitable growth and attain additional capital to support our future success is likely dependent on our ability to attain growth capital in order to sustain growth and profitability. There can be no assurance that we will be successful in obtaining any such financing, or that it will be able to generate sufficient positive cash flow from operations. The successful outcome of these or any future activities cannot be determined at this time and there is no assurance that if achieved, we will have sufficient funds to execute its business plans. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should we be unable to continue as a going concern.

There can be no assurances that this financing will be sufficient to sustain profitable growth and attain additional capital to support growth. There can be no assurance that we will be successful in obtaining any such additional financing, or that we will be able to generate sufficient positive cash flow from operations. The successful outcome of these or any future activities cannot be determined at this time and there is no assurance that if achieved, we will have sufficient funds to execute its business plans. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should we be unable to continue as a going concern.

NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accompanying financial statements of the Company have been prepared in accordance with the instructions to Form 10-K for the fiscal years ending December 31, 2014 and 2013.

We follow the Generally Accepted Accounting Principles of the United States, or GAAP. Certain of the principles involve selection among alternatives and choices of methods, which are described in the footnotes to our audited financial statements.

Estimates

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 revenue and expenses during the reporting period. Such estimates may be materially different from actual financial results. Significant estimates include the recoverability of long-lived assets, the collection of accounts receivable and valuation of inventory and reserves.

Cash and Cash Equivalents

We maintain the majority of its cash accounts at a commercial bank. The total cash balance is insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000 per commercial bank. For purposes of the statement of cash flows we consider all cash and highly liquid investments with initial maturities of one year or less to be cash equivalents.

Accounts Receivable

We grant credit to its customers located within the United States of America; and do not require collateral. Our ability to collect receivables is affected by economic fluctuations in the geographic areas and industries served by us. Reserves for un-collectable amounts are provided, based on past experience and a specific analysis of the accounts. Although we expect to collect amounts due, actual collections may differ from the estimated amounts. As of December 31, 2014, we had a reserve for potentially un-collectable accounts of $70,000. Five (5) customers accounted for approximately 80% of accounts receivable at December 31, 2014 and one customer accounted for 29% and no other customer accounted for more than 24% of the accounts receivable balance. Our trade accounts primarily represent unsecured receivables. Historically, our bad debt write-offs related to these trade accounts have been insignificant.

Inventory

Inventories are valued at the lower of weighted average cost or market value. Our industry experiences changes in technology, changes in market value and availability of raw materials, as well as changing customer demand. We make provisions for estimated excess and obsolete inventories based on regular audits and cycle counts of our on-hand inventory levels and forecasted customer demands and at times additional provisions are made. Any inventory write offs are charged to the reserve account. As of December 31, 2014, we had a reserve for potentially obsolete inventory of $270,000.

Property and Equipment

Property and equipment are stated at cost. Assets held under capital leases are recorded at lease inception at the lower of the present value of the minimum lease payments or the fair market value of the related assets. The cost of ordinary maintenance and repairs is charged to operations. Depreciation and amortization are computed on the straight-line method over the following estimated useful lives of the related assets:

Furniture and fixtures	3 to 7 years
Equipment	7 to 10 years
Leasehold improvements	2 years (life of the lease)

Long –Lived Assets

Our management assesses the recoverability of its long-lived assets by determining whether the depreciation and amortization of long lived assets over their remaining lives can be recovered through projected undiscounted future cash flows. The amount of long-lived asset impairment if any, is measured based on fair value and is charged to operations in the period in which long-lived assets impairment is determined by management. There can be no assurance however, that market conditions will not change or demand for our services will continue, which could result in impairment of long-lived assets in the future.

Revenue Recognition

Revenue from product and services are recognized at the time goods are shipped or services are provided to the customer, with an appropriate provision for returns and allowances. Terms are generally FOB origination with the right of inspection and acceptance. We have not experienced a material amount of rejected or damaged product.

The Company provides services for its customers that range from contract design to original product design to repair services. The Company recognizes service revenue when the services have been performed, and the related costs are expensed as incurred.

Fair Value of Financial Instruments

The carrying amount of accounts payable and accrued expenses are considered to be representative of their respective fair values because of the short-term nature of these financial instruments.

Other Comprehensive Income

We have no material components of other comprehensive income (loss) and accordingly, net loss is equal to comprehensive loss in all periods.

Net Profit / (Loss) per Common Share

Basic profit / (loss) per share is computed on the basis of the weighted average number of common shares outstanding. At December 31, 2014, we had outstanding common shares of 30,676,445 and shares to be issued of 1,628,322 used in the calculation of basic earnings per share. Basic Weighted average common shares and equivalents at December 31, 2014 and 2013 were 25,980,566 and 22,243,577, respectively. As of December 31, 2014, we had outstanding warrants to purchase 1,050,000 additional common shares and options to purchase 107,789 additional common shares. Fully diluted weighted average common shares and equivalents for the years ended 2014 and 2013 were withheld from the calculation in 2014, as they were anti-dilutive due to the net loss.

Research and Development

Research and Development Costs incurred in association with the alternative fuels technology development (which include salaries and equipment) were expensed as incurred. We had no amounts of R&D during the years ended December 31, 2014 and 2013.

Segment Disclosure

FASB Codification Topic 280, *Segment Reporting* , establishes standards for reporting financial and descriptive information about an enterprise's reportable segments. We have determined that we have one reportable segment, with contract electronics manufacturing. As such, our operations have been aggregated into one reportable segment for all periods presented.

Share Based Compensation

The company has adopted the use of Statement of Financial Accounting Standards No. 123R, "Share-Based Payment" (SFAS No. 123R) (now contained in FASB Codification Topic 718, *Compensation-Stock Compensation*), which supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees", and its related implementation guidance and eliminates the alternative to use Opinion 25's intrinsic value method of accounting that was provided in Statement 123 as originally issued. This Statement requires an entity to measure the cost of employee services received in exchange for an award of an equity instruments, which includes grants of stock options and stock warrants, based on the fair value of the award, measured at the grant date, (with limited exceptions). Under this standard, the fair value of each award is estimated on the grant date, using an option-pricing model that meets certain requirements. We use the Black- Scholes option-pricing model to estimate the fair value of our equity awards, including stock options and warrants. The Black-Scholes model meets the requirements of SFAS No. 123R; however, the fair values generated may not reflect their actual fair values, as it does not consider certain factors, such as vesting requirements, employee attrition and transferability limitations. The Black-Scholes model valuation is affected by our stock price and a number of assumptions, including expected volatility, expected life, risk-free interest rate and expected dividends. We estimate the expected volatility and estimated life of our stock options at grant date based on historical volatility; however, due to the thinly traded nature of our stock, we have chosen to use an average of the annual volatility of like companies in our industry. For the "risk-free interest rate", we use the Constant Maturity Treasury rate on 90 day government securities. The term is equal to the time until the option expires. The dividend yield is not applicable, as the company has not paid any dividends, nor do we anticipate paying them in the foreseeable future. The fair value of our restricted stock is based on the market value of our free trading common stock, on the grant date calculated using a 20 trading day average. At the time of grant, the share based-compensation expense is recognized in our financial statements based on awards that are ultimately expected to vest using historical employee attrition rates and the expense is reduced accordingly. It is also adjusted to account for the restricted and thinly traded nature of the shares. The expense is reviewed and adjusted in subsequent periods if actual attrition differs from those estimates.

We re-evaluate the assumptions used to value our share-based awards on a quarterly basis and if changes warrant different assumptions, the share-based compensation expense could vary significantly from the amount expensed in the past. We may be required to adjust any remaining share-based compensation expense, based on any additions, cancellations or adjustments to the share based awards. The expense is recognized over the period during which an employee is required to provide service in exchange for the award—the requisite service period (usually the vesting period). No compensation cost is recognized for equity instruments for which employees do not render the requisite service. For the years ended December 31, 2014 and 2013 we had $160,000 and $9,051, respectively, in share based expense, due to the issuance of common stock shares. As of December 31, 2014 we had $0 in non-vested expense to be recognized. In addition we recognized $6,927 in 2013 for the issuance of common stock warrants

Income Taxes

The Company accounts for income taxes under SFAS No. 109 (now contained in FASB Codification Topic 740-10-25, Accounting for Uncertainty in Income Taxes), which requires the asset and liability approach to accounting for income taxes. Under this method, deferred tax assets and liabilities are measured based on differences between financial reporting and tax bases of assets and liabilities measured using enacted tax rates and laws that are expected to be in effect when differences are expected to reverse. As of December 31, 2014, we had a net operating loss carry forward of $(2,090,938) and a deferred tax asset of $810,185 using the statutory rate of 34%. The deferred tax asset may be recognized in future periods, not to exceed 20 years. However, due to the uncertainty of future events we have booked valuation allowance of $(810,185).

	December 31, 2014	December 31, 2013
Deferred Tax Asset	$ 710,900	$ 341,872
Valuation Allowance	(710,900)	(341,872)
Deferred Tax Asset (Net)	$ -	$ -

We are subject to taxation in the U.S. and the states of California and Utah. Further, the Company currently has no open tax years subject to audit prior to December 31, 2011. The Company is current on its federal and state tax returns.

Acquisition of Trident Manufacturing

On March 15, 2013, we entered into an Agreement and Plan of Acquisition with Trident Manufacturing, Inc., a Utah corporation, (" Trident "), and the shareholders of Trident, to acquire 100% of the issued and outstanding common stock shares of Trident. Trident is a full-service electronics manufacturing service company with a 16,000 sq. ft. manufacturing facility based in Salt Lake City, Utah and has been servicing the industrial, aerospace, military, instrumentation, and medical markets since 2005.

On March 20, 2013, we completed the acquisition of Trident whereby we acquired 100% of the issued and outstanding common stock shares of Trident and all its operational assets in exchange for 1,600,000 shares of our restricted shares of common stock. As a result of the acquisition, Trident has become a wholly-owned subsidiary of Probe Manufacturing, Inc. As a result we recognized $420,673 in goodwill.

The allocation of the purchase price and adjustment to stockholders ' equity is summarized in the tables below:

Net book value of the company's net assets acquired	
Cash	4,472
Inventory-net	19,254
Accounts Receivable-net	195,146
Other Assets	46,620
Accounts payable and accrued expenses	(361,055)
Notes payable	(167,416)
Net Assets Acquired	(262,978)
Stock given for Acquisition	157,695
Goodwill recognized	420,673

Adjustments to Stockholders equity	
Reduction Opening balance Equity	(18,419)
Adjustment to accumulated deficit	281,397
Equity adjustment from acquisition	262,978

NOTE 3 – ACCOUNTS AND NOTES RECEIVABLE

	December 31, 2014	December 31, 2013
Accounts Receivable Trade	$ 376,540	$ 467,854
Less Reserve for uncollectable accounts	(70,000)	(38,441)
Accounts and notes receivable (net)	$ 306,540	$ 429,413

NOTE 4 – INVENTORY

Inventories by major classification were comprised of the following at:

	December 31, 2014	December 31, 2013
Raw Material	$ 647,824	$ 677,959
Work in Process	166,529	205,813
Finished Goods	13,029	17,163
Total	827,382	900,935
Less Reserve for excess or obsolete inventory	(270,000)	(205,000)
Total Inventory	$ 557,382	$ 695,935

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment were comprised of the following at:

	December 31, 2014	December 31, 2013
Capital Equipment	$ 1,938,696	$ 2,461,728
Leasehold improvements	36,686	119,536
Total	1,748,144	2,581,264
Accumulated Depreciation	(1,852,381)	(2,439,206)
Net Fixed Assets	$ 123,001	$ 142,058

NOTE 6 – ACCRUED EXPENSES

	December 31, 2014	December 31, 2013
Accrued Wages	$ 125,900	$ 54,901
Accrued Interest	137,201	66,175
Accrued Rent	48,190	48,190
Total Accrued Expenses	$ 311,291	$ 169,266

NOTE 7 – NOTES PAYABLE

Notes payable

The Company executed a short term note payable to an individual, unsecured, dated Sept 6, 2013 in the amount of $50,000 and fixed fee amount of $3,500. As of December 31, 2014 the balance was $38,500.

On November 11, 2013 we entered in to an Accounts Receivable financing agreement with American Interbanc. It bears interest at the rate of 2.5% per month on the unpaid balance. It is secured by the assets of the company. In addition it is personally guaranteed by Kambiz Mahdi our Chief Executive Officer. As of December 31, 2014 the outstanding balance was $393,399 compared to $120,387 at December 31, 2013.

The Company executed a term note payable, unsecured, dated November 03, 2009 payable to Linwood Goddard at a 12.00% interest rate, with a 36 month amortization and monthly payments of $334.14. As of December 31, 2014 the balance was $4,332.

The Company executed a term note payable, unsecured, dated December 24, 2009 payable to Linwood Goddard at a 12.00% interest rate, with a 36 month amortization and monthly payments of $334.14. As of December 31, 2014 the balance was $4,332.

On August 28, 2014 we entered into a unsecured note for $100,000 with a fixed fee of $20,000 and is amortized over 7 months. On December 22, 2014, the balance of this note including remaining fees was $58,441, was rolled into a new note for $150,000, with fees in the amount of $28,500 and amortizes over 18 months.

Related Party – Notes payable

Convertible Promissory Note
On February 15, 2013 we entered into a convertible promissory note with a related party for $120,000. The note bears interest at the rate of 10% simple interest and is convertible at $.10 per share and is due on February 15, 2015.
On May 10, 2013 notice of conversion for the entire note was given. The shares were converted at $.10. As a result, the company issued 1,200,000 shares of common stock.

NOTE 8 – COMMITMENTS AND CONTIGENCIES

Operating Rental Leases
On October 14, 2009 we entered into a 5 year lease with Bernard family trust, with a commencement date of December 31, 2009. The facility is approximately 21,300 square feet and located at 17475 Gillette, Irvine CA, 92614.

On March 28, 2011 we signed an amendment to our facility lease with an increase of 1,600 square feet. The increase in the lease commenced on April 1, 2011 and continues through year five. The amended lease has the following payments and terminated on March 31 2015 and is currently on a month to month lease with a monthly rent of $13,845.

On February 21st, 2012 Trident Manufacturing, Inc. entered into a 5 year lease with First Industrial Realty Trust, Inc. with a commencement date of February 21, 2012. The facility is approximately 15,040 square feet and located at 440 West Lawndale Drive, Salt Lake City UT 84115.

Year	**Annual Rent**
2015	78,960
2016	81,216
2017	13,536

Our wholly owned subsidiary Trident Manufacturing, a Utah corporation has entered into a sublease agreement with Lucky Spoon, LLC. The terms the terms of this lease commence as of April 1st, 2015 and shall expire on the last day of the Trident's lease.

Severance Benefits

Mr. Mahdi will receive a severance benefit consisting of a single lump sum cash payment equal the salary that Mr. Mahdi would have been entitled to receive through the remainder or the Employment Period or two (2) years, whichever is greater.

Mr. Bennett will receive a severance benefit consisting of a single lump sum cash payment equal the salary that Mr. Bennett would have been entitled to receive through the remainder or the Employment Period or two (2) years, whichever is greater.

NOTE 9 – CAPITAL STOCK TRANSACTIONS

On April 21, 2005, our Board of Directors and shareholders approved the following capital stock transactions:

We re-domiciled in the state of Nevada, whereby increasing the number of authorized common shares to 200,000,000 and designating a par value of $.001 per share.

On May 25, 2006, our Board of Directors and shareholders approved the following capital stock transactions:

An amendment to the Articles of Incorporation of the Company authorizing a new series of preferred stock, which shall be designated as Series C, and consists of 15,000 shares.

Stock Repurchase Program

On November 1, 2011, the Company adopted a plan to repurchase up to 500,000 shares of its issued and outstanding common stock in accordance with the guidelines specified in Rule 10b-18 and Rule 10b5-1 of the Securities Exchange Act of 1934, as amended.

The plan allows the Company to purchase its issued and outstanding common shares in the open market or in negotiated transactions, from time to time, depending on market conditions and other factors as well as being subject to relevant rules under Untied States securities regulations. The plan does not obligate the Company to make any purchases, at any specific time or in any particular situation. The plan may be suspended or discontinued at any time at the sole discretion of the Company. Share repurchases will be funded with the Company's available cash, after determining the working capital requirements of the Company. Accordingly, there is no guarantee as to the exact number of shares that will be repurchased under the plan.

The company's Board of Directors authorized the repurchase plan because it believes recent market conditions may have caused the Company's common stock to be undervalued. The timing and number of any shares repurchased will depend on the terms and conditions of the plan and no assurance can be given that any specific amount of common stock will be repurchased.

As of December 31, 2014 and 2013, we had repurchased 11,500 shares of our common stock.

Common Stock Transactions

For the years ended December 31, 2014 and 2013, we issued the following securities without registration under the Securities Act of 1933, as amended. These securities were issued on the reliance of an exemption provided by Section 4(2) of the Securities Act.

On March 20, 2013, we completed the acquisition of Trident Manufacturing, Inc and as a result we issued 1,600,000 shares of our common stock at $.07

On January 25, 2013 we issued 110,000 of common stock for services at $.10

On January 25, 2013 we issued 10,000 of common stock to employees at $.10

Convertible Promissory Note
On February 15, 2013 we entered into a convertible promissory note with a related party for $120,000. The note bears interest at the rate of 10% simple interest and is convertible at $.10 per share and is due on February 15, 2015.

On May 10, 2013 the related party presented notice of conversion for the entire note. The shares were converted at $.010. As a result, the company issued 1,200,000 shares of common stock. The balance due on the note on December 31, 2012 is $0.

On December 4, 2013 we issued 1,000,000 Shares of common stock to an accredited investor at $.10 per share.

On May 12, 2014 we issued 500,000 shares of common stock for services at $.05 per share.

On September 4, 2014 we issued 729,167 shares of common stock to Luxus Micro Cap S.A. for conversion of accrued interest under the series D preferred stock and $.08 per share.

On November 15, 2014 we issued 850,000 shares and accrued for 450,000 of common stock for services to related parties at $.05 per share.
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On December 1, 2014 we issued 1,400,000 shares of common stock for services at $.06 per share.

On December 2, 2014 we issued 2,945,333 for cash.

Common Stock

Our Articles of Incorporation authorize us to issue 200,000,000 shares of common stock, par value $0.001 per share. As of December 31, 2014 there were 30,676,445 and shares of common stock outstanding. All outstanding shares of common stock are, and the common stock to be issued will be, fully paid and non-assessable. Each share of our common stock has identical rights and privileges in every respect. The holders of our common stock are entitled to vote upon all matters submitted to a vote of our shareholders and are entitled to one vote for each share of common stock held. There are no cumulative voting rights.

The holders of our common stock are entitled to share equally in dividends and other distributions that our Board of Directors may declare from time to time out of funds legally available for that purpose, if any, after the satisfaction of any prior rights and preferences of any outstanding preferred stock. If we liquidate, dissolve or wind up, the holders of common stock shares will be entitled to share ratably in the distribution of all of our assets remaining available for distribution after satisfaction of all our liabilities and our obligations to holders of our outstanding preferred stock.

Reverse Stock Split

Effective January 22, 2013, we completed a one-for-ten reverse stock split of the Company's issued and outstanding shares of common stock. The reverse stock split was previously approved by the our board of directors and by shareholders at the 2012 Annual General Meeting of Shareholders held on November 28, 2012. Upon effectiveness of the reverse stock split, each ten (10) shares of the company's issued and outstanding common stock was automatically combined and converted into one (1) issued and outstanding share of common stock. This reduced the number of issued and outstanding shares of the company's common stock from approximately 200 million to approximately 20 million. The reverse stock split affected only the issued and outstanding shares of the company's common stock, as well as common stock underlying stock options outstanding immediately prior to the effectiveness of the reverse stock split. The number of authorized shares of the company's common stock was not affected by the reverse split.

Preferred Stock

Our Articles of Incorporation authorize us to issue 10,000,000 shares of preferred stock. We authorized 440 shares of Series A Convertible Preferred Stock and 20,000 shares of Series B Convertible Preferred Stock. On May 25, 2006 the Articles of Incorporation were amended authorizing 15,000 shares Series C Convertible Preferred Stock.

As of August 20, 2006 all series A, B, and C preferred had been converted into Common stock.

Our Board of Directors has the authority to issue additional shares of preferred stock in one or more series, and fix for each series, the designation of and number of shares to be included in each such series. Our Board of Directors is also authorized to set the powers, privileges, preferences, and relative participating, optional or other rights, if any, of the shares of each such series and the qualifications, limitations or restrictions of the shares of each such series.

Unless our Board of Directors provides otherwise, the shares of all series of preferred stock will rank on parity with respect to the payment of dividends and to the distribution of assets upon liquidation. Any issuance by us of shares of our preferred stock may have the effect of delaying, deferring or preventing a change of our control or an unsolicited acquisition proposal. The issuance of preferred stock also could decrease the amount of earnings and assets available for distribution to the holders of common stock or could adversely affect the rights and powers, including voting rights, of the holders of common stock.

On August 7, 2013, we held our initial closing of our Series D Preferred Stock private financing offering with two related parties, whereby we received $750,000 in financing. Our Series D Preferred Stock offering terms allow us to raise up to $1,000,000 US with an over-allotment of $500,000 in multiple closings over the course of 6 months.

The following are primary terms of the Series D Preferred Stock Offering. The Series D Preferred holders will be paid a special monthly divided at the rate of 17.5% per annum or at the option of the Investor such special may accrue such special dividends. If the Company does not pay the special dividend within five (5) business days from the end of the calendar month for which the payment of such dividend to owed, the Company will pay the investor a penalty of 3.5%. Any unpaid or accrued special dividends will be paid upon a liquidation or redemption. For any other dividends or distributions, participation with common stock on an as-converted basis. The Series D Preferred holders may elect to convert the Series D

Preferred Stock, in his sole discretion, at any time after a one year (1) year holding period, by sending the Company a notice to convert. The conversion rate shall equal to the greater of $0.08 or a 20% discount to the average of the three (3) lowest closing market prices of the common stock during the ten (10) trading day period prior to conversion. The Series D Preferred shall be redeemable from funds legally available for distribution at the option of the individual holders of the Series D Preferred commencing any time after the one (1) year period from the Closing (the "Redemption Period") at a price equal to the Purchase Price plus all accrued but unpaid dividends. If Company is not in financial position to pay it back it need to notify the Investors thirty (30) days prior the Redemption Period commencing and both parties will negotiate in good faith for an extension of the Redemption Period. Notwithstanding, the Company may elect to redeem the Series D Preferred shares any time after the Closing at a price equal to Purchase Price plus all accrued but unpaid dividends subject to the Investors right to convert by providing the Investors written notice about its intent to redeem whereby the Investor shall have the right to convert per the terms of the conversion terms at least ten (10) days prior to such redemption by the Company.

On June 25th, 2013 we received $500,000 from a related party for 5,000 shares of Preferred Series D Preferred stock. These shares which the issuer has agreed to issue (as described below), which have not been physically issued as of the date of this filing. On August 21, 2014, the related party agreed to lower the interest rate to 13% and extend the term on these shares for an additional one year.

In addition, we issued series F warrants to purchase 250,000 shares of our common stock at $.10 and series G warrants to purchase 250,000 shares of our common stock at $.20. Each warrant gives the holder the right to purchase 1 share of common stock.

On September 19 th , 2013 we received $250,000 from a related party of Preferred Series D Preferred stock. These shares which the issuer has agreed to issue (as described below), which have not been physically issued as of the date of this filing.

In addition, we issued series F warrants to purchase 125,000 shares of our common stock at $.10 and series G warrants to purchase 125,000 shares of our common stock at $.20. Each warrant gives the holder the right to purchase 1 share of common stock.

Warrants

Series E – Common Stock warrants

On April 8, 2011, we issued 300,000 series E Warrants. Each warrant gives the holder the right to purchase 1 share of common stock (300,000 total shares) at $0.50 per share. The Series E Warrants expire on April 8, 2016, as a result we recognized $6,600 in share based expense.

Series F – Common Stock warrants

On June 25th, we issued 250,000 series F warrants. Each warrant gives the holder the right to purchase 1 share of common stock at $.10.

On September 19th, we issued 125,000 series F warrants. Each warrant gives the holder the right to purchase 1 share of common stock at $.10.

Series G – Common Stock warrants

On June 25th, we issued 250,000 series G warrants. Each warrant gives the holder the right to purchase 1 share of common stock at $.20.

On September 19th, we issued 125,000 series G warrants. Each warrant gives the holder the right to purchase 1 share of common stock at $.20.

A summary of warrant activity for the periods is as follows:

		Warrants - Common Share Equivalents	Weighted Average Exercise price		Warrants exercisable - Common Share Equivalents	Weighted Average Exercise price
Outstanding December 31, 2012		300,000	0.50		1,050,000	0.25
	Granted	375,000	0.20		-	-
	Granted	375,000	0.10		-	-
	Expired	-				
	Exercised	-	-		-	-
Outstanding December 31, 2013		1,050,000	0.25		1,050,000	0.25
	Granted	-	-		-	-
	Expired	-	-		-	-
	Exercised	-	-		-	-
Outstanding December 31,2014		1,050,000	0.25		1,050,000	0.25

	Warrants Outstanding				Warrants Exercisable	
Range of Warrant Exercise Price	Warrants - Common Share Equivalents	Weighted Average Exercise price	Weighted Average Remaining Contractual life in years		Warrants - Common Share Equivalents	Weighted Average Exercise price
$ 0.50	300,000	$0.50	1.27		300,000	$0.50
$ 0.10	375,000	$0.10	3.50		250,000	$0.10
$ 0.20	375,000	$0.20	3.50		25,000	$0.20
Total	1,050,000	$0.25			300,000	$0.25

Stock Options

On February 8, 2007 pursuant to our 2006 Qualified Incentive Option Plan which was adopted by our Board of Directors granted Company employees an incentive stock option to purchase up to 406,638 shares of our common stock. These options were granted at $1.73 cents, the fair market value of the Company at the time of the grant. These options expire on February 8, 2017. As of December 31, 2014, there were 107,789 outstanding options under this plan.

On February 8, 2008, we granted stock options to its key employees, to purchase up to 750,000 shares of our common stock, which was approved by our Board of Directors. These options were granted at $1.73 cents, the fair market value of the Company at the time of the grant. These options expire on February 8, 2017. As a result, we recognized share-based compensation expense in the amount of $5,313 for the year ended December 31, 2007, $2,657 for the year ended December 31, 2008; $2,656 for the year ended December 31, 2009; $2,656 for the year ended December 31, 2012 and $0 for the year ended December 31, 2013. As of December 31, 2013 the balance of the outstanding options under this plan is 60,000.

On February 28, 2008 our granted stock options to a key employee, to purchase up to 30,000 shares of our common stock, which was approved by our Board of Directors. These options were granted at $.033 cents, the fair market value of the Company at the time of the grant. These options expire on February 8, 2017. As a result, we recognized share-based compensation expense in the amount of $5,574 for year ended December 31, 2008; $5,576 for the year ended December 31, 2009; $2,786 for the year ended December 31, 2013; and $0 for the year ended December 31, 2014.

NOTE 11 – RELATED PARTY TRANSACTIONS

Kambiz Mahdi, our Chief Executive Officer, owns Billet Electronics, which is an independent distributor of electronic components. From time to time we purchase parts from Billet Electronics. In addition, from time to time we provide assembly and value added services to Billet Electronics. In addition Billet was a supplier of parts and had dealings with current and former customers of our company. Our board of directors has approved such transactions of our chief executive officer.

On September 4, 2014 we issued 729,167 shares of common stock to Luxus Micro Cap S.A.for conversion of accrued interest under the series D preferred stock at $.08 per share

On November 15, 2014 we issued 400,000 shares of common stock to John Bennett, our Chief Financial Officer, as additional compensation and accrued for 100,000 shares for board of director compensation at $.05 per share.

On November 15, 2014 we issued 100,000 shares of common stock and accrued for 100,000 shares of common stock for board of director compensation to Kam Mahdi our Chief Executive officer at $.05 per share.

On November 15, 2014 we issued 100,000 shares of common stock and accrued for 100,000 shares of common stock for board of director compensation to Robert Young at $.05 per share.

On November 15, 2014 we issued 100,000 shares of common stock and accrued for 100,000 shares of common stock for board of director compensation to Shervin Talieh at $.05 per share.

Convertible Promissory Note

On February 15, 2013 we entered into a convertible promissory note with a related party for $120,000. The note bears interest at the rate of 10% simple interest and is convertible at $.10 per share and was due on February 15, 2015.
On May 10, 2013 notice of conversion for the entire note was presented. The shares were converted at $.10. As a result, the company issued 1,200,000 shares of common stock.

On August 7, 2013, we held our initial closing of our Series D Preferred Stock private financing offering with two related parties, whereby we received $750,000 in financing. Our Series D Preferred Stock offering terms allow us to raise up to $1,000,000 US with an over-allotment of $500,000 in multiple closings over the course of 6 months.

The following are primary terms of the Series D Preferred Stock Offering. The Series D Preferred holders will be paid a special monthly divided at the rate of 17.5% per annum or at the option of the Investor such special may accrue such special dividends. If the Company does not pay the special dividend within five (5) business days from the end of the calendar month for which the payment of such dividend to owed, the Company will pay the investor a penalty of 3.5%. Any unpaid or accrued special dividends will be paid upon a liquidation or redemption. For any other dividends or distributions, participation with common stock on an as-converted basis. The Series D Preferred holders may elect to convert the Series D Preferred Stock, in his sole discretion, at any time after a one year (1) year holding period, by sending the Company a notice to convert. The conversion rate shall equal to the greater of $0.08 or a 20% discount to the average of the three (3) lowest closing market prices of the common stock during the ten (10) trading day period prior to conversion. The Series D Preferred shall be redeemable from funds legally available for distribution at the option of the individual holders of the Series D Preferred commencing any time after the one (1) year period from the Closing (the “Redemption Period”) at a price equal to the Purchase Price plus all accrued but unpaid dividends. If Company is not in financial position to pay it back it need to notify the Investors thirty (30) days prior the Redemption Period commencing and both parties will negotiate in good faith for an extension of the Redemption Period. Notwithstanding, the Company may elect to redeem the Series D Preferred shares any time after the Closing at a price equal to Purchase Price plus all accrued but unpaid dividends subject to the Investors right to convert by providing the Investors written notice about its intent to redeem whereby the Investor shall have the right to convert per the terms of the conversion terms at least ten (10) days prior to such redemption by the Company.

On June 25th, 2013 we received $500,000 from a related party and issued 5,000 shares of Preferred Series D Preferred stock. In addition, we issued series F warrants to purchase 250,000 shares of our common stock at $.10 and series G warrants to purchase 250,000 shares of our common stock at $.20. Each warrant gives the holder the right to purchase 1 share of common stock. On August 21, 2014, the related party agreed to lower the interest rate to 13% and extend the term on these shares for an additional 1 year.

On September 19th 2013 we received $250,000 from a related party and issued 2,500 shares of Preferred Series D Preferred stock. In addition, we issued series F warrants to purchase 125,000 shares of our common stock at $.10 and series G warrants to purchase 125,000 shares of our common stock at $.20. Each warrant gives the holder the right to purchase 1 share of common stock.

NOTE - 12 CORRECTIONS TO PRIOR FINANCIALS AS FILED

Due to a change in auditors and a subsequent re-audit of our financials for the year ending 2013, there were additional expenses discovered that had originally been recorded in the year ending December 31, 2014 that needed to be moved into 2013. Further, there was an adjustment to the previous gain recognized on the acquisition of Trident to additional paid in capital. Further, there was a change made to the sales/cost of goods sold for the period ended December 31, 2013 as the Company had not correctly eliminated an inter-company transaction with Trident. See the table below for the effects on Net loss, earnings per share, and accumulated deficit.

Restatements effects			
Year	Net Loss	Earnings per Share	Accumulated Deficit
2013	(64,501)	(0.00)	(64,501)

NOTE 13 – SUBSEQUENT EVENTS

On February 2, 2015 we issued 40,000 shares of common stock for services at $.08

On February 24, 2015 we issued 1,845,000 shares of common stock for cash in the amount of $110,700of which $70.699 was received in 2014 and included in "to be issued"

On March 6, 2015 we issued 450,000 shares of common stock for services to related parties at $.05 per share which was accrued for in 2014.

On March 6, 2015 we issued 50,000 shares of common stock for services at $.05 per share.

Our wholly owned subsidiary Trident Manufacturing, a Utah corporation has entered into a sublease agreement with Lucky Spoon, LLC. The terms the terms of this lease commence as of April 1st, 2015 and shall expire on the last day of the Trident's lease. As a result we are estimating substantial savings and have consolidated the majority of our Utah's manufacturing requirement to our headquarters in Irvine, California.

On or about October 21, 2014, Probe Manufacturing, Inc. (the "Company"), entered into a letter of intent (the "LOI") with S-Ray Incorporated, a private Nevada corporation ("S-Ray), located at 50 West Liberty Street, Suite 880, Reno Nevada 89501. As per the LOI, the conditions of transaction were not met and therefore the LOI has been terminated. In addition, on November 21, 2014, the Company, entered into an Exclusive OEM and Distribution Agreement(the "Agreements") with S-Ray; however, as of date of this filing the Company has not received satisfactory technical information from S-Ray as per the terms of the Agreements. The Company has terminated these Agreements as of April 7, 2015 based on the failure to meet the terms of the Agreements.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

(a) On April 10, 2015, the Company, after review and recommendation by its board of directors, the Company dismissed W.T. Uniack& Co. CPA's P.C. ("Uniack") as the Registrant's independent registered public accounting firm. The dismissal was accepted by the Board of Directors of the Company (the "Board").

During the two most recent audited fiscal years (fiscal years ended December 31, 2012 and 2013) and through subsequent interim periods ended September 30, 2014, there were no (1) disagreements with Uniack on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which disagreements if not resolved to its satisfaction would have caused Uniack to make reference in its reports on the Company's financial statements for such years to the subject matter of the disagreement, or (2) "reportable events," as such term is defined in Item 304(a)(1)(v) of Regulation S-K.

The audit reports of Uniack on the financial statements of the Company, during the periods from December 31, 2013 through subsequent interim periods ending September 30, 2014, did not contain any adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope, or accounting principles, except that the reports stated there is substantial doubt about the Company's ability to continue as a going concern.

(b) Engagement of New Independent Registered Public Accounting Firm.

On April 10, 2015, the Board of Directors approved the appointment of MartinelliMick PLLC, as the independent registered public accounting firm of the Company.

During the Company's two most recent fiscal years and the subsequent interim periods preceding MartinelliMick PLLC engagement, neither the Company nor anyone on behalf of the Company consulted with MartinelliMick PLLC regarding the application of accounting principles to any specific completed or contemplated transaction, or the type of audit opinion that might be rendered on the Company's financial statements, and MartinelliMick PLLC, did not provide any written or oral advice that was an important factor considered by the Company in reaching a decision as to any accounting, auditing or financial reporting issue or any matter that was the subject of a “disagreement” or a “reportable event,” as such terms are defined in Item 304(a)(1) of Regulation S-K.

Item 9a. Controls and Procedures.

(a) Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports pursuant to the Securities Exchange Act, of 1934, as amended, or the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the rules and forms, and that such information is accumulated and communicated to us, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

As required by Rules 13a-15(b) of the Exchange Act, an evaluation as of December 31, 2013 was conducted under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, of the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based upon that evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were not effective as of December 31, 2014.

(b) Report of Management on Internal Control over Financial Reporting

We are responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) and 15d-15(f) of the Exchange Act. Under the supervision and with the participation of our management including our of our chief executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO.

Based on our evaluation under the Internal Control-Integrated Framework, our chief executive officer and chief financial officer concluded that our internal control over financial reporting was not eeffective as of December 31, 2014.

(c) Changes in Internal Control over Financial Reporting

There have been no other changes in our internal control over financial reporting that occurred during the period covered by this Annual Report on Form 10-K for the year ended 2014, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9b. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Director Qualifications

We believe that our Board of Directors should encompass a diverse range of talent, skill and expertise sufficient to provide sound and prudent guidance with respect to our operations and interests. Each director also is expected to: exhibit high standards of integrity, commitment and independence of thought and judgment; use his or her skills and experiences to provide independent oversight to our business; participate in a constructive and collegial manner; be willing to devote sufficient time to carrying out their duties and responsibilities effectively; devote the time and effort necessary to learn our business; and represent the long-term interests of our Shareholders. Furthermore, we believe our Board of Directors should be comprised of persons with skills in areas such as: finance, electronic manufacturing, leadership of business organizations and legal matters.

Our Directors

Kambiz Mahdi , age 49, Kambiz Mahdi is co-founder, and served as President and Chief Executive Officer of Probe Manufacturing from 1996 until December of 2005 and again from July 2009 until present. Prior to Probe Manufacturing, Mr. Mahdi was Technical Sales Manager at Future Electronics for six years. While at Future Electronics, Mr. Mahdi developed superior technical management leadership and skills servicing some of the top1000 fortune technology customers and their applications. Mr. Mahdi also started Billet Electronics a global supply chain provider of products, services and solutions in the technology sector in 2007. He has established the company as a leading independent distributor of electronic components and provider of value-added services to its market. Mr. Mahdi has a BS degree in Electrical Engineering from California State University of Northridge. Mr. Mahdi has not served on any other boards of public companies in the past five years.

Our Board of Directors selected Mr. Mahdi to serve as a director because he is our Chief Executive Officer and has served in various executive roles with our company for 14 years, with a focus on electrical manufacturing, sales and operations. Mr. Mahdi has profound insight into the development, marketing, finance, and operations aspects of our company. He has expansive knowledge of the electronic manufacturing industry and relationships with chief executives and other senior management at companies in the same or complimentary industries. Our Board of Directors believes that Mr. Mahdi brings a unique and valuable perspective to our Board of Directors.

John Bennett , age 54, John Bennett has been with Probe Manufacturing since February 2005, as the Chief Financial Officer. He has been in the Electronic manufacturing Industry for 22 years. He has held positions as the Controller, Vice President of Finance and Chief Financial Officer, with experience in Contract Manufacturing of Printed Circuit Board Assembly, Cable and Harness Assembly, Box Builds and Battery & Charger assembly. He holds a Bachelor of Science in Accounting from Mesa University and a Master of Science in Finance from the University of Colorado. Mr. Bennett has not served on any other boards of public companies in the past five years.

Our Board of Directors selected Mr. Bennett to serve as a director because he is our Chief Financial Officer and has been with our company for more than eight years, where his primary focus has been on the financial systems and operations and SEC reporting of the company. He has significant knowledge of, and relationships within, the electronic manufacturing industry, due in part to the 25 years he has spent working in the industry. Our Board of Directors believes that his executive experience in the electronic manufacturing coupled with his deep knowledge of our company's strategies and operations will bring strong financial and operational expertise to our Board of Directors.

Robert Young , age 62, prior to joining our board of directors in June of 2012, Mr. Young was Director of Mobile Services for Boeing Satellite Systems, Inc. ("BSS"), the world's largest manufacturer of commercial satellites, where he was responsible for developing communication and navigation services for governmental and commercial clients. Prior to joining BSS, Mr. Young was the CFO and Chief of Business Operations for a joint venture between Hughes Electronics, General Motors and Delco Electronics. Previously, Mr. Young was assigned to the Hughes Electronics Corporate Office where he was responsible for mergers and acquisitions, identifying and developing foreign offset programs and served as the Hughes Chief Economist. Mr. Young currently sits on the board of Kinecta Federal Credit Union, which is the 19th largest credit union in the United States (having previously served as Kinecta's Chairman of the board of directors from 2007-2009). Mr. Young received his B.S. degree from the San Diego State University and an M.BA. from Loyola Marymount University.

Our Board of Directors selected Mr. Young to serve as a director due to his knowledge of the electronics manufacturing industry and his previous relationships with companies such as BSS, Hughes Electronics, General Motors and Delco Electronics. Mr. Young's extensive knowledge of our company's business sector combined with his executive experience at numerous other companies focused on the manufacturing industry is a significant asset to our company. Our Board of Directors believes that Mr. Young's experience will assist us in developing our long- term strategy in the electronics manufacturing services industry.

Shervin Talieh , age 47, Shervin Talieh has over 17 years of hands-on experience building and growing organizations that provide solutions to clients in various sectors. This experience has been developed across many functions, including corporate strategy, business development, marketing, branding, alliances, and operations; in small and large firms, through startups, turnarounds, and stable environments alike. Mr. Talieh started his career by successfully building, growing and selling his consulting startup, Index Data. Most recently, Mr. Talieh is the founder and CEO of Drumbi; an Internet technology startup focused on data and voice synchronization. At Drumbi, he guides the company's strategy, fund-raising, and operations. Prior to Drumbi, Mr. Talieh served at Vice President, Business Development for Goldeneye Solutions; a SaaS technology company. This was preceded by his tenure at Accenture, where he was a Partner in the Los Angeles Office, and a member of the executive team responsible for over 700 professionals in the region. Mr. Talieh has not served on any other boards of public companies in the past five years.

Our Board of Directors selected Mr. Talieh to serve as a director due to his strong relationships and understanding of the operations of technology companies. Mr. Talieh's vast experience in business operations enhances his ability to contribute insight on achieving business success in a diverse range of economic conditions and competitive environments. Our Board of Directors believes that this experience will bring valuable knowledge and insight to our company.

Corporate Governance

Director Attendance at Meetings of the Board of Directors

Our Board of Directors held eight meetings during the fiscal year ended December 31, 2014. Each of our incumbent directors attended at least 75.0% of the aggregate total number of meetings of our Board of Directors held during the period for which he served as a director.

Director Attendance at Annual Meetings of the Shareholders

Although we have no policy with regard to attendance by the members of our Board of Directors at our annual meetings, we invite and encourage the members of our Board of Directors to attend our annual meetings to foster communication between Shareholders and our Board of Directors.

Stockholder Communication with the Board of Directors

Any stockholder who desires to contact members of our Board of Directors, or a specified committee of our Board of Directors, may do so by writing to: Probe Manufacturing, Inc., Board of Directors, 17475 Gillette Ave., Irvine, California 92614, Attention: Secretary. Communications received will be distributed by our Secretary to such member or members of our Board of Directors as deemed appropriate by our Secretary, depending on the facts and circumstances outlined in the communication received.

Director Independence

We have a Si-member Board of Directors. Due to the size of our company and the difficulty in finding directors that are competent or have experience in our industry, only one of our directors can be deemed an "independent director."

While our stock is not listed on the New York Stock Exchange, our independent director would qualify as independent under the rules of the New York Stock Exchange.

Board Leadership Structure; Independent Lead Director

Kambiz Mahdi serves as both our of the Board of Directors and Chief Executive Officer. Our Board of Directors has determined that the most effective leadership structure for our company at the present time is for our Chief Executive Officer to also serve as our Chairman of the Board of Directors. Our Board believes that because our Chief Executive Officer is ultimately responsible for our day-to-day operations and for executing our business strategy, and because our performance is an integral part of the deliberations of our Board of Directors, our Chief Executive Officer is the director best qualified to act as Chairman of the Board of Directors. Our Board of Directors retains the authority to modify this structure to best address our unique circumstances, and so advance the best interests of all shareholders, as and when appropriate. In addition, although we do not have a lead independent director, our Board of Directors believes that the current structure is appropriate, due to the current size of our operations.

Our Board of Directors also believes, for the reasons set forth below, that its existing corporate governance practices achieve independent oversight and management accountability, which is the goal that many companies seek to achieve by separating the roles of Chairman of the Board of Directors and Chief Executive Officer. Our governance practices provide for strong independent leadership, independent discussion among directors and for independent evaluation of, and communication with, members of senior management. These governance practices are reflected in our Code of Business Conduct and Ethics, or our Code of Ethics.

Committees of our Board of Directors

We have no standing committees of our Board of Directors at the current time, which is again due to the size of our operations. From time to time, our Board of Directors may establish committees it deems appropriate to address specific areas in more depth than may be possible at a full Board of Directors meeting. As our company grows, we plan to establish an audit committee, compensation committee and nominating and corporate governance committee. The functions that these committees will perform are currently being performed by our three-member Board.

Director Nomination Procedures and Diversity

As outlined above, in selecting a qualified nominee, our Board of Directors considers such factors as it deems appropriate, which may include: the current composition of our Board of Directors; the range of talents of a nominee that would best complement those already represented on our Board of Directors; the extent to which a nominee would diversify our Board of Directors; a nominee's standards of integrity, commitment and independence of thought and judgment; a nominee's ability to represent the long-term interests of our shareholders as a whole; a nominee's relevant expertise and experience upon which to be able to offer advice and guidance to management; a nominee who is accomplished in his or her respective field, with superior credentials and recognition; and the need for specialized expertise. While we do not have a formal diversity policy, we believe that the backgrounds and qualifications of our directors, considered as a group, should provide a significant composite mix of experience, knowledge and abilities that will allow our Board of Directors to fulfill its responsibilities. Applying these criteria, our Board of Directors considers candidates for membership on our Board of Directors suggested by its members, as well as by our Shareholders. Members of o ur Board of Directors annually review our Board of Directors' composition by evaluating whether our Board of Directors has the right mix of skills, experience and backgrounds.

Our Board of Directors may also consider an assessment of its diversity, in its broadest sense, reflecting, but not limited to, age, geography, gender and ethnicity.

Our Board of Directors identifies nominees by first evaluating the current members of our Board of Directors willing to continue in service. Current members of our Board of Directors with skills and experience relevant to our business and who are willing to continue in service are considered for re-nomination. If any member of our Board of Directors does not wish to continue in service or if our Board of Directors decides not to nominate a member for re-election, our Board of Directors will review the desired skills and experience of a new nominee in light of the criteria set forth above.

Our Board of Directors also considers nominees for our Board of Directors recommended by Shareholders. Notice of proposed stockholder nominations for our Board of Directors must be delivered in accordance with the requirements set forth in our bylaws and SEC Rule 14a-8 promulgated under the Securities Exchange Act of 1934, as amended, or the Exchange Act. Nominations must include the full name of the proposed nominee, a brief description of the proposed nominee's business experience for at least the previous five years and a representation that the nominating stockholder is a beneficial or record owner of our common stock. Any such submission must be accompanied by the written consent of the proposed nominee to be named as a nominee and to serve as a director if elected. Nominations should be delivered to: Probe Manufacturing, Inc., Board of Directors, 17475 Gillette Ave., Irvine, California 92614, Attention: Chief Executive Officer.

Our Board of Directors will recommend the slate of directors to be nominated for election at the annual meeting of shareholders. We have not and do not currently employ or pay a fee to any third party to identify or evaluate, or assist in identifying or evaluating, potential director nominees.

Board of Directors Role in Risk Oversight

Our Board of Directors oversees our shareholders' interest in the long-term success of our business strategy and our overall financial strength.

Our Board of Directors is actively involved in overseeing risks associated with our business strategies and decisions. It does so, in part, through its approval of all acquisitions and business-related investments and all assumptions of debt, as well as its oversight of our executive officers pursuant to annual reviews. Our Board of Directors is also responsible for overseeing risks related to corporate governance and the selection of nominees to our Board of Directors.

In addition, the Board reviews the potential risks related to our financial reporting. The Board meets with our Chief Financial Officer and with representatives of our independent registered public accounting firm on a quarterly basis to discuss and assess the risks related to our internal controls. Additionally, material violations of our Code of Ethics and related corporate policies are reported to our Board of Directors.

Code of Business Conduct and Ethics

We have adopted our Code of Ethics, which contains general guidelines for conducting our business and is designed to help our directors, employees and independent consultants resolve ethical issues in an increasingly complex business environment. Our Code of Ethics applies to our Principal Executive Officer, Principal Financial Officer, and persons performing similar functions and all members of our Board of Directors. Our Code of Ethics covers topics including, but not limited to, conflicts of interest, confidentiality of information, and compliance with laws and regulations. Shareholders may request a copy of our Code of Ethics, which will be provided without charge, by writing to: Probe Manufacturing, Inc., 17475 Gillette Ave., Irvine, California 92614; Attention: Chief Executive Officer. Our Code of Ethics is also available on our website, www.probeglobal.com. If, in the future, we amend, modify or waive a provision in our Code of Ethics, we may, rather than filing a Current Report on Form 8-K, satisfy the disclosure requirement by posting such information on our website, as necessary.

Compensation of Directors

The key objective of our non-employee directors' compensation program is to attract and retain highly qualified directors with the necessary skills, experience and character to oversee our management. We currently use equity-based compensation to compensate our directors due to our restricted cash flow position; however, we may in the future provide cash compensation to our directors. The use of equity-based compensation is designed to recognize the time commitment, expertise and potential liability relating to active Board service, while aligning the interests of our Board of Directors with the long-term interests of our shareholders. In accordance with the policy of our Board of Directors, we do not pay management directors for Board service in addition to their regular employee compensation. For a discussion of the compensation paid to our only management directors, Mr. Mahdi and Mr. Bennett, for services provided as our CEO and CFO, respectively, see the sections of this proxy statement entitled " ***Compensation Discussion and Analysis*** " and " ***Executive Compensation.*** "

In addition to the compensation provided to our non-employee director, which is detailed below, each non-employee director is reimbursed for any reasonable out-of-pocket expenses incurred in connection with attending in-person meetings of the Board of Directors and Board committees, as well for any fees incurred in attending continuing education courses for directors.

Fiscal Years 2014 and 2013 Annual Cash Compensation

We currently do not provide cash compensation to our directors and as such did not provide any cash compensation during the years ended December 31, 2014 and 2013.

Fiscal Years 2014 and 2013 Equity Compensation

Yearly Restricted Share Awards

Under the terms of the discretionary restricted share unit grant provisions of our 2006 Incentive Stock Plan and our 2011 Omnibus Incentive Plan , which we refer to as the 2006 Plan and 2011 Plan, respectively, each non-employee director is eligible to receive grants of restricted common stock share awards at the discretion of our Board of Directors. These yearly restricted share unit awards vest in full on the grant date. During fiscal year 2011, our one non-employee director received a restricted common stock share award 50,000 shares of common stock under this program. For 2013 and 2014 we issued the 100,000 shares of common stock to our two independent directors.

Discretionary Grants

Under the terms of the discretionary option grant provisions of the 2006 Plan and the 2011 Plan, non-employee directors are eligible to receive stock options or other stock awards granted at the discretion of the Board of Directors. No director received stock options or other stock awards pursuant to the discretionary grant program during fiscal year 2014 or 2013.

Director Summary Compensation in Fiscal Years 2014 and 2013

The following table sets forth the fiscal years 2014, 2013 and 2012 compensation for our non-employee directors.

Name	Fees Earned or Paid in Cash ($) (1)	Stock Awards ($) (2)	Total ($)
Shervin Talieh 2014	$ -	$ 5,000.00	$ 5,000.00
Shervin Talieh 2013	$ -	$ 5,000.00	$ 5,000.00
Shervin Talieh 2012	$ -	$ 2,500.00	$ 2,500.00

Name	Fees Earned or Paid in Cash ($) (1)	Stock Awards ($) (2)	Total ($)
Robert Young 2014 (3)	$ -	$ 5,000.00	$ 5,000.00
Robert Young 2013	$ -	$ 5,000.00	$ 5,000.00
Robert Young 2012	$ -	$ 2,500.00	$ 2,500.00

(1) This column represents the amount of cash compensation earned in fiscal years 2012. 2013, and 2014 for Board and committee service.

(2) This column represents the grant date fair value of restricted share awards granted in fiscal years 2012, 2013, and 2014 in accordance with FASB ASC Topic 718. The grant date fair value of restricted share unit awards is the closing price of our common stock shares on the date of grant.

(3) Mr. Young was appointed as an independent director and was granted 50,000 shares for his service as a board member for 2012 and 100,000 shares for 2013 and 2014

Change of Control and Termination Provisions

We currently do not having any stock options issued and outstanding to our non-employee directors. In the event of a dissolution or liquidation of the company or if we are acquired by merger or asset sale or in the event of other change of control events , no acceleration of the termination of any of the restrictions applicable to Restricted Shares, Restricted Stock

Unit Awards, Options or Stock Appreciation Rights as defined in the 2011 Plan shall occur in the event of a change in control, unless otherwise provided by our Board of Directors or committee thereof, in such grant.

EXECUTIVE OFFICERS AND DIRECTORS

The names, ages and positions of our executive officers and Directors as of December 31, 2014 are as follows:

Name	Age	Position
Kambiz Mahdi	49	Chief Executive Officer and Chairman
John Bennett	54	Chief Financial Officer and Member of Board of Directors
Robert Young	62	Director
Shervin Talieh	47	Director

We added 2 additional board members in 2015

The biographies of Mr. Mahdi, John Bennett can be found on page 52 in this Annual Report under the heading entitled " ***Our Directors*** "

Compensation Discussion and Analysis

Compensation Philosophy and Objectives

We believe that the quality, skills and dedication of our executive officers are critical factors affecting the company's performance and shareholder value. Accordingly, the key objective of our compensation programs is to attract, retain and motivate superior executive talent while maintaining an appropriate cost structure. In addition, our compensation programs are designed to link a substantial component of our executives' compensation to the achievement of performance goals that directly correlate to the enhancement of shareholder value. Finally, our compensation programs are designed to have the right balance of short and long-term compensation elements to ensure an appropriate focus on operational objectives and the creation of long-term value.

To accomplish these objectives, the Board of Directors has structured our compensation programs to include the following key features and compensation elements:

- base salaries, which generally are set below the median of our peer group companies and take into consideration the Company ' s cash flow and revenues;

- equity-based compensation, which aligns our executives' interests with those of our shareholders and promotes executive retention; and

- in most cases, both our performance-based and service-based restricted share units will provide for vesting over four years, thereby promoting the enhancement of long-term shareholder value and executive retention.

The Board also generally seeks to compensate its executives through determinable base cash salaries that are sensitive to the company's cash resources but that also provide for motivational incentive and maintain continuity of management.

The Board seeks to maintain a balance among fixed and variable compensation, cash and equity, and annual and longer-term incentive compensation to mitigate the risk arising from any element of compensation.

Compensation Committee

We currently do not have a standing compensation committee of our Board of Directors at the current time, which is again due to the size of our operations. As our company grows, we plan to establish a compensation committee to address this specific area. The functions of a compensation committee are currently being performed by our three-member Board.

Independent Consultants and Advisors

The Board has the authority to retain and terminate any independent, third-party compensation consultants and to obtain advice and assistance from internal and external legal, accounting and other advisors. During our 2011 fiscal year, the Board engaged the EMCI/Hanover Group ("EMCI"), an independent third-party, as its independent adviser for certain executive compensation matters. EMCI was retained by the Board to provide an independent review of the company's executive compensation programs, including an analysis of both the competitive market and the design of the programs. More specifically, EMCI furnished the Board with letter reporting on the fairness of the employment contracts entered into with our chief executive officer and chief financial, which he reported as both fair and necessary to provide for continuity of management, motivational incentive and economic reward, given the progress of the company for the last two fiscal years. The company paid EMCI $1,000.00 for its consulting services related to the above mentioned advisory services.

Role of Executive Officers in Compensation Decisions

Since our Board is composed of our chief executive officer and our chief financial officer, our executives are directly involved in all facets of our compensation structure and in the implementation of the long-term executive agreements entered into with our chief executive officer and our chief financial officer. However, in determining the fairness, which took into account the company's revenue growth and the benefit to our shareholders in providing continuity of management at this critical stage in the company's growth makes, the considerations and recommendations of the third independent Board member and the EMCI were heavily weighted.

Fiscal Year 2014 and 2013 Executive Compensation

Summary of Fiscal Year 2014 and 2013 Compensation Decisions

In 2012, the Company achieved significant growth in revenue, as well as in adjusted and GAAP operating income, net income and earnings per share. We realized strong revenue growth across all of our market segments, maintaining a diversified and balanced business portfolio. As a result of the company's excellent performance in fiscal year 2011, we decided in 2011 to enter into long-term employment agreement with our CEO and CFO to ensure continuity of management. The agreements are discussed in this proxy statement under the heading entitled " ***Executive Employment Agreements*** ."

Elements of Compensation

We may allocate compensation among the following components for our named executive officers:

- base salary;
- annual incentive bonus awards;
- performance-based and service-based stock incentive awards;
- performance based deferred compensation; and
- other benefits.

As discussed above, a key element of our compensation philosophy is that a significant portion of executive compensation is comprised of long-term elements that encourage our executives to stay with the company, which we believe provides for a stable working environment that ultimately benefits our shareholders

Other Benefits

Executive officers are eligible to participate in all of the company's employee benefit plans, such as medical, dental, vision, group life, disability, and accidental death and dismemberment insurance, in each case on the same basis as other employees, subject to applicable law.

Termination and Change of Control Arrangements

Our CEO and CFO are entitled to certain termination and change of control benefits under their employment agreements. These benefits are described and quantified under the section entitled " ***Executive Compensation—Potential Payments Upon Termination or Change of Control.*** "

Compensation Risk Assessment

With the assistance of EMCI, the Board reviewed our compensation policies and practices and determined that our compensation programs do not encourage excessive or inappropriate risk-taking. While, a majority of the Board is comprised of our executive officers, the Board believes that the design and mix of our compensation programs appropriately encourage our executive and senior officers to focus on the creation of long-term shareholder value. In its review, the Board noted the following features:

- base salaries, which generally are set below the median of our peer group companies and take into consideration the Company ' s cash flow and revenues;

- equity-based compensation, which aligns our executives' interests with those of our shareholders and promotes executive retention; and

- in most cases, both our performance-based and service-based restricted share units will provide for vesting over four years, thereby promoting the enhancement of long-term shareholder value and executive retention.

Family Relationship

We currently do not have any officers or directors of our Company who are related to each other.

Involvement in Certain Legal Proceedings

During the past ten years no director, executive officer, promoter or control person of the Company has been involved in the following:

(1) A petition under the Federal bankruptcy laws or any state insolvency law which was filed by or against, or a receiver, fiscal agent or similar officer was appointed by a court for the business or property of such person, or any partnership in which he was a general partner at or within two years before the time of such filing, or any corporation or business association of which he was an executive officer at or within two years before the time of such filing;

(2) Such person was convicted in a criminal proceeding or is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses);

(3) Such person was the subject of any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from, or otherwise limiting, the following activities:

   i. Acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, any other person regulated by the Commodity Futures Trading Commission, or an associated person of any of the foregoing, or as an investment adviser, underwriter, broker or dealer in securities, or as an affiliated person, director or employee of any investment company, bank, savings and loan association or insurance company, or engaging in or continuing any conduct or practice in connection with such activity;

   ii. Engaging in any type of business practice; or

   iii. Engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of Federal or State securities laws or Federal commodities laws;

(4) Such person was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any Federal or State authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any activity described in paragraph (f)(3)(i) of this section, or to be associated with persons engaged in any such activity;

(5) Such person was found by a court of competent jurisdiction in a civil action or by the Commission to have violated any Federal or State securities law, and the judgment in such civil action or finding by the Commission has not been subsequently reversed, suspended, or vacated;

(6) Such person was found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any Federal commodities law, and the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended or vacated;

(7) Such person was the subject of, or a party to, any Federal or State judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of:

i. Any Federal or State securities or commodities law or regulation; or

ii. Any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or

iii. Any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or

(8) Such person was the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C. 78c(a)(26))), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C. 1(a)(29))), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Compliance with Section 16(a) of the Exchange Act

Section 16(a) of the Securities Exchange Act of 1934 requires our directors and executive officers and persons who beneficially own more than ten percent of a registered class of our equity securities to file with the SEC initial reports of ownership and reports of change in ownership of common stock and other equity securities of the Company. Officers, directors and greater than ten percent stockholders are required by SEC regulations to furnish us with copies of all Section 16 (a) forms they file. Based solely upon a review of Forms 3 and 4 and amendments thereto furnished to us under Rule 16a-3(e) during the year ended December 31, 2014, Forms 5 and any amendments thereto furnished to us with respect to the year ended December 31, 2014, and the representations made by the reporting persons to us, we believe that during the year ended December 31, 2014, our executive officers and directors and all persons who own more than ten percent of a registered class of our equity securities complied with all Section 16(a) filing requirements.

Item 11. Executive Compensation.

The following table sets forth the fiscal year 2012, 2013 and 2014 compensation for:

- Kambiz Mahdi, our Chief Executive Officer; and
- John Bennett, our Chief Financial Officer; and

The executive officers included in the Summary Compensation Table are referred to in this proxy statement as our named executive officers. A detailed description of the plans and programs under which our named executive officers received the following compensation can be found in the section entitled " ***Compensation Discussion and Analysis*** ."

Summary Compensation Table

Name and Principal Position	**Year**	Salary ($)	Bonus ($)(3)	Stock Awards ($)(4)	Option Awards ($)	Non-equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Kambiz Mahdi (1)	2012	$ 149,989	$ -	$ -	$ -	$ -	$ -	$ -	$149,989
Chief Executive Officer	2013	$ 130,000	$ -	$ -	$ -	$ -	$ -	$ -	$130,000
	2014	$ 128,707	$ -	$10,000	$ -	$ -	$ -	$ -	$138,707
John Bennett (2)	2012	$ 124,385	$ -	$ -	$ -	$ -	$ -	$ -	$124,385
Chief Financial Officer	2013	$ 114,000	$ -	$ -	$ -	$ -	$ -	$ -	$114,000
	2014	$ 101,891	$ -	$30,000	$ -	$ -	$ -	$ -	$131,891

1) For 2013, Mr. Mahdi's salary was $150,000, pursuant to his employment agreement. For the year 2013 Mr. Mahdi took a voluntary pay cut of 13% from $150,000 to $130,000. For the year 2014 Mr. Mahdi took a voluntary pay cut of 14% from $150,000 to $128,807. In 2014 Mr. Mahdi received $10,000 in the form of Common stock for his service on the Board of directors.

2) For the For the year 2012 Mr. Bennett took a voluntary pay cut of 11% from $140,000 to $124,385. For the year 2013 Mr. Bennett took a voluntary pay cut of 19% from $140,000 to $114,000. In 2013, Mr. Bennett was to receive 100,000 shares of common stock per quarter, pursuant to his employment agreement but has elected to postpone and the share grants until the company regains profitability. In 2014 Mr. Bennett took a 27% pay cut from $140,000 to $101,891. As a result Mr. Bennett was Granted $0,000 in additional compensation in the form of Common stock. In addition in 2014, Mr. Bennett received $10,000 in the form of Common stock for his service on the Board of directors.

3) There were no bonuses paid or accrued for any executives for fiscal years 2012, 2013 and 2014.

4) Mr. Bennett was issued an option to purchase 30,000 shares of our common stock on February 8, 2007 at $1.73 under our 2006 Plan and an option to purchase 30,000 shares of our common stock at $.33 per share on February 28, 2008. Both option grants expire on February 08, 2017. As of December 31, 2014, Mr. Bennett has not exercised his option grants.

Outstanding Equity Awards at 2011 Fiscal Year-End

The following table presents information about outstanding options and stock awards held by our named executive officers as of December 31, 2014.

	Option Awards				**Stock Awards**			
	Number of Securities Underlying Unexercised Options	**Number of Securities Underlying Unexercised Options**	**Option Exercise**	**Option**	**Number of Shares or Units of Stock That Have Not**	**Market Value of Shares or Units of Stock That Have Not**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not**	**Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That**

Kambiz Mahdi	—	—	—	—	—	—	—	—
John Bennett	30,000	—	$1.73	February 8, 2017	—	—	—	—
	30,000	—	.333	February 8, 2017	—	—	—	—

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(1) Mr. Bennett was issued an option to purchase 30,000 shares of our common stock on February 8, 2007 at $1.73 under our 2006 Plan and an option to purchase 300,000 shares of our common stock on February 28, 2008. Both option grants expire on February 08, 2017. As of December 31, 2013, Mr. Bennett has not exercised his option grants.

The company has adopted the use of Statement of Financial Accounting Standards No. 123R, "Share-Based Payment" (SFAS No. 123R) (now contained in FASB Codification Topic 718, *Compensation-Stock Compensation*), which supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees", and its related implementation guidance and eliminates the alternative to use Opinion 25's intrinsic value method of accounting that was provided in Statement 123 as originally issued. This Statement requires an entity to measure the cost of employee services received in exchange for an award of an equity instruments, which includes grants of stock options and stock warrants, based on the fair value of the award, measured at the grant date, (with limited exceptions). Under this standard, the fair value of each award is estimated on the grant date, using an option-pricing model that meets certain requirements. We use the Black- Scholes option-pricing model to estimate the fair value of our equity awards, including stock options and warrants. The Black-Scholes model meets the requirements of SFAS No. 123R; however, the fair values generated may not reflect their actual fair values, as it does not consider certain factors, such as vesting requirements, employee attrition and transferability limitations. The Black-Scholes model valuation is affected by our stock price and a number of assumptions, including expected volatility, expected life, risk-free interest rate and expected dividends. We estimate the expected volatility and estimated life of our stock options at grant date based on historical volatility; however, due to the thinly traded nature of our stock, we have chosen to use an average of the annual volatility of like companies in our industry. For the "risk-free interest rate", we use the Constant Maturity Treasury rate on 90 day government securities. The term is equal to the time until the option expires. The dividend yield is not applicable, as the company has not paid any dividends, nor do we anticipate paying them in the foreseeable future. The fair value of our restricted stock is based on the market value of our free trading common stock, on the grant date calculated using a 20 trading day average. At the time of grant, the share based-compensation expense is recognized in our financial statements based on awards that are ultimately expected to vest using historical employee attrition rates and the expense is reduced accordingly. It is also adjusted to account for the restricted and thinly traded nature of the shares. The expense is reviewed and adjusted in subsequent periods if actual attrition differs from those estimates.

We re-evaluate the assumptions used to value our share-based awards on a quarterly basis and if changes warrant different assumptions, the share-based compensation expense could vary significantly from the amount expensed in the past. We may be required to adjust any remaining share-based compensation expense, based on any additions, cancellations or adjustments to the share based awards. The expense is recognized over the period during which an employee is required to provide service in exchange for the award, the requisite service period (usually the vesting period). No compensation cost is recognized for equity instruments for which employees do not render the requisite service. For the years ended December 31, 2014 and 2013, we had $0 in non-vested expense to be recognized.

Executive Employment Agreements

On September 1, 2011, the Board approved long-term executive employment agreements with our Chief Executive Officer, Kambiz Mahdi and Chief Financial Officer John Bennett, for a period of five years from execution, unless terminated earlier pursuant to the terms of their respective agreements.

Mr. Mahdi will receive an annual compensation of $150,000 per year, subject to annual increases based on the greater of the consumer price index or 5.0% to take into account annual cost of living increases and also subject to such increases as may from time to time be determined by the Board of the Directors of the Company. In addition, Mr. Mahdi will receive a severance benefit consisting of a single lump sum cash payment equal the salary that Mr. Mahdi would have been entitled to receive through the remainder or the Employment Period or two (2) years, whichever is greater.

Mr. Bennett will receive an annual compensation of $140,000 per year, subject to annual increases based on the greater of the consumer price index or 5.0% to take into account annual cost of living increases and also subject to such increases as may from time to time be determined by the Board of the Directors of the Company. Additionally, Mr. Bennett will receive $40,000, payable in 800,000 shares of the company's common stock at $.05 per share, as a retention bonus. The shares will be issued at the rate of 100,000 shares per quarter, on the 15th day of each quarter, commencing on September 15, 2011 and continuing for the following seven quarters. Mr. Bennett will also receive a severance benefit consisting of a single lump sum cash payment equal the salary that Mr. Bennett would have been entitled to receive through the remainder or the Employment Period or two (2) years, whichever is greater.

Potential Payments upon Termination or Change of Control

Severance Benefits

Mr. Mahdi will receive a severance benefit consisting of a single lump sum cash payment equal the salary that Mr. Mahdi would have been entitled to receive through the remainder or the Employment Period or two (2) years, whichever is greater.

Mr. Bennett will receive a severance benefit consisting of a single lump sum cash payment equal the salary that Mr. Bennett would have been entitled to receive through the remainder or the Employment Period or two (2) years, whichever is greater.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table shows, as of March 31, 2015, the number of shares of our common stock beneficially owned by (1) any person who is known by us to be the beneficial owner of more than 5.0% of the outstanding shares of our common stock; (2) our directors; (3) our named executive officers; and (4) all of our directors and executive officers as a group. The percentage of common stock beneficially owned is based on 30,676,445 shares of our common stock outstanding as of December 31, 2014. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes securities over which a person has voting or investment power and securities that a person has the right to acquire within 60 days.

Name of Beneficial Owners (1)	Number of Shares of Common Stock Beneficially Owned	Percentage
Kambiz Mahdi(2) Director	6,716,000	21.89%
John Bennett(3) Director	702,093	2.29%
Shervin Talieh (4) Director	250,000	*
Robert Young (5) Director	250,000	*
Bijan Israel(6)	3,173,417	10.34%
Luxus Micro Cap, SA. (7) Director	6,425,626	20.95%
All directors and officers as a group (5 persons)	14,343,719	67.76%

* Represents less than 1.0% of our outstanding common stock.

(1) The address of each beneficial owner listed is c/o Probe Manufacturing, Inc., 17475 Gillette Ave., Irvine, California 92614.

(2) The shares of common stock are held directly by the Kambiz and Bahareh Mahdi Living Trust and indirectly by Kambiz Mahdi and Bahareh Mahdi as Trustees.

(3) On March 18, 2011, Mr. Bennett purchased 102,092 shares of Probe Manufacturing, Inc. (the "Company") from Barrett Evans, the former CEO and chairman of the Company in a private transaction for $5,000, or $0.048 per share. In addition, on June 26, 2011, Mr. Bennett was granted 100,000 shares of the Company's common stock as additional compensation for his employment with the Company for the year ended December 31, 2012. In addition Mr. Bennett was issued an option to purchase 30,000 shares of our common stock on February 8, 2007 at $1.73 under our 2006 Plan and an option to purchase 300,000 shares of our common stock on February 28, 2008. Both option grants expire on February 08, 2017. As of December 31, 2014, Mr. Bennett has not exercised his option grants. Pursuant to Mr. Bennett's employment contract with the Company, he will be granted 100,000 shares of the Company's common stock per quarter over the next seven quarters but elected to postpone the stock grants until 2014. He was granted 400,000 shares in 2014 pursuant to his employment contract. He was also granted 100,000 shares for Board of director fees.

(4) Shervin Talieh was appointed to serve as a member of the issuer's board of directors to fill a vacancy on the board on June 11, 2011. Mr. Talieh will be entitled to receive 50,000 shares of the issuer's common stock starting in 2012 and 100,000 shares of common stock per year thereafter for each year Mr. Talieh serves as a director of the issuer pursuant to the issuer's director compensation plan. On November 15, 2014 Mr. Talieh was granted 100,000 shares of common stock.

(5) Robert Young was appointed to serve as a member of the issuer's board of directors to fill a vacancy on the board on June 11, 2012. Mr. Young purchased the shares of the issuer in regular open market transaction. In addition, Mr. Young will be entitled to receive 50,000 shares of the issuer's common stock for the first year and 100,000 shares of common stock per year thereafter for each year Mr. Young serves as a director of the issuer pursuant to the issuer's director compensation plan. On November 15, 2014 Mr. Young was granted 100,000 shares of common stock.

(6) The shares of common stock are held directly by the Bijan and Sima Israel Family Trust and indirectly by Bijan Israel and Sima Israel, Trustees. The Bijan and Sima Israel Family Trust disposed of 570,000 share of common stock of the issuer to The Kambiz and Bahareh Mahdi Living Trust pursuant to a settlement agreement dated June 19, 2012 in order to settle the additional paid in capital that Mr. Mahdi provided to KB Development Group, LLC which was the company jointly owned by Mr. Mahdi and Mr. Israel. The Bijan and Sima Israel Family Trust sold 30,000,000 shares of common stock to Finn-Partners, Inc. in a private sale transaction pursuant to a Stock Purchase Agreement date October 24, 2012, in compliance with Section 4(1) of the Securities Act of 1933, as amended.

(7) Finn-Partners, Inc. acquired 30,000,000 from the Bijan and Sima Israel Family Trust in a private sale transaction pursuant to a Stock Purchase Agreement dated October 24, 2012, in compliance with Section 4(1) of the Securities Act of 1933, as amended. Finn-Partners, Inc. also acquired 600,000 through regular open-market transactions. FINN AKA LUXUS converted a promissory note for 120K shares on May 10, 2013. On September 4, 2014 we issued 729,167 shares of common stock to Luxus Micro Cap S.A. for conversion of accrued interest under the series D preferred stock

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Director Independence

We have a four-member Board of Directors. Due to the size of our company and the difficulty in finding directors that are competent or have experience in our industry, only one of our directors can be deemed an "independent director."

While our stock is not listed on the New York Stock Exchange, our independent director would qualify as independent under the rules of the New York Stock Exchange.

Review of Related Person Transactions

Our Code of Business Conduct and Ethics provides guidance for addressing actual or potential conflicts of interests, including those that may arise from transactions and relationships between us and our executive officers or directors, such as:

- Business transaction between the company and any executive are prohibited, unless otherwise approved by the Board;
- Activities that may interfere with an executive ' s performance in carrying out company responsibilities;
- Activities that call for the use of the company ' s influence, resources or facilities; and
- Activities that may discredit the name or reputation of the company.

We have various procedures in place to identify potential related person transactions, and the Board of Directors and a separate compliance committee work together in reviewing and considering whether any identified transactions or relationships are covered by the Code of Business Conduct and Ethics. A copy of the company's Code of Business Conduct and Ethics on the Corporate Governance is on our website at *www.probeglobal.com* .

Transactions with Related Persons

payment of a 12.00% due diligent fee to be amortized over the life of the note. Total payments for interest and due diligent fees are $3,000 per month. Bijan Israel is one of our largest shareholders; beneficially owning 69,959,347 shares of common stock. On February 17, 2011 the balance of this note was paid in full. As of December 31, 2013 the outstanding balance was zero.

Kambiz Mahdi, our Chief Executive Officer, owns Billet Electronics, which is an independent distributor of electronic components. From time to time we purchase parts from Billet Electronics. In addition, from time to time we provide assembly and value added services to Billet Electronics. In addition Billet was a supplier of parts and had dealings with current and former customers of our company. Our board of directors has approved such transactions of our chief executive officer.

On March 20, 2013, we completed the acquisition of Trident Manufacturing, Inc and as a result we issued 1,600,000 shares of our common stock at $.07

On January 25, 2013 we issued 110,000 of common stock for services at $.10

On January 25, 2013 we issued 10,000 of common stock to employees at $.10

On June 26, 2011 we issued 100,000 shares of common stock to John Bennett, our Chief Financial Officer, as additional compensation for 2011, these shares were previously accrued and to be issued.

On June 26, 2011 we issued 100,000 shares of common stock to Linwood Goddard, our Vice President of Quality, as additional compensation for 2011, these shares were previously accrued and to be issued.

On June 26, 2011 we issued 50,000 shares of common stock to Shervin Talieh for Board of Director fees for April 2011 through March 2012.

On November 15, 2014 we issue 400,000 shares of common stock to John Bennett, our Chief Financial Officer, as additional compensation and accrued 100,000 for board of director compensation at $.05 per share.

On November 15, 2014 we issued 100,000 shares of common stock and accrued for 100,000 shares of common stock for board of director compensation to Kam Mahdi our Chief Executive officer at $.05 per share.

On November 15, 2014 we issued 100,000 shares of common stock and accrued for 100,000 shares of common stock for board of director compensation to Robert Young at $.05 per share.

On November 15, 2014 we issued 100,000 shares of common stock and accrued for 100,000 shares of common stock for board of director compensation to Shervin Talieh at $.05 per share.

Convertible Promissory Note
On February 15, 2013 we entered into a convertible promissory note with a related party for $120,000. The note bears interest at the rate of 10% simple interest and is convertible at $.10 per share and is due on February 15, 2015.

On May 10, 2013 notice of conversion for the entire note was given. The shares were converted at $.10. As a result, the company issued 1,200,000 shares of common stock. The balance due on the note on December 31, 2012 is $0

On August 7, 2013, we held our initial closing of our Series D Preferred Stock private financing offering with two related parties, whereby we received $750,000 in financing. Our Series D Preferred Stock offering terms allow us to raise up to $1,000,000 US with an over-allotment of $500,000 in multiple closings over the course of 6 months.

The following are primary terms of the Series D Preferred Stock Offering. The Series D Preferred holders will be paid a special monthly divided at the rate of 17.5% per annum or at the option of the Investor such special may accrue such special dividends. If the Company does not pay the special dividend within five (5) business days from the end of the calendar month for which the payment of such dividend to owed, the Company will pay the investor a penalty of 3.5%. Any unpaid or accrued special dividends will be paid upon a liquidation or redemption. For any other dividends or distributions, participation with common stock on an as-converted basis. The Series D Preferred holders may elect to convert the Series D Preferred Stock, in his sole discretion, at any time after a one year (1) year holding period, by sending the Company a notice to convert. The conversion rate shall equal to the greater of $0.08 or a 20% discount to the average of the three (3) lowest closing market prices of the common stock during the ten (10) trading day period prior to conversion. The Series D Preferred shall be redeemable from funds legally available for distribution at the option of the individual holders of the Series D Preferred commencing any time after the one (1) year period from the Closing (the "Redemption Period") at a price equal to the Purchase Price plus all accrued but unpaid dividends. If Company is not in financial position to pay it back it need to notify the Investors thirty (30) days prior the Redemption Period commencing and both parties will negotiate in good faith for an extension of the Redemption Period. Notwithstanding, the Company may elect to redeem the Series D Preferred shares any time after the Closing at a price equal to Purchase Price plus all accrued but unpaid dividends subject to the Investors right to convert by providing the Investors written notice about its intent to redeem whereby the Investor shall have the right to convert per the terms of the conversion terms at least ten (10) days prior to such redemption by the Company.

On June 25th, 2013 we received $500,000 from a related party and issued 5,000 shares of Preferred Series D Preferred stock.

On September 19th 2013 we received $250,000 from a related party and issued 2,500 shares of Preferred Series D Preferred stock.

On December 4, 2013 we issued 1,000,000 Shares of common stock to an accredited investor at $.10 per share.

Item 14. Principal Accounting Fees and Services.

The aggregate fees billed to us by our principal accountant for services rendered during the fiscal years ended December 31, 2014 and December 31, 2013 are set forth in the table below:

Services:		2014		2013
Audit Fees (1)	$	29,000	$	29,000
Audit Related Fees (2)		702		-
Tax Fees (3)		985		985
Total	$	30,687	$	24,985

(1) Audit fees billed in 2014 and 2013 consisted of fees related to the audit of our annual financial statements, reviews of our quarterly financial statements, and statutory and regulatory audits, consents and other services related to filings with the SEC.

(2) Audit-related fees related to financial accounting and reporting consultations, assurance and related services.

(3) Tax services consist of tax compliance and tax planning and advice.

The Board of Directors pre-approves all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for us by our independent registered public accounting firm, subject to the de minimis exceptions for non-audit services described in Section 10A(i)(1)(b) of the Exchange Act and the rules and regulations of the SEC. All services rendered by our principal auditor for the years ended December 31, 2014 and 2013 were pre-approved in accordance with the policies and procedures described above.

Auditor Independence

The Board of Directors has considered whether the provision of the above noted services is compatible with maintaining our independent registered public accounting firm’s independence and has concluded that the provision of such services has not adversely affected the independent registered public accounting firm’s independence.

The information required by this Item is incorporated by reference to our definitive proxy statement to be filed with respect to our 2014 annual meeting of stockholders.

Board of Directors Audit Report to Shareholders

Since we do not have a standing Audit Committee our full Board of Directors oversees our financial reporting process. Our management has the primary responsibility for our financial statements as well as our financial reporting process, principles and internal controls. The independent registered public accounting firm is responsible for performing an audit of our financial statements and expressing an opinion as to the conformity of such financial statements with accounting principles generally accepted in the United States of America.

In this context, the Board of Directors has reviewed and discussed our audited financial statements as of December 31, 2014 and December 31, 2013 with management and the independent registered public accounting firm. The Board of Directors has discussed with the independent registered public accounting firm the matters required to be discussed by the Statement on Auditing Standards No. 61, *Professional Standards* , as amended. In addition, the Board of Directors has received the written disclosures and the letter from the independent registered public accounting firm required by Independence Standards Board

Standard No. 1, *Independence Discussions with Audit Committees* , as currently in effect, and it has discussed their independence with us.

Item 15. Exhibits, Financial Statement Schedules.

(a)(1) *Financial Statements:*

The consolidated financial statements and the related notes are included in Item 8 herein.

(a)(2) *Financial Statement Schedule:*

All schedules have been omitted as the required information is inapplicable or the information is presented in the consolidated financial statements or related notes.

(a)(3) *Exhibits:*

The exhibits listed on the Exhibit Index (following the signatures section of this report) are included, or incorporated by reference, in this annual report.

(b) *Exhibits:*

See Item 15(a)(3) above.

(c) *Financial Statement Schedule:*

All schedules have been omitted as the required information is inapplicable or the information is presented in the consolidated financial statements or related notes.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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, in the City of Irvine, State of California on the 28th day of April, 2015.

PROBE MANUFACTURING, INC.

____
REGISTRANT

/s/ Kambiz Mahdi
____
By: Kambiz Mahdi
Chief Executive Officer

Date: April 28, 2015

/s/ John Bennett
____
By: John Bennett
Chief Financial Officer

Date: April 28, 2015

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

Signature	Title
/s/ Kambiz Mahdi _______________________ By: Kambiz Mahdi Date: April 28, 2015	Chief Executive Officer and Director (principal executive officer)
/s/ John Bennett _______________________ By: John Bennett Date: April 28, 2015	Chief Financial Officer and Director (principal financial officer)
/s/ Shervin Talieh _______________________ By: Shervin Talieh Date: April 28, 2015	Director
/s/ Robert Young _______________________ By: Robert Young Date: April 28, 2015	Director

EXHIBIT INDEX

Pursuant to Item 601(a)(2) of Regulation S-K, this Exhibit Index immediately precedes the exhibits.

The following exhibits are included, or incorporated by reference; in this Annual Report on Form 10-K for the fiscal year ended December 31, 2013 (and are numbered in accordance with Item 601 of Regulation S-K).

EXHIBIT NUMBER | **DESCRIPTION**

3.1 Articles of Incorporation (included as exhibit 3.1 to the Form SB-2/A filed on June 10, 2005 and incorporated herein by reference).

3.2 Bylaws (included as exhibit 3.2 to the Form SB-2/A filed on June 10, 2005 and incorporated herein by reference).

14.1 Code of Ethics (included as exhibit 14.1 to the Form 10-KSB on April 5, 2007 and incorporated herein by reference).

21.1* List of Subsidiaries

23.1* Consent of MartinelliMick PLLC

31.1* Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2* Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32.1** Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.1** Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

101.INS** XBRL Instance Document

101.SCH** XBRL Taxonomy Extension Schema Document

101.CAL** XBRL Taxonomy Extension Calculation Linkbase Document

101.LAB** XBRL Taxonomy Extension Label Linkbase Document

101.PRE** XBRL Taxonomy Extension Presentation Linkbase Document

101.DEF** XBRL Taxonomy Extension Definition Linkbase Document

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* Filed herewith
** Furnished herewith

MARTINELLIMICK PLLC
A FRUCI & ASSOCIATES SUBSIDIARY

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in the Registration Statement on Form S-8 (File No. 333-135014) of our audit report dated April 27, 2015, with respect to the consolidated financial statements of Probe Manufacturing, Inc. included in the Annual Report (Form 10-K) for the two years ended December 31, 2014.

Martinelli Mick PLLC

Spokane, Washington
April 27, 2015

(Continued)

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Kambiz Mahdi, certify that:

1. I have reviewed this Annual Report on Form 10-K of Probe Manufacturing, Inc.;

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

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

4. The registrant ' s other certifying officer 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: April 28, 2015 By: /s/ KAMBIZ MAHDI
Kambiz Mahdi,
Chief Executive Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, John Bennett, certify that:

1. I have reviewed this Annual Report on Form 10-K of Probe Manufacturing, Inc.;

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

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

4. The registrant ' s other certifying officer 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: April 28, 2015 By: /s/ JOHN BENNETT
John Bennett,
Chief Financial Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Probe Manufacturing, Inc. (the " Company ") hereby certifies, to his knowledge, that:

(i) the accompanying Annual Report on Form 10-K of the Company for the year ended December 31, 2014 (the " Report ") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

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

April 28, 2015	By: /s/ Kambiz Mahdi
Date	Kambiz Mahdi
	Chief Executive Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Probe Manufacturing, Inc. (the " Company ") hereby certifies, to his knowledge, that:

(i) the accompanying Annual Report on Form 10-K of the Company for the year ended December 31, 2014 (the " Report ") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

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

April 28, 2015	By: /s/ John Bennett
Date	John Bennett
	Chief Financial Officer