

CHINA MOBILITY SOLUTIONS, INC. (formerly Xin Net Corp.)
Form DEF 14C
July 07, 2008

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

SCHEDULE 14C

Information Statement Pursuant to Section 14(c) of the Securities Exchange Act of 1934

Check the appropriate box:

- Preliminary Information Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14c-5(d)(2))
- Definitive Information Statement

CHINA MOBILITY SOLUTIONS, INC.

(Name of Registrant as Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14c-5(g) and 0-11.
- (1) Title of each class of securities to which transaction applies:
- (2) Aggregate number of securities to which transaction applies:
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- (4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

China Mobility Solutions, Inc.
#407-1270 Robson Street.
Vancouver, B.C. Canada V6E 3Z6
June 30, 2008

NOTICE OF ACTION TAKEN BY THE SHAREHOLDERS BY WRITTEN CONSENT OF A MAJORITY

To The Shareholders of China Mobility Solutions, Inc.

Xiao-qing Du, Ernest Cheung, John Gaetz and Presidents Corporate Group (collectively, the "Majority Shareholders") are the holders of a total of 255,000,000 shares or approximately 80.35% of the total issued and outstanding stock of China Mobility Solutions, Inc., a Florida corporation (the "Company"). The Majority Shareholders have adopted the following resolutions by written consent in lieu of a meeting pursuant to the Business Corporation Act of the State of Florida, and subject to the Notice requirements of Section 14 of the Securities Exchange Act of 1934.

1. To change the Company's name to Global Peopleline Telecom Inc.;
2. To carry out a mandatory reverse stock split of its common stock, exchanging one hundred (100) existing share of common stock for one (1) share of post reverse split common stock;

Xiao-qing Du, President

WE ARE NOT ASKING YOU FOR CONSENT OR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY.

China Mobility Solutions, Inc.
#407-1270 Robson Street.
Vancouver, B.C. Canada V6E 3Z6
June 30, 2008

NOTICE OF SHAREHOLDERS' ACTION

The Majority Shareholders have submitted their consents to the actions described in this Information Statement on or about June 19, 2008, to be effective on or before July 10, 2008. As of June 19, 2008, the Majority Shareholders held of record 255,000,000 shares of the Company's common stock, or approximately 80.35% of the total issued and outstanding common stock of the Company. The remaining outstanding shares of common stock are held by approximately four thousand other shareholders.

The Majority Shareholders consenting consist of Xiao-qing Du, Ernest Cheung, John Gaetz and Presidents Corporate Group. See "SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS."

Holders of the common stock of record as of June 19, 2008 are entitled to submit their consent to the shareholder resolutions described in this Information Statement, although no shareholder consents other than that of the Majority Shareholders are required to be submitted in order for the resolution to be adopted. The Company is NOT soliciting consents or proxies and shareholders have no obligation to submit either of them. Whether or not shareholders submit consents should not affect their rights as shareholders or the prospects of the proposed shareholder resolutions being adopted. The Majority Shareholders will consent to the entire shareholder resolutions described in this Information Statement. The affirmative vote of the holders of a majority of the outstanding common stock of the Company is required to adopt the resolutions described in this Information Statement. Florida law does not require that the proposed transaction be approved by a majority of the disinterested shareholders. A total of 317,350,295 shares of common stock will be entitled to vote on the Company's proposed transactions described in this Information Statement.

THE COMPANY

The Company has its executive offices at #407-1270 Robson Street, Vancouver, B.C. Canada V6E 3Z6, and its telephone number is (604) 632-9638. As described in the accompanying NOTICE OF ACTION TO BE TAKEN BY THE SHAREHOLDERS, the Company proposes to adopt certain amendments to the Articles of Incorporation by shareholder action as follows:

Proposal #1

AMENDMENT TO ARTICLES FOR CORPORATION NAME CHANGE

The majority shareholders have authorized a change in the name of this corporation to Global Peopleline Telecom Inc. This requires an amendment to the Articles of Incorporation.

The Board believes the name change in our Articles of Incorporation is in the best interest of the corporation, to better reflect the new business that the Company is going to carry on.

The Proposed Amendment to the Articles of Incorporation for this purpose is: "Article One shall be amended to change the name to Global Peopleline Telecom Inc."

(The full text of the proposed Amendment to the Articles is attached hereto as Exhibit A.)

Proposal #2

REVERSE SPLIT OF COMMON STOCK ISSUED AND OUTSTANDING

To Authorize a reverse split of the common stock on a one for one hundred basis, by which each one hundred shares shall become one share; our shareholders have approved a pro-rata reverse split of our common stock, by which each one hundred shares would become one share.

The shareholders entitled to fractional shares as a result of the reverse split will have the fractional shares rounded up to the nearest whole share, because the cost of administering fractional share to the Company and the confusion, inconvenience, and administrative time at the transfer agent and for "street name" shareholders. The Board has determined that it is more cost effective and better business practice on a cost/benefit analysis to handle fractional shares this way than to attempt to administer them as fractional shares or to pay cash or scrip for them.

There will be no change in the number of record holders as a result of the reverse split.

We believe that reverse split will be advantageous to us and to all shareholders, because it may provide the opportunity for higher share prices based upon fewer shares. It is also a factor that most brokerage houses do not permit or favor lower-priced stocks to be used as collateral for margin accounts. Certain policies and practices of the securities industry may tend to discourage individual brokers within those firms from dealing in lower-priced stocks. Some of those policies and practices involve time-consuming procedures that make the handling of lower priced stocks economically unattractive. The brokerage commissions on the purchase or sale of lower priced stocks may also represent a higher percentage of the price than the brokerage commission on higher priced stocks.

As a general rule, potential investors who might consider making investments in our company will refuse to do so when the company has a large number of shares issued and outstanding with no equity. In other words, the "dilution" which new investors would suffer would discourage them from investing, as general rule of experience. A reduction in the total outstanding shares may, without any assurance, make our capitalization structure more attractive.

The Proposed Amendment to the Articles of Incorporation for this purpose is: ARTICLE THREE is hereby amended as follows:

The aggregate number of shares which this corporation shall have authority to issue is five hundred million (500,000,000) shares of a par value of (\$.001) which shares shall be designated common stock.

"Reverse Stock Split. Each share of the Corporation's Common Stock, par value of \$.001, issued and outstanding immediately prior to June 19, 2008 (the "Old Common Stock") shall automatically and without any action on the part of the holder thereof be reclassified as and changed, pursuant to a reverse stock split (the "Reverse Stock Split"), into a fraction thereof of 1/100 of a share of the Corporation's outstanding Common Stock, par value of \$.001 (the "New Common Stock"), subject to the treatment of fractional share interests as described below. Each holder of a certificate or certificates which immediately prior to June 19, 2008 represented outstanding shares of

Old Common Stock (the "Old Certificates," whether one or more) shall be entitled to receive, upon surrender of such Old Certificates to the Corporation's Transfer Agent for cancellation, a certificate or certificates (the "New Certificates," whether one or more) representing the number of whole shares of the New Common Stock into which and for which the shares of the Old Common Stock formerly represented by such Old Certificates so surrendered are classified under the terms hereof. From and after June 19, 2008, Old Certificates shall represent only the right to receive New Certificates pursuant to the provisions hereof. No certificates or scrip representing fractional share interests in New Common Stock will be issued, and no such fractional share interest will entitle the holder thereof to vote, or to any rights of a shareholder of the Corporation. Any fraction of a share of New Common Stock to which the holder would otherwise be entitled will be adjusted upward to the nearest whole share. If more than one Old Certificate shall be surrendered at one time for the account of the same Shareholder the number of full shares of New Common Stock for which New Certificates shall be issued shall be computed on the basis of the aggregate number of shares represented by the Old certificates so surrendered. In the event that the Corporation's Transfer Agent determines that a holder of Old Certificates has not tendered all his certificates for exchange, the Transfer Agent shall carry forward any fractional share until all certificates of that holder have been presented for exchange such that payment for fractional shares to any one person shall not exceed the value of one share. If any New Certificate is to be issued in a name other than that in which the

Old Certificates surrendered for exchange are issued, the Old Certificates so surrendered shall be properly endorsed and otherwise in proper form for transfer. From and after June 19, 2008, the amount of capital represented by the shares of the New Common Stock into which and for which the shares of the Old Common Stock are reclassified under the terms hereof shall be the same as the amount of capital represented by the shares of Old Common Stock so reclassified until after reduced or increased in accordance with applicable law. Fractional shares shall be rounded up to the nearest whole share."

(The full text of the proposed Amendment to the Articles of Incorporation is attached hereto as Exhibit A.)

The Company does not now qualify for a listing on any exchange, AMEX, NASDAQ, NYSE, or any smaller exchange. The Company does not meet any exchange qualifications at this time except that it is an SEC registered company. There is no assurance whatsoever that the Company will ever meet most of any exchange listing criteria.

There is no assurance that any effect to the price of our stock will result, or that the market price for our common stock, immediately or shortly after the proposed changes will rise, or that any rise which may occur will be sustained. Market conditions are not predictable and may be influenced by changes in investor attitudes and external economic conditions. We are proposing the steps we deem best calculated to meet the market attractively. We cannot control the market's reaction.

Dissenting shareholders have no appraisal rights under Florida law or pursuant to our constituent documents of incorporation or bylaws, in connection with the reverse split.

Additional information regarding the Company, its business, its stock, and its financial condition are included in the Company's Form 10-KSB annual reports and its Form 10-QSB quarterly reports. Copies of the Company's Form 10-KSB for its fiscal year ending December 31, 2006 and its quarterly report on the Form 10-QSB for the quarter ending March 30, 2007 are available upon request to: Xiao-qing Du, #407-1270 Robson Street, Vancouver, B.C. Canada V6E 3Z6.

Edgar Filing: CHINA MOBILITY SOLUTIONS, INC. (formerly Xin Net Corp.) - Form DEF 14C

The following table sets forth certain information known to the Company with respect to the beneficial ownership of the Company's common stock as of June 19, 2008 by (i) each person who is known by the Company to own beneficially more than 5% of the Company's common stock, (ii) each of the Company's directors and executive officers, and (iii) all officers and directors of the Company as a group. Except as otherwise listed below, the address of each person is c/o China Mobility Solutions, Inc., #407-1270 Robson Street, Vancouver, B.C. Canada V6E 3Z6.

| Name and Address of Beneficial Owner (1) | Amount and nature of Beneficial Ownership Percentage of Class | |
|---|--|-------|
| Xiao-qing Du #407-1270 Robson St. Vancouver, BC, V6E 3Z6 [Missing Graphic Reference] | 193,000,000 | 60.8% |
| Ernest Cheung 6091 Richard Raod Richmond, BC [Missing Graphic Reference] | 56,700,000 | 17. |
| John Gaetz #407-1270 Robson St. Vancouver, BC, V6E 3Z6 [Missing Graphic Reference] | 3,300,000 | 1. |
| Presidents Corporate Group Ste 302-850 West Hastings St. Vancouver, BC V6C 1E1 | 2,000,000 | |

Unless otherwise indicated, the persons named in the table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them.

MANAGEMENT

The following table lists the names and ages of the executive officers and directors of the Company. The directors were appointed in 2007 and will continue to serve until the next annual shareholders meeting or until their successors are appointed and qualified. All officers serve at the discretion of the Board of Directors.

| NAME | AGE | POSITION WITH THE COMPANY |
|--------------|-----|---------------------------|
| Xiao-qing Du | 38 | President, Director |
| John Gaetz | 58 | Secretary, Director |

XIAO-QING (ANGELA) DU, President and Director, age 38, was Director of our company from 1996 to date. She received a Bachelor of Science in International Finance in 1992 from East China Normal University. She received a Master of Science in Finance and Management Science in 1996 from the University of Saskatchewan in

Canada. She has been Business Manager of China Machinery & Equipment I/E Corp. (CMEC) from 1992 to 1994. She is also President of InforNet Investment CORP., our wholly owned subsidiary in Canada, and remains a director of our Company.

JOHN GAETZ, Secretary and Director, age 58, was Director of our company from 2007 to date. Mr. Gaetz currently is founder and president of Presidents Corporate Group; a company structured to provide governance, administration and management services for public companies. Previous positions included a two-year term as founder and president of West Coast Stock Transfer Inc, a six-year term as Vice President and CFO of UltraGuard Water Systems Inc; a public company engaged in development and marketing ultraviolet based disinfection products and twenty five years spent in various financial and senior management positions with the Harnischfeger Corporation, a major mining, construction and defense equipment manufacturer.

Under the Florida Business Corporation Act and the Company's Articles of Incorporation, as amended, the Company's directors will have no personal liability to the Company or its stockholders for monetary damages incurred as the result of the breach or alleged breach by a director of his "duty of care". This provision does not apply to the directors'

- (i) acts or omissions that involve intentional misconduct or a knowing and culpable violation of law,
- (ii) acts or omissions that a director believes to be contrary to the best interests of the corporation or its shareholders or that involve the absence of good faith on the part of the director,
- (iii) approval of any transaction from which a director derives an improper personal benefit,
- (iv) acts or omissions that show a reckless disregard for the director's duty to the corporation or its shareholders in circumstances in which the director was aware, or should have been aware, in the ordinary course of performing a director's duties, of a risk of serious injury to the corporation or its shareholders, (v) acts or omissions that constituted an unexcused pattern of inattention that amounts to an abdication of the director's duty to the corporation or its shareholders, or
- (vi) approval of an unlawful dividend, distribution, stock repurchase or redemption. This provision would generally absolve directors of personal liability for negligence in the performance of duties, including gross negligence. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the Company pursuant to the foregoing provisions, the Company has been informed that in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Act and is therefore unenforceable.

BOARD COMMITTEES

The Board of Directors currently serves as an Audit Committee and Compensation Committee. During the fiscal year ended December 31, 2007, the Board of Directors held occasional meetings.

COMPENSATION OF DIRECTORS

Directors receive no cash compensation for their services to the Company as directors, but are reimbursed for expenses actually incurred in connection with attending meetings of the Board of Directors.

SUMMARY COMPENSATION TABLE OF EXECUTIVES

| Name and Principal Position | Year | Cash Compensation | | | Security Grants | | | All other Compensation |
|-----------------------------|------|-------------------|-------|---------------------------------|-------------------------|---|---|------------------------|
| | | Salary | Bonus | Annual Compensation/ Others(\$) | Restricted Stock Awards | Securities, Underlying Options/ SARs (#) (SHARES) | Long Term Compensation Payments / Options | |
| Xiao-qing, Du | 2005 | 10129 | 0 | 0 | 0 | 0 | 0 | 0 |
| President | 2006 | 30000 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2007 | 21840 | 0 | 0 | 0 | 0 | 0 | 0 |
| John Gaetz, Secretary | 2005 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2006 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2007 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Officers as A Group | 2005 | 10129 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2006 | 30000 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2007 | 21840 | 0 | 0 | 0 | 0 | 0 | 0 |

Note: John Gaetz was appointed Director of the Company since February, 2007.

SUMMARY COMPENSATION TABLE OF DIRECTORS

(To December 31, 2007)

| Name and Principal Position | Year | Cash Compensation | | | Number of Shares | Security Grants | | |
|-----------------------------|------|---------------------------|-------------------|---------------------------------|------------------|--|---------------|------------------------|
| | | Annual Retainer Fees (\$) | Meeting Fees (\$) | Consulting Fees/Other Fees (\$) | | Securities, Underlying Options/SARs (#) (SHARES) | LTIP Payments | All other Compensation |
| Xiao-qing, Du, President | 2005 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2006 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2007 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| John Gaetz, Secretary | 2005 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2006 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2007 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Directors as A Group | 2005 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2006 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2007 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

There have been no Option/SAR grants or exercises in the last fiscal year reportable under Reg. S-B, 402(c) or (d).

(c) Termination of Employment and Change of Control Arrangements. None.

(d) Stock purchase options: None.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

On August 7, 2007, the Company had issued 2,000,000 shares to Presidents Corporate Group as consulting fee. Mr. John Gaetz, director of the Company, is also President of Presidents Corporate Group.

INDEPENDENT AUDITORS

The Board of Directors has authorized the firm of Michael T. Studer, C.P.A., independent certified public accountants, to serve as independent auditors for the fiscal year ended December 31, 2007.

SHAREHOLDER PROPOSALS AND NOMINATING PROCEDURES

Any proposal that a shareholder intends to present at the Company's 2008 Annual Meeting should have been received at the Company's principal executive office not later than August 31, 2008. Any such proposal must comply with Rule 14a-8 of Regulation 14A of the proxy rules of the Securities and Exchange Commission. Shareholder proposals should be addressed to the Secretary of the Company.

Nominations for directors to be elected at the 2008 Annual Meeting, other than those made by the Board of Directors, should be submitted to the Secretary of the Company no later than August 31, 2008. The nomination should include the full name of the nominee and a description of the nominee's background in compliance with Regulation S-K of the reporting rules of the Securities and Exchange Commission.

OTHER MATTERS

The Board of Directors of the Company is not aware that any matter other than those described in this Information Statement is to be presented for the consent of the shareholders.

UPON WRITTEN REQUEST BY ANY SHAREHOLDER TO ANGELA DU, PRESIDENT OF THE COMPANY, AT CHINA MOBILITY SOLUTIONS, INC., #407-1270 ROBSON STREET, VANCOUVER, B.C. CANADA V6E 3Z6 TELEPHONE (604) 632-9638, A COPY OF THE COMPANY'S ANNUAL REPORT ON FORM 10-KSB AND INTERIM REPORTS ON FORM 10QSB WILL BE PROVIDED WITHOUT CHARGE.

Exhibit A: Proposed Amendment to the Articles of Incorporation

Dated: June 30, 2008

/s/Xiao-Quig

Du

Name: Xiao-Qing (Angela)

Du

Title: President

/s/ John Gaetz

Name: John Gaetz

Title: Secretary