

Preferred Commerce, Inc.

Consolidated Financial Statements

Quarter Ended February 28, 2015

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D. Brooks and Associates CPA's, P.A.

Certified Public Accountants • Valuation Analyst • Advisors

ACCOUNTANT'S COMPILATION REPORT

To the Stockholders of
Preferred Commerce, Inc.

We have compiled the accompanying consolidated balance sheets of Preferred Commerce, Inc. as of February 28, 2015 and November 30, 2014, and the related consolidated statements of operations, stockholders' deficiency and cash flows for the three months then ended February 28, 2015 and 2014. We have not audited or reviewed the accompanying consolidated financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.



D. Brooks and Associates CPA's, P.A.

West Palm Beach, Florida

April 28, 2015

PREFERRED COMMERCE, INC.
CONSOLIDATED BALANCE SHEETS
AS OF FEBRUARY 28, 2015 AND NOVEMBER 30, 2014

	<u>2015</u>	<u>2014</u>
Assets		
Current Assets:		
Cash	\$ 15,448	\$ 19,162
Accounts receivable	24,976	-
Inventory	421,495	351,621
Prepaid expenses	9,588	-
Total current assets	471,506	370,783
Property and Equipment, Net	10,864	14,968
Other Assets	176,200	176,200
Total assets	<u>\$ 658,571</u>	<u>\$ 561,951</u>
Liabilities and Stockholders' Deficiency		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 3,958,335	\$ 3,890,750
Note payable	25,000	25,000
Notes payable - stockholders	4,509,330	4,013,234
Total current liabilities	8,492,665	7,928,984
Stockholders' Deficiency:		
Preferred stock, \$0.001 par value; 2,500,000 shares authorized, 5,000 shares issued and outstanding	1	1
Common stock, \$0.0001 par value; 150,000,000 shares authorized, 52,548,336 and 52,394,336 issued and outstanding, respectively	5,255	5,239
Common stock to be issued, \$0.0001 par value; 381,760 shares	23	38
Additional paid in capital	22,064,001	22,064,001
Subscription receivable	(70,000)	(70,000)
Accumulated deficit	(29,833,373)	(29,366,312)
Total stockholders' deficiency	(7,834,095)	(7,367,033)
Total liabilities and stockholders' deficiency	<u>\$ 658,571</u>	<u>\$ 561,951</u>

See accountant's compilation report.

PREFERRED COMMERCE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED FEBRUARY 28, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues	\$ 43,107	\$ 2,261
Cost of Sales	<u>28,274</u>	<u>825</u>
Gross profit	<u>14,834</u>	<u>1,436</u>
Operating Expenses:		
Personnel costs	233,305	242,403
Professional fees	91,405	295,623
Advertising and promotions	1,676	31,934
Rent	11,742	120,488
Other general and administrative	<u>67,296</u>	<u>47,718</u>
Total operating expenses	<u>405,424</u>	<u>738,166</u>
Operating loss	<u>(390,590)</u>	<u>(736,730)</u>
Other Expense:		
Interest expense	<u>(76,471)</u>	<u>(58,722)</u>
Total other expense	<u>(76,471)</u>	<u>(58,722)</u>
Net Loss	<u>\$ (467,061)</u>	<u>\$ (795,452)</u>

See accountant's compilation report.

PREFERRED COMMERCE, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIENCY
FOR THE QUARTER ENDED FEBRUARY 28, 2015

	<u>Common Stock</u>		<u>Common Stock to Be</u>		<u>Preferred Stock</u>		<u>Additional</u>	<u>Subscription</u>	<u>Accumulated</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>Paid in</u>	<u>Receivable</u>	<u>Deficit</u>	
							<u>Capital</u>			
Balances, November 30, 2014	52,394,336	\$ 5,239	381,760	\$ 38	5,000	\$ 1	\$ 22,064,001	\$ (70,000)	\$ (29,366,312)	\$ (7,367,033)
Issuance common stock subscribed	154,000	15	(154,000)	(15)	-	-	-	-	-	-
Net loss	-	-	-	-	-	-	-	-	(467,061)	(467,061)
Balances, February 28, 2015	<u>52,548,336</u>	<u>\$ 5,255</u>	<u>227,760</u>	<u>\$ 23</u>	<u>5,000</u>	<u>\$ 1</u>	<u>\$ 22,064,001</u>	<u>\$ (70,000)</u>	<u>\$ (29,833,373)</u>	<u>\$ (7,834,094)</u>

See accountant's compilation report.

PREFERRED COMMERCE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED FEBRUARY 28, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
CASH FROM OPERATING ACTIVITIES:		
Net loss	\$ (467,061)	\$ (795,452)
Adjustments to reconcile net loss to cash used in operations:		
Depreciation	5,000	2,000
Decrease (increase) in accounts receivable	(24,976)	45,500
Increase in inventory	(69,874)	(45,116)
Increase in prepaid expenses	(9,588)	-
Accrued interest on notes payable	76,471	58,722
Increase in accounts payable and accrued expenses	<u>67,586</u>	<u>380,702</u>
Net cash used in operations	<u>(422,442)</u>	<u>(353,644)</u>
CASH FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	<u>(897)</u>	<u>-</u>
Net cash used in investing activities	<u>(897)</u>	<u>-</u>
CASH FROM FINANCING ACTIVITIES:		
Advances from stockholders	<u>419,625</u>	<u>396,936</u>
Net cash provided by financing activities	<u>419,625</u>	<u>396,936</u>
NET CHANGE IN CASH	(3,714)	43,292
Cash at Beginning of the Period	<u>19,162</u>	<u>796</u>
Cash at End of Period	<u><u>\$ 15,448</u></u>	<u><u>\$ 44,088</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash Paid for Interest	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Cash Paid for Income Taxes	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accountant's compilation report.

PREFERRED COMMERCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
QUARTER ENDED FEBRUARY 28, 2015

NOTE 1 – ORGANIZATION AND BUSINESS

OpenCell Biomed, Inc. was incorporated in the State of Nevada on July 7, 2006, and its fiscal year end is November 30. On July 4, 2008 a Share Exchange Agreement (the “Agreement”) was entered into between the Company and Biomedical Implant Technologies Ltd. (“BIT”). The fundamental terms of the purchase agreement was for the Company to issue 20,000,000 shares of restricted common stock of the Company for the acquisition of BIT (the “OCBM Transaction”). As a result, BIT became a wholly-owned subsidiary of the Company. Prior to the OCBM Transaction, the Company was a non-operating public company with no operations or assets; it had 6,040,000 shares of common stock issued and outstanding; and BIT was a privately held operating company. The OCBM Transaction was considered to be a capital transaction in substance, rather than a business combination. The OCBM Transaction is equivalent to the issuance of shares by a private company (BIT) for the non-monetary assets of a non-operational public company, accompanied by a recapitalization. The accounting for the OCBM Transaction is similar to that resulting from a reverse acquisition, except goodwill is not recorded. Accordingly, the historical financial information of the accompanying financial statements are that of BIT with the 20,000,000 shares issued by the Company considered the historical outstanding shares of BIT for accounting purposes. The Company’s operating activities are conducted through its wholly owned subsidiary, Biomedical Implant Technologies Ltd.

Biomedical Implant Technologies Ltd was incorporated under the laws of the Province of Ontario, Canada on November 27, 2007. BIT was a development stage company and is in the business of development, marketing and selling a proprietary dental implant system known as the “Ti-Foam Dental Implant System”.

Preferred Commerce, Inc. (the “Company”) was organized as a Delaware corporation on March 19, 1999, under the name of Plantfind.com, Inc. In June 2014, the Company changed its name to Preferred Commerce Inc. and redomiciled in Nevada. The Company develops and sells unique children’s education and online gaming products designed to combat childhood obesity and promote nutritious choices. The Company currently sells its products through its website, www.growums.com.

In August 2014, the Company executed a share exchange agreement pursuant to which the stockholders of the Company obtained 99% of the issued and outstanding common stock of Opencell Biomed, Inc. The transaction was accounted for as a reverse capitalization and the accompanying consolidated financial statements include the historical financial statements of the Company and Opencell Biomed, Inc.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION AND CONSOLIDATION

The accompanying financial statements are prepared in accordance with Generally Accepted Accounting Principles in the United States of America. The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Opencell Biomed, Inc. All intercompany balances and transactions are eliminated in consolidation.

USE OF ESTIMATES

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

PREFERRED COMMERCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
QUARTER ENDED FEBRUARY 28, 2015

CASH AND CASH EQUIVALENTS

The Company considers all highly liquid investments with an original term of three months or less to be cash equivalents.

INVENTORY

Inventory is valued at the lower of cost or market value. Cost is determined using the first in first out (FIFO) method. Provision for potentially obsolete or slow moving inventory is made based on management analysis of inventory levels and future sales forecasts. The Company's inventory consists of components acquired from third-parties that are assembled by the Company in fulfillment of standing customer orders.

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost, and depreciation is provided by use of straight-line methods over the estimated useful lives of the assets. The estimated useful lives of property and equipment are as follows:

Office equipment and furniture	5 years
Computer hardware and software	3 years

REVENUE RECOGNITION

The Company recognizes revenue in accordance with FASB ASC 605, Revenue Recognition. ASC 605 requires that four basic criteria are met (1) persuasive evidence of an arrangement exists, (2) delivery of products and services has occurred, (3) the fee is fixed or determinable and (4) collectability is reasonably assured. The Company recognizes revenue during the period in which the product is shipped.

EQUITY-BASED COMPENSATION

Compensation expense for all stock-based employee and director compensation awards granted is based on the grant date fair value estimated in accordance with the provisions of ASC Topic 718, *Stock Compensation* ("ASC Topic 718"). The Company recognizes these compensation costs on a straight-line basis over the requisite service period of the award, which is generally the option vesting term. Vesting terms vary based on the individual grant terms.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying value of the Company's notes payable and accounts payable approximate fair value due to their short term nature.

INCOME TAXES

The Company uses the asset and liability method in accounting for income taxes. Under this method, deferred income tax assets and liabilities are determined based on difference between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. A valuation allowance is provided to offset any net deferred tax assets for which management believes it is more likely than not that the net deferred asset will not be realized.

PREFERRED COMMERCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
QUARTER ENDED FEBRUARY 28, 2015

The Company applies the provisions of ASC Topic 740-10-25, *Income Taxes – Overall – Recognition* (“ASC Topic 740-10-25”) with respect to the accounting for uncertainty of income tax positions. ASC Topic 740-10-25 clarifies the accounting for uncertainty in income taxes recognized in a company’s financial statements and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC Topic 740-10-25 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of February 28, 2015, tax years since 2011 remain open for IRS audit. The Company has received no notice of audit from the Internal Revenue Service for any of the open tax years.

RECENT ACCOUNTING PRONOUNCEMENTS

Recent accounting pronouncements issued by the FASB and the SEC did not have, or are not believed by management to have, a material impact on the Company's present or future consolidated financial statements.

NOTE 3 – PROPERTY AND EQUIPMENT, NET

The Company’s property and equipment consists of the following as of February 28, 2015 and November 30, 2014:

	<u>2015</u>	<u>2014</u>
Computer equipment and software	\$205,096	\$205,096
Furniture, fixtures and office equipment	48,150	47,254
Accumulated depreciation	<u>(242,382)</u>	<u>(237,382)</u>
Total	<u>\$ 10,864</u>	<u>\$ 14,968</u>

Depreciation expense totaled \$5,000 and \$2,000 for the three months ended February 28, 2015 and 2014, respectively.

NOTE 4 – NOTE PAYABLE

In March 2013, the Company issued a promissory note in the amount of \$15,300 as consideration for the repurchase of inventory from a former distributor. The note matured on March 21, 2014, and accrues interest at an annual rate of 18%. The balance of the note was repaid during the year ended November 30, 2014. The balance of the notes as of November 30, 2013, including accrued interest, was \$15,300.

In November 2011, the Company issued a convertible note payable in the amount of \$25,000 for services rendered. The convertible note is due on demand and convertible into common stock of the Company at a rate of \$0.01 per share. The balance of the note was \$25,000 as of February 28, 2015 and November 30, 2014, and accrued interest included in accounts payable and accrued expenses totaled \$4,879 and \$4,504, respectively.

PREFERRED COMMERCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
QUARTER ENDED FEBRUARY 28, 2015

NOTE 5 – NOTES PAYABLE, STOCKHOLDERS

Notes payable to stockholders as of February 28, 2015 and November 30, 2014 consist of the following:

	<u>2015</u>	<u>2014</u>
Notes payable to stockholders for investments in 2007 totaling \$250,000. The notes are due on demand and accrue interest at an annual rate of 18%. The balance of the notes included accrued interest of \$617,473 and \$580,118 as of February 28, 2015 and November 30, 2014, respectively.	\$867,473	\$830,118
Notes payable to stockholders for investments in 2008 and 2009 totaling \$80,000. The notes are due on demand and accrue interest at an annual rate of 10%. The balance of the notes included accrued interest of \$223,175 and \$214,345 as of February 28, 2015 and November 30, 2014, respectively.	303,175	294,345
Loans from stockholders, accruing interest at annual rates ranging from 8% to 12% and due on demand.	959,362	933,895
Loans from employees, stockholders and officers. Due on demand and non-interest bearing. During the year ended November 30, 2014, in connection with stockholders advances of \$1,453,500 the Company agreed to issue to the stockholders, an aggregate of 1,435,500 shares of common stock, of which 381,760 shares had yet to be issued as of February 28, 2015.	1,938,440	1,938,440
Advances from stockholders during the three months ended February 28, 2015; due 60 days after advances and non-interest bearing.	424,443	-
Loan from a bank, accrues interest at an annual rate of 10.75%, due on demand.	16,437	16,436
	<u>\$ 4,509,330</u>	<u>\$ 4,013,234</u>

NOTE 7 – INCOME TAXES

The Company's income tax benefit for the three months ended February 28, 2015 is as follows:

Current:	
Federal	\$ -
State	-
Deferred:	
Federal	(158,801)
State	(17,421)
Change in Valuation Allowance	<u>176,222</u>
	<u>\$ -</u>

Reconciliation of the Company's effective tax rate to statutory rates for the three months ended February 28, 2015 is as follows:

Federal	34%
State	4%
Permanent difference	0%
Change in Valuation Allowance	<u>(38)%</u>
	<u>-</u>

PREFERRED COMMERCE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
QUARTER ENDED FEBRUARY 28, 2015

The Company's tax assets consist of the following as of February 28, 2015:

Fixed assets	\$ 26,293
Intangible assets	50,303
Net operating losses	3,048,567
Bad debt allowance	34,146
Valuation Allowance	<u>(3,159,309)</u>
	<u>\$ -</u>

As of February 28, 2015, the Company has net operating losses totaling approximately \$8,080,000 available to offset future taxable income through 2027.

NOTE 8 – COMMITMENTS AND CONTINGENCIES

Lease Agreements

The Company leases office and warehouse space pursuant to a three-year lease executed in May 2013. The lease requires monthly lease payments of \$3,800 in year 1, \$3,914 in year 2, and \$4,031 in year 3. The lease is renewal at the Company's option for an additional two-year period. Future minimum rental payments are as follows:

Year Ending November 30,	
2015	\$47,787
2016	20,155
Thereafter	<u>-</u>
	<u>\$67,942</u>

Rent expense including common area maintenance and operating expense totaled \$11,742 for the three months ended February 28, 2015.

NOTE 9 – GOING CONCERN

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As of February 28, 2015 the Company had a working capital deficit of \$8,021,859. These conditions raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Management plans to seek additional debt or equity financing while expanding its retail presence to ultimately generate cash from operations. There can be no assurance that debt or equity financing will be available on acceptable terms.

NOTE 10 – SUBSEQUENT EVENTS

The Company has performed an evaluation of subsequent events through April 28, 2015, which is the date these consolidate financial statements were available to be issued.

1) Name of the issuer and its predecessors (if any)

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

Preferred Commerce, Inc.;
Previously Opencell Biomed, until 6/20/2014
Previously Grand Motion, Inc. until 7/17/2008

2) Address of the issuer's principal executive offices

Company Headquarters
Address 1: 3260 Fairlane Farms Rd
Address 2: Suite 1
Address 3: Wellington, Fl. 33414
Phone: 561-752-2250
Email: mark@growums.com
Website(s): www.growums.com

IR Contact
Address 1: _____
Address 2: _____
Address 3: _____
Phone: _____
Email: _____
Website(s): _____

3) Security Information

Trading Symbol: OCBM
Exact title and class of securities outstanding: _____
CUSIP: 74039D101
Par or Stated Value: \$0.0001
Total shares authorized: 150,000,000 as of: 02/28/2015
Total shares outstanding: 52,548,336 as of: 02/28/2015

Additional class of securities (if necessary):
Trading Symbol: NVA
Exact title and class of securities outstanding: Preferred Class A shares
CUSIP: NVA
Par or Stated Value: \$0.0001
Total shares authorized: 5,000 Preferred Class A shares as of: 11/30/2015
Total shares outstanding: 5,000 Preferred Class A shares as of: 11/30/2015

Transfer Agent
Name: V Stock Transfer, LLC
Address 1: 18 Lafayette Place
Address 2: _____
Address 3: Woodmere, NY 11598
Phone: 212-828-8436

Is the Transfer Agent registered under the Exchange Act?* Yes: xx☐ No: ☐

*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

None

Describe any trading suspension orders issued by the SEC in the past 12 months.

NA

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

A reverse stock split on the Company's common shares (1 new for each 235 old shares) occurred on June 30, 2014

4) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

A. The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.);

During the year 2012, the Company issued common shares as described below:

During the year 2013, the Company issued common shares as described below:

During the year 2014, the Company issued common shares as described below:

B. Any jurisdictions where the offering was registered or qualified;

None

C. The number of shares offered;

52,394,336 common shares issued in 2014, 51,322,596 of which were issued in conjunction with the transaction In June 2014 with Preferred Commerce, Inc.

D. The number of shares sold;

E. The price at which the shares were offered, and the amount actually paid to the issuer;

F. The trading status of the shares; and

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

5) Financial Statements

Provide the financial statements described below for the most recent fiscal year end or quarter end to maintain qualification for the OTC Pink Current Information tier. For the initial disclosure statement (qualifying for Current Information for the first time) please provide reports for the two previous fiscal years and any interim periods.

- A. Balance sheet;
- B. Statement of income;
- C. Statement of cash flows;
- D. Financial notes; and
- E. Audit letter, if audited

The financial statements requested pursuant to this item shall be prepared in accordance with US GAAP by persons with sufficient financial skills.

You may either (i) attach/append the financial statements to this disclosure statement or (ii) post such financial statements through the OTC Disclosure & News Service as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial reports separately as described in part (ii) above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to otcq.com in the field below.

The Issuer's Quarterly Financial Statements for the Period Ending 02/28/2015 and accompanying Notes to Financial Statements, were both filed with OTC Markets on April 27, 2015 and are incorporated herein by reference.

The Notes Payable reflects a Twenty Five Thousand Dollar (\$25,000) debt at a six percent (6%) interest rate which was incurred on November 30, 2010 to Ragen Mangal for accounting and audit services (the "Debt"). On November 30, 2011 the Company issued to Ragen Mangal a convertible promissory note by which the Debt was convertible into shares of common stock at a conversion rate of \$.001. In February 2014, this Debt was purchased and assigned in full to various purchasers who currently own the Debt.

Information contained in a Financial Report is considered current until the due date for the subsequent Financial Report. To remain in the OTC Pink Current Information tier, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of its fiscal quarter-end date.

6) Describe the Issuer's Business, Products and Services

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

- A. a description of the issuer's business operations;

Preferred Commerce, Inc., d/b/a "Growums" is an innovative company that offers unique children's gardening products and online games designed to help combat childhood obesity and promote making good nutritional choices.

Growums aims to teach children and their families about the vital importance of fresh natural food, proper nutrition and the benefits of a healthy lifestyle through an innovative program that combines hands-on gardening and education with entertainment and online gaming. The one-of-kind experience is delivered through the Company's garden kits and a creative cast of online cartoon friends known

as "the Growums." This Growums virtual world of fun garden characters, games and social activities for children is enhanced by the actual experience of helping children learn how to successfully grow their own vegetables to use in healthy, delicious meals.

Since the Company's recent launch, Growums has placed nearly 1 million garden kits into the hands of children and their families. The Growums system has become a fun and interactive educational experience that continues to empower children by showing them that delicious, healthy food comes from a seed- and they have the power to make it grow.

Preferred Commerce and its lovable Growums characters have sold products in national chains and are aggressively marketing its garden kits to schools across the nation as a fundraising program, in addition to pursuing strategic alliances with well-known organizations. To learn more about Preferred Commerce and its product line, visit www.growums.com, reach Growums on Facebook at www.facebook.com/growums and view its YouTube videos at www.youtube.com/growums.

Preferred Commerce also owns a premier destination that provides gardening information, instruction and ideas to home gardeners of all skill levels: www.Learn2Grow.com. Launched in 2006, Learn2Grow features helpful articles written by growing professionals and Master gardeners, as well as an extensive plant database to millions of users each year. Learn2Grow has more than 80,000 plant photos and planting ideas and is proud to have one of the most complete plant data bases in the world.

B. Date and State (or Jurisdiction) of Incorporation: Incorporated in the State of Nevada on July 7, 2006
C.
D.

E. the issuer's primary and secondary SIC Codes;

Primary 8742 _____

F. the issuer's fiscal year end date;

November 30

G. principal products or services, and their markets;

The Company sells its garden kits via its website at www.growums.com, and is currently marketing to schools and big box retailers such as Meijer, Bed Bath & Beyond and Target.

7) Describe the Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have

complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Company leases office and warehouse space pursuant to a three (3) year lease executed in May, 2013. The required monthly payments of \$3,800 in year 1, \$3,914 in year 2 and \$4,031 in year 3. The lease is renewable at the Company's option for an additional 2 year period.

8) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant shareholders.

- A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

Name	Position	Director/Officer Since
John Owens	Director	March 20, 2014
Michael Ferraro	Pres., Chairman, Dir.	March 20, 2014
Frank Ferraro	Director, Secretary	March 20, 2014
Mark Mikosz	Treasurer	March 20, 2014
Joseph Bartonek	Shareholder	December 1, 2014

- B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

None

- C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

<u>Title of Class</u>	<u>Beneficial Owner</u>	<u>Common Stock</u>	<u>% of Class</u>
Common Stock	Michael Ferraro	11,570,651	22.08%
Common Stock	Frank Ferraro	8,272,842	15.79%
Preferred Class A	Ferraro Family Trust	5,000	100%

9) **Third Party Providers**

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel

Name: Gregg Jaclin

Firm: Szaferman, Lakin, Blumstein & Blader, PC

Address 1: 101 Grovers Mill Rd

Suite 200

Address 2: Lawrenceville, NJ 08648

Phone: 609-275-0400

Email: _____

Accountant or Auditor

Name: D. Brooks and Associates CPA, PC

Firm: _____

Address 1: 8918 Marlamoor Ln

Address 2: West Palm Beach, FL 33412

Phone: 561-429-6225

Email: _____

Investor Relations Consultant

Name: _____

Firm: _____

Address 1: _____

Address 2: _____

Phone: _____

Email: _____

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.

Name: None

Firm: _____

Address 1: _____

Address 2: _____

Phone: _____

Email: _____

10) **Issuer Certification**

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles, but having the same responsibilities).

The certifications shall follow the format below:

I, Michael Ferraro certify that:

1. I have reviewed this disclosure statement of Preferred Commerce, Inc. for the year ending November 30, 2014, along with the Financial Statements of Preferred Commerce, Inc. for the year ending November 30, 2014.
2. _____ of Preferred Commerce, Inc.
 2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
 3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

4/28/15 [Date]

/s/ Michael Ferraro [CEO's Signature]

/s/ Mark Mikosz [CFO's Signature]

_(Digital Signatures should appear as "/s/ [OFFICER NAME]")

_____ [Title]