SOFT LANDING LABS LTD.

Balance Sheets

As of December 31, 2014 and 2013

	2014 (Unaudited)	2013
ASSETS		
Current assets		
Cash and cash equivalents	$ 907,107	$ 431,687
Patient account receivable, net	2,549,714	331,588
Prepaid taxes	84,418	-
Total current assets	3,541,239	763,275
Property and equipment, net	885,142	863,825
Other assets	13,404	12,969
Total assets	$ 4,439,785	$ 1,640,069

The accompanying notes are an integral part of these financial statements.

SOFT LANDING LABS LTD.

Balance Sheets *(continued)*

As of December 31, 2014 and 2013

	2014	2013
	(Unaudited)	
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 116,734	$ 11,542
Accrued liabilities	125,117	41,635
Income taxes payable	207,743	119,740
Current portion of notes payable	135,046	128,514
Total current liabilities	584,640	301,431
Deferred tax liability	291,957	196,152
Notes payable, less current portion	192,809	327,345
Total liabilities	1,069,406	824,928
Commitments and Contingencies (Note 6)		
Stockholder's Equity		
Preferred stock, $0.001 par value; 1,000 shares authorized		
Series A, $1.00 stated value per share, none issued and outstanding	-	-
Common stock, $0.000001 par value; 50,000,000 shares authorized, 6,479,739 shares and 6,229,739 shares issued and outstanding at December 31, 2014 and December 31, 2013 respectively	6	6
Additional paid-in capital	695,735	595,735
Retaining earnings (Deficit)	2,674,638	219,400
Total stockholder's equity	3,370,379	815,141
Total liabilities and stockholder's equity	$ 4,439,785	$ 1,640,069

The accompanying notes are an integral part of these financial statements.

SOFT LANDING LABS LTD.

Statements of Operations

Years Ended December 31, 2014 and 2013

		2014 (Unaudited)		2013
REVENUE				
Patient service revenue	$	5,660,186	$	2,730,411
Provision for bad debt		(111,834)		(190,781)
Net patient service revenue		5,548,352		2,539,630
Total revenue		5,548,352		2,539,630
EXPENSES				
Depreciation and amortization		166,698		123,498
General and administrative expenses		363,822		151,251
Labs supplies		367,136		335,206
Medical records supplies		14,931		21,528
Occupancy		92,302		58,111
Purchased services		578,352		330,675
Salaries, fringe benefits and other compensation		1,070,749		877,903
Total operating expenses		2,653,990		1,898,172
Income from operations		2,894,362		641,458
Other income (expense)				
Interest expense		(26,228)		(44,902)
Total other income (expense)		(26,228)		(44,902)
Net income (loss) before income taxes		2,868,134		596,556
Income tax expense		412,896		344,477
Net Income (Loss)		2,455,238		252,079
Net Income (Loss) Per Share - Basic and Diluted		0.39		0
Weighted average number of shares outstanding during the period - basic and diluted		6,324,947		5,983,016

The accompanying notes are an integral part of these financial statements.

SOFT LANDING LABS LTD.

Statements of Changes in Stockholders' Equity

For the Years Ended December 31, 2014 and 2013

	Common Stock		Additional Paid -In Capital	Retaining Earnings (Deficit)	Total Stockholders' Equity
	Shares	Amount			
Balance, December 31, 2011	5,070,000	$ 5	$ 72,320	$ (19,441)	$ 52,884
Common shares issued for services	160,000	-	52,800	-	52,800
Net loss, 2012	-	-	-	(13,238)	(13,238)
Balance, December 31, 2012	5,230,000	5	125,120	(32,679)	92,446
Common shares issued for cash	11,400	-	5,700	-	5,700
Common shares issued for services	150,000	-	66,500	-	66,500
Common shares issued for conversions of notes	838,339	1	279,898	-	279,899
Warrants granted as compensation	-	-	118,517	-	118,517
Net income, 2013	-	-	-	252,079	252,079
Balance, December 31, 2013	6,229,739	$ 6	$ 595,735	$ 219,400	$ 815,141
Common shares issued for services	250,000	-	100,000	-	100,000
Net income, 2014	-	-	-	2,455,238	2,455,238
Balance, December 31, 2014	6,479,739	6	695,735	2,674,638	3,370,379

The accompanying notes are an integral part of these financial statements.

SOFT LANDING LABS LTD.
Statements of Cash Flows
As of December 31, 2014 and 2013

	2014 (Unaudited)	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ 2,455,238	$ 252,079
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities		
Stock based expenses including loss on notes conversion	-	96,399
Warrants for services	100,000	118,517
Provision for depreciation and amortization	166,698	122,745
Amortization of debt discount	-	6,028
Provision for bad debt	111,834	190,781
Deferred taxes	95,806	166,418
Changes in assets and liabilities		
Account receivables	(2,328,973)	(417,386)
Prepaids taxes	-	11,946
Prepaids and other	(85,651)	(1,912)
Accounts payable and accrued	187,686	(7,726)
Income tax payable	88,003	119,740
Due to/from related parties	-	28,864
Net cash provided by operating activities	790,641	686,493
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment, net	(187,218)	(500,432)
Net cash used in investing activities	(187,218)	(500,432)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from notes payable	-	259,973
Repayments of lease payable	(128,003)	(128,437)
Proceeds from sale of stock	-	5,700
Net cash provided by financing activities	(128,003)	137,236
Net increase (decrease) in cash and cash equivalents	475,420	323,297
Cash and cash equivalents, beginning of year	431,687	108,390
Cash and cash equivalents, end of year	$ 907,107	$ 431,687
Supplemental Disclosure of Cash Flow Information:		
Interest paid during the year	$ 20,492	$ 43,350
Taxes paid during the year	$ 50,000	$ 46,372
Supplemental Disclosure of Non Cash Investing and Financing Activities:		
Issuance of common stock for future services	$ 100,000	$ -
Converstion of debt to common stock	$ -	$ 250,000

The accompanying notes are an integral part of these financial statements.

SOFT LANDING LABS LTD.

Financial Statements

Years ended December 31, 2014 and 2013

TABLE OF CONTENTS

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ACTIVITIES

Soft Landing Labs Ltd. ("Soft Landing Labs" or the "Company") is located in Elmhurst, Illinois and was incorporated in the State of Illinois on June 30, 2009. The Company is an investor owned for profit healthcare entity. Soft Landing Labs was incepted to fill a gap in the drug testing market by providing specialized laboratory testing focused on small molecules and toxicology including drug testing using highly sensitive technology. Soft Landing Labs utilizes advanced state-of-the-art methodologies for detection of analytes with lower cutoff levels and Zero tolerance reporting. With the passage of the mental health parity act and the evolution of the Affordable Care Act the Company realized that more and more services are going to be covered by the insurance company, services that traditionally were treated as a cash business within the healthcare field. One of these highly valuable services is drug testing. Soft Landing Labs realized that it can change the dynamics of how companies handle drug testing and instead of paying out of pocket for this service, Soft Landing Labs as a specialty lab focuses on the most advanced techniques in drug testing and offers a new option where its' customers would not only save on their healthcare costs but obtain a superior service than what a general lab can provide.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 amounts of revenues and expenses during the reporting period. Although estimates are considered fairly stated at the time made, actual results could differ from those estimates. Significant estimates in the accompanying financial statements include contractual adjustments to revenues and patient accounts receivable, the allowance for uncollectible patient accounts receivable, the valuation allowance on deferred tax assets and the valuation of stock-based compensation.

Cash and Cash Equivalents

The Company considers cash on deposit at bank(s) and highly liquid investments with maturities of three (3) months or less at the date of purchase to be cash and cash equivalents.

Net Patient Service Revenue

The Company generates revenues from its hospital customers who the Company bills and receives payment directly and from patients who are referred by various institutions and for whom the Company bills their insurance companies as third party payors.

The Company accounts for net patient service revenue in accordance with FASB ASC 954-605, "Health Care Entities, and Revenue Recognition". Revenues are recognized in the period that the services are provided and billed to the payor. The Company does not have contracts with third-party payors. However, the Company does bill third-party payors, primarily insurance companies that provide for payments at reimbursement amounts different from, and generally less than its established rates. Net patient service revenue is reported at the estimated net realizable amounts due from patients, third-party payors, and others, in the aggregate for services rendered (net of contractual allowances and discounts) and is presented in the Statement of Operations net of bad debt provisions. The adjustments for the reimbursement amounts and bad debt are estimated based on historical experience of the Company and adjusted prospectively, as needed, in future periods.

Patient Accounts Receivable

Patient accounts receivable are stated at net realizable value. The Company maintains allowances for third party reimbursement amounts which differs from the Company's billing rates and for uncollectible accounts for estimated losses resulting in a payor's inability to make payments on accounts. The Company estimates the allowance based on management's assessment in the aggregate of historical and expected net collections considering historical and current business and economic conditions, trends in healthcare coverage, and other collection indicators. Accounts are generally written off when collection efforts have been exhausted.

Property and Equipment

Property and equipment are recorded at cost on the date of acquisition. Depreciation is provided over the estimated useful lives of the assets using the straight-line method with half-year convention. The estimated useful lives for purposes of determining depreciation are as follows:

	Years
Leasehold improvements	5
Laboratory equipment	7
Vehicles	5

Long-Lived Assets

The Company reviews long-lived assets and certain identifiable assets related to those assets for impairment whenever circumstances and situations change such that there is an indication that the carrying amounts may not be recoverable. If the undiscounted future cash flows of the long-lived assets are less than the carrying amount, their carrying amounts are reduced to fair value and an impairment loss is recognized.

Fair Value Measurements and Fair Value of Financial Instruments

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. The Company classifies assets and liabilities recorded at fair value under the fair value hierarchy based upon the observability of inputs used in valuation techniques. Observable inputs (highest level) reflect market data obtained from independent sources, while unobservable inputs (lowest level) reflect internally developed market assumptions. The fair value measurements are classified under the following hierarchy:

- Level 1—Observable inputs that reflect quoted market prices (unadjusted) for identical assets and liabilities in active markets;
- Level 2—Observable inputs, other than quoted market prices, that are either directly or indirectly observable in the marketplace for identical or similar assets and liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets and liabilities; and
- Level 3—Unobservable inputs that are supported by little or no market activity that is significant to the fair value of assets or liabilities.

The estimated fair value of certain financial instruments, including cash and cash equivalents and accounts payable are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments.

Estimated Malpractice Costs

The Company carries an insurance policy with a $2,500 deductible for malpractice claims.

Stock-Based Compensation

The Company recognizes compensation expense for stock-based compensation in accordance with ASC Topic No. 718. For employee stock-based awards, the Company calculates the fair value of the award on the date of grant using the Black-Scholes method for stock options. The expense is recognized over the service period for awards expected to vest. For non-employee stock-based awards, the Company calculates the fair value of the award on the date of grant in the same manner as employee awards, however, the awards are revalued at the end of each reporting period and the prorated compensation expense is adjusted accordingly until such time the nonemployee award is fully vested, at which time the total compensation recognized to date shall equal the fair value of the stock-based award as calculated on the measurement date, which is the date at which the award recipient’s performance is complete. The estimation of stock-based awards that will ultimately vest requires judgment, and to the extent actual results or updated estimates differ from original estimates, such amounts are recorded as a cumulative adjustment in the period estimates are revised. The Company considers many factors when estimating expected forfeitures, including types of awards, employee class, and historical experience.

Income Taxes

The Company is recognized as a C corporation with the Internal Revenue Service (IRS) of the United States of America and is subject to federal and state income taxes on related income. Income taxes are accounted for using an asset and liability approach, which requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of temporary differences between the financial statement and tax basis of assets and liabilities at the applicable enacted tax rates.

The Company follows the provisions of ASC 740-10, *Accounting for Uncertain Income Tax Positions.* When tax returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would be ultimately sustained. In accordance with the guidance of ASC 740-10, the benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more-likely-than-not recognition threshold are measured as the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above should be reflected as a liability for unrecognized tax benefits in the accompanying consolidated balance sheets along with any associated interest and penalties that would be payable to the taxing authorities upon examination.

As of December 31, 2014 tax years 2013, 2012, and 2011 remain open for IRS audit. The Company has received no notice of audit or any notifications from the IRS for any of the open tax years.

Basic and Diluted Net Income (Loss) Per Share

Basic net income (loss) per common share (“Basic EPS”) excludes dilution and is computed by dividing the net loss by the weighted average number of shares of common stock outstanding during the periods presented. Diluted net income (loss) per share (Diluted EPS) is computed using the weighted average number of common shares outstanding for the period, and, if dilutive, potential common shares outstanding during the period. Potential common shares consist of the incremental common shares issuable upon the exercise of stock options, stock warrants, convertible debt instruments or other common stock equivalents. In 2014 there were 6,479,703 warrants outstanding and convertible debt outstanding that were anti-dilutive due to the Company's net loss. In 2014 there were 6,479,703 warrants outstanding that were anti-dilutive based on their exercise price as follows:

	Income	Shares	Per Shares Amount
Basic earnings per share	$ 2,455,238	6,324,497	$ .39
Warrants outstanding	-	-	-
Diluted earning per share	$ 2,455,238	6,324,497	$ .39

Recent Accounting Pronouncements

There are no new accounting pronouncements that the Company expects to have a material effect on the future financial position of the Company or the results of its' operations.

NOTE 2 – PATIENT ACCOUNTS RECEIVABLE

Patient Accounts Receivable at December 31, 2014 and 2013 are as follows:

	December 31, 2014	December 31, 2013
Patient accounts receivable	$3,284,734	$955,262
Less: Allowance for contractual and doubtful accounts	(735,020)	(624,174)
Patient Accounts Receivable, Net	**$2,549,714**	**$331,588**

During the year ended December 31, 2014 and 2013, the Company recorded bad debt expense from patient receivables relating to operations of $111,834 and $190,781 respectively. The Company establishes an allowance for doubtful accounts to reduce the carrying value of patient receivables to their estimated net realizable value. The primary uncertainty of such allowances lies with uninsured patient receivables and deductibles, co-payments or other amounts due from individual patients.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment are stated at cost, less accumulated depreciation. The balances at December 31, 2014 and 2013 were as follows:

2014		2013	
Costs	Accumulate	Costs	Accumulate

		d Depreciatio n		d Depreciatio n
Leasehold improvement	$ 63,350	$ 15,405	$ 25,500	$ 4,350
Laboratory equipment	1,115,797	319,726	988,232	175,270
Vehicles	61,449	23,124	42,447	12,734
	$ 1,240,596	$ 358,255	$ 1,056,179	$ 192,354

Depreciation expense for the years ended December 31, 2014 and 2013 was $166,698 and $122,745, respectively.

NOTE 4 – NOTE PAYABLE AND LEASES PAYABLE

		December 31, 2014	December 31, 2013
Note Payable to Itasca Bank & Trust dated April 27, 2012, original principal of $214,000, due in monthly principal and interest payments of $4,202 with annual interest rate of 6.50%, maturity date May 3, 2017 secured by substantial all assets of the Company and guaranteed by the two officers of the Company.	$	101,024	157,217
Note Payable to Itasca Bank & Trust dated February 15, 2013, original principal of $443,206, due in monthly principal and interest payments of $8,694 with annual interest rate of 6.50%, maturity date February 18, 2018 secured by substantial all assets of the Company and guaranteed by the two officers of the Company.	$	226,831	298,642
Vehicles Lease Payable (1) to Toyota Financial dated July 20, 2012, original principal of $18,066, due in monthly payments of $278.95 with annual interest of 3.5% maturity June 30, 2018 secured by substantial all assets of the Company and guaranteed by the two officers of the Company.	$	-	-
Vehicles Lease Payable (2) to Toyota Financial dated July 20, 2012, original principal of $18,380, due in monthly payments of $283.80 with annual interest of 3.5% maturity June 30, 2018 secured by substantial all assets of the Company and guaranteed by the two officers of the Company.	$	-	-

Equipment Lease Payable (1) to Stearns Bank dated August 4 , 2010, due in monthly payments of $1,390.83 with 48 months term transferred to Soft Landing Labs from an affiliate secured by substantial all assets of the Company and guaranteed by the two officers of the Company.	$	-	-
Equipment Lease Payable (2) to US Bank dated December 3, 2009, due in monthly payments of $2,840.65 with 60 months term transferred to Soft Landing Labs from an affiliate secured by substantial all assets of the Company and guaranteed by the two officers of the Company.	$	-	-
Total	$	327,855	455,859
Less: Current Portion	$	135,046	128,514
Long Term Portion	$	192,809	327,345

Loan costs included in other assets were $2,172 at December 31, 2014 and amortization in 2014 and 2013 included in depreciation and amortization was $797 and $753, respectively.

Future maturities of the note payable and leases payable at December 31, 2014, are as follows:

Years	Amounts
2015	137,483
2016	146,796
2017	43,106
Thereafter	-
	$ 327,385

NOTE 5 – CONVERTIBLE PROMISSORY NOTES AND WARRANTS

In 2011 SLL received $250,000 in net proceeds from investors and issued Convertible Promissory Notes (the Notes) maturing March 31, 2013. The terms of the Notes provided for mandatory conversion of the principal and accrued interest into shares of Soft Landing Labs' common shares at a conversion price of $.33 per common share in the event that the Company reached total cumulative revenue of $1 million. There are Warrant incentives that allow investors who invested $25,000 to receive two Warrants per share that allow the investors the option to buy the Company' stock at price of $1.50 per share expiring on March 31, 2015. The Company issued 1,469,703 Warrants to the investors on the Note issuance dates. The warrants were valued at $48,225 which was recorded as additional paid-in capital and a debt discount to be amortized to interest expense over the term of the notes. The warrants were valued at their relative fair value based upon a Black-Scholes fair value valuation using a stock price of $0.33, exercise price of $1.50, expected term of 4 years, comparative volatility of 61%, and risk free rate of 1.29%.

In 2012, the Company reached revenues of $1,000,000 and Convertible Promissory Notes' principle amount of $250,000 was converted into 838,339 shares of common stock on March 31, 2013. Included in the above share quantity were 80,763 bonus shares resulting in an expense upon conversion of $29,899 which was included in compensation expense.

NOTE 6 – COMMITMENTS AND CONTIGENCIES

Operating Leases

The Company leases real property and vehicles under non-cancelable operating leases.

The property lease agreement was dated January 12, 2012 but commenced in August 2012 and was amended in January 2013. Rental expense amounted to approximately $49,460 and $31,770 for the years ended December 31, 2014 and 2013 respectively.

The aggregate minimum real property rental commitments under all non-cancelable operating leases at December 31, 2014 and 2013 are as follows:

Year Ending December 31	Amount
2015	82,441
2016	76,166
2017	57,731
Thereafter	0
Totals	$216,338

Vehicles expense amounted to approximately $25,939 and $33,311 for the years ended December 31, 2014 and 2013 respectively.

The aggregate minimum vehicles commitments under all non-cancelable operating leases at December 31, 2014 and 2013 are as follows:

Year Ending December 31	*Amount*
2015	26,521
2016	20,073

2017	3,137
Thereafter	0
Totals	$49,731

<u>Compliance with the HIPAA security regulations and privacy regulations</u>

The HIPAA privacy and security regulations, including the expanded requirements under HITECH, establish comprehensive federal standards with respect to the use and disclosure of protected health information by health plans, healthcare providers and healthcare clearinghouses, in addition to setting standards to protect the confidentiality, integrity and security of protected health information. The regulations establish a complex regulatory framework on a variety of subjects, including:

- the circumstances under which the use and disclosure of protected health information are permitted or required without a specific authorization by the patient, including but not limited to treatment purposes, activities to obtain payments for the Company's services, and its healthcare operations activities;
- a patient's rights to access, amend and receive an accounting of certain disclosures of protected health information as well as a new right of access to laboratory test reports under the HIPAA Privacy Rule which preempts a number of state laws that prohibit a laboratory from releasing a test report directly to the individual, for which compliance is required as of October 4, 2014;
- the content of notices of privacy practices for protected health information;administrative, technical and physical safeguards required of entities that use or receive protected health information; and
- the protection of computing systems maintaining ePHI.

The Company has implemented policies and procedures related to compliance with the HIPAA privacy and security regulations, as required by law. The privacy and security regulations establish a "floor" and do not supersede state laws that are more stringent. Therefore, the Company is required to comply with both federal privacy and security regulations and varying state privacy and security laws. In addition, for healthcare data transfers from other countries relating to citizens of those countries, the Company must comply with the laws of those other countries. The federal privacy regulations restrict the Company's ability to use or disclose patient identifiable laboratory data, without patient authorization, for purposes other than payment, treatment or healthcare operations (as defined by HIPAA), except for disclosures for various public policy purposes and other permitted purposes outlined in the privacy regulations. HIPAA, as amended by HITECH, provides for significant fines and other penalties for wrongful use or disclosure of protected health information in violation of the privacy and security regulations, including potential civil and criminal fines and penalties. Due to the enactment of HITECH, it is not possible to predict what the extent of the impact on business will be; however, if the

Company does not comply with existing or new laws and regulations related to protecting the privacy and security of health information it could be subject to monetary fines, civil penalties or criminal sanctions. In addition, other federal and state laws that protect the privacy and security of patient information may be subject to enforcement and interpretations by various governmental authorities and courts resulting in complex compliance issues. For example, the Company could incur damages under state laws pursuant to an action brought by a private party for the wrongful use or disclosure of confidential health information or other private personal information.

NOTE 7 – STOCKHOLDERS EQUITY

Preferred Stock

In February 2015, the Company amended its articles to authorize 1,000 preferred shares at $0.001 par value and to designate 1,000 Series A preferred shares with a stated value of $1.00 per share. Each Series A share is entitled to 50,000 votes and is redeemable at stated value at the holders option.

In February 2015, the Company granted an aggregate 1,000 Series A preferred shares to two officers valued at $1,000 or $1.00 per share which was charged to compensation expense.

All amounts related to preferred stock are reflected retroactively in the accompanying financial statements.

Common Stock

The Company is authorized to issue up to 50,000,000 shares of common stock having a par value of $0.000001 per share, of which 6,479,739 and 6,229,739 shares were issued and outstanding at December 31, 2014 and 2013, respectively.

During 2012, the Company granted 160,000 common shares for services rendered valued at the estimated fair value of $0.33 per share or $52,800 based on the only available evidence of fair value which was the agreed upon conversion rate of convertible debt issued in 2011, which was expensed at the grant dates.

On March 31, 2013, the Company issued 838,339 shares of common stock valued at $279,899 upon conversion of convertible notes payable of $250,000. This resulted in a $29,899 expense based on certain bonus shares issued to the lenders (see Note 5).

From January to March 2013, the Company issued 50,000 common shares for services rendered valued at the estimated fair value of $0.33 per share resulting in an expense of $16,500.

In May 2013, the Company issued 11,400 shares of common stock at $0.50 per share in exchange for cash proceeds of $5,700.

In late April 2013, upon substantial completion of services, the Company issued 100,000 common shares to its legal services provider pursuant to a December 11, 2012 agreement. The shares were valued at the April 2013 measurement date at the contemporaneous sales price of $0.50 per share for a total expense recognized of $50,000.

NOTE – 8 INCOME TAXES

The Company is treated as a C Corporation for U.S. Federal and State income tax purposes.

The Company believes that its tax positions are all highly certain of being upheld upon examination. As such the Company has not recorded a liability for uncertain tax positions. As of December 31, 2014 and 2013, the Company had no accrued interest and penalties related to uncertain tax positions and no amounts have been recognized in the Company's statements of operations.

The Company files income tax returns in the United States, and various state jurisdictions. The federal and state income tax returns are generally subjected to tax examinations for the tax years ended December 31, 2012 through December 31, 2014. To the extent the Company has tax attribute carryforwards, the tax years in which the attribute was generated may still be adjusted upon examination by the Internal Revenue Service or state tax authorities to the extent utilized in a future period.

NOTE – 9 RELATED PARTY TRANSACTIONS

Soft Landing Lab has shared offices with a commonly owned affiliate, Soft Landing Interventions, Ltd, a medical practice owned by Dr. Fahmy, our CEO, up until April 2012 and have the same individual as their executive director and office manager. Also, both organizations shared expenses of some employees and participated in certain general and administrative expenses. On an ongoing basis only healthcare insurance expenses are shared. These salaries and other general and administrative expenses are allocated to the organizations either on a percentage basis or based on actual usage. Management believes such allocations are reasonable.

The Company charged Soft Landing Intervention Ltd. $0 and $5,103 in 2014 and 2013, respectively, for employees loaned to that affiliate, and such charge reduced the salaries expense in the statement of operations.

In 2014 and 2013, the Company paid the CEO's father as an independent consultant $95,200 and $95,200, respectively.

NOTE 10 – CONCENTRATIONS

Financial instruments that potentially expose the Company to concentration of credit risk consist primarily of cash and cash equivalents with major financial institutions, of which some are interest-bearing. The account balances may exceed the Federal Deposit Insurance Corporation limits of $250,000, thereby subjecting the Company to concentration of credit risk. However, the Company's management monitors this risk on a regular basis. The Company maintained cash balances in excess of the FDIC insurance by $ 581,560 as of December 31, 2014.

The Company's patient accounts receivables may also have risk because credit is granted to patients without collateral. In addition, most of the patients are local residents in the city of Chicago and the greater Coller Counties area of Illinois insured under third-party payor agreements.

Major components of patient account receivable include approximately 41% and 42% from Insurance Company A and 10% and 10% from Insurance Company B for the years ended December 31, 2014 and 2013, respectively.

NOTE – 11 SUBSEQUENT EVENTS

The Company has evaluated subsequent events through April 20, 2015, the date the financial statements were available for issuance and has determined that there were no subsequent events to be recognized or disclosed in these financial statements except as noted below.

In February 2015, the Company authorized and issued preferred stock (see Note 7).