

## RightSmile, Inc

Initial Company Information and Disclosure Statement  
For the period ending August 31, 2010

### Item 1                    **The exact name of the issuer and its predecessor**

From August 2009 to Present	RightSmile, Inc.
From June 2007 to August 2009	Potential Holdings, Inc.
From June 2007 to July 2007	Axiom Management, Inc.
From May 2003 to June 2007	Green Power Energy Holdings, Corp
From Incorporation to May 2003	Dr. Owl Online, Inc.

#### **The address of the issuer's principle executive offices.**

RightSmile, Inc.  
1669 SE S. Niemeyer Circle  
Suite 101  
Port St. Lucie, FL 34952  
(i) Phone: 877.415.0162  
Fax: 772.337.7605  
(ii) [www.rightsmile.com](http://www.rightsmile.com)  
(iii) Investor Relations: [jdwyer@rightsmile.com](mailto:jdwyer@rightsmile.com)

### Item 2                    **Shares Outstanding**

Common Stock:

(i) <u>For the period ending August 31, 2010</u>	
Shares Authorized:	1,500,000,000
Shares Outstanding:	1,022,840,798
Public Float:	1,022,048,872
Number of Beneficial Shareholders:	93
Number of Shareholders of Record:	69
(ii) <u>For the period ending May 31, 2010</u>	
Shares Authorized:	1,500,000,000
Shares Outstanding:	526,680,243
Public Float:	209,048,872
Number of Beneficial Shareholders:	93
Number of Shareholders of Record:	74

Preferred Convertible Stock:

(iii) For the period ending August 31, 2010:

Shares Authorized:	5,000,000
Shares Outstanding:	370,444
Public Float:	0
Number of Beneficial Shareholders:	3
Number of Shareholders of Record:	3

(iv) For the period ending May 31, 2010:

Shares Authorized:	5,000,000
Shares Outstanding:	158,000
Public Float:	0
Number of Beneficial Shareholders:	3
Number of Shareholders of Record:	3

**Item 3 Interim Financial Statements**

RightSmile, Inc.  
Consolidated Balance Sheets  
August 31, 2010 & 2009  
(Unaudited)

	August 31,	
	<u>2010</u>	<u>2009</u>
ASSETS		
Current assets		
Cash	\$ 3,532	73,666
Accounts receivable	1,056	
Inventory	22,171	22,817
Total current assets	<u>26,759</u>	<u>96,483</u>
Fixed assets	15,818	2,411
Organization costs	49,359	49,009
TOTAL ASSETS	<u>\$ 91,936</u>	<u>147,903</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 12,368	
Notes payable	320,802	703,000

Accrued officers payroll	129,297	
Accrued interest	26,280	187,962
Total current liabilities	<u>488,747</u>	<u>890,962</u>
Total liabilities	488,747	890,962
Stockholders' equity (deficit)		
Common stock - \$.0001 par value 1,500,000,000 shares authorized, 1,022,840,798 shares issued and outstanding in 2010; \$.001 par value 100,000,000 authorized, 28,114,825 issued and outstanding in 2009	102,284	28,115
Preferred Stock - \$001 par value 5,000,000 authorized 320,706 issued and outstanding in 2010; none in 2009	370	
Additional paid in capital	1,609,258	23,206
Treasury stock	(100,000)	(100,000)
Accumulated deficit	<u>(2,008,723)</u>	<u>(694,380)</u>
Total stockholders' equity (deficit)	<u>(396,811)</u>	<u>(743,059)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 91,936</u>	<u>147,903</u>

The accompanying Notes are an integral part of the Financial Statements

RightSmile, Inc.  
Consolidated Statements of Operations  
For the Three Months Ended August 31, 2010 & 2009  
(unaudited)

	<u>August, 31</u>	
	<u>2010</u>	<u>2009</u>
Sales	\$ 12,775	3,742.00
Cost of Sales	<u>4,471</u>	<u>3,742.00</u>
Gross Margin	<u>8,304</u>	<u>-</u>
Expenses:		
Officers' payroll	237,500	
Interest Expense	10,897	15,750
Depreciation & amortization	3,580	
Selling, general and administration expense	<u>87,865</u>	<u>105,097</u>
Total Expenses	<u>339,842</u>	<u>120,847</u>
Net income (loss) from operations	(331,538)	(120,847)
Other Income:		
Forgiveness of Debt		252,788
Net income (loss)	<u>\$ (331,538)</u>	<u>131,941</u>
(Loss) per share	<u>\$ (0.00)</u>	<u>0.01</u>
Weighted average shares outstanding	<u>873,915,534</u>	<u>14,027,868</u>

The accompanying Notes are an integral part of the Financial Statements

**RightSmile, Inc.**  
**Consolidated Statement of Stockholders' Equity**  
**For the Three Months Ended August 31, 2010 & 2009**  
(unaudited)

	Common Stock		Preferred Stock		Additional	Accumulated
	Shares	Par	Shares	Par	Paid in Capital	Deficit
Balance May 31, 2008	10,114,825	\$ 10,115			\$ 41,206	\$ (738,773)
Net (loss) for 2009						(87,548)
Balance May 31, 2009	<u>10,114,825</u>	<u>10,115</u>			<u>41,206</u>	<u>(826,321)</u>
Cancellation of 10,000,000 shares	(10,000,000)	(10,000)			10,000	
Issuance of 28,000,000 shares	28,000,000	28,000			(28,000)	
Issuance of 498,565,418 common shares in exchange for \$1,163,451 of liabilities	498,565,418	498,565			664,885	
Issuance of 158,335 preferred shares in exchange for \$158,333 of liabilities			158,335	158	158,175	
Common stock par changed from \$.001 to \$.0001		(474,012)			474,012	
Net (loss) for year ended May 31, 2010						(850,864)
Balance May 31, 2010	<u>526,680,243</u>	<u>\$ 52,668</u>	<u>158,335</u>	<u>\$ 158</u>	<u>\$ 1,320,278</u>	<u>\$ (1,677,185)</u>
Issuance of 993,555,635 common shares in exchange for \$176,437 of liabilities	993,555,635	99,355			77,082	
Issuance of 49,739 preferred shares in exchange for 497,395,080 shares of common stock	(497,395,080)	(49,740)	49,739	50	49,690	
Issuance of 162,370 preferred shares in exchange for \$162,370 of liabilities			162,370	162	162,208	
Net (loss) for 3 months ended 8/31/10						(331,538)
	<u>1,022,840,798</u>	<u>\$ 102,284</u>	<u>370,444</u>	<u>\$ 370</u>	<u>\$ 1,609,258</u>	<u>\$ (2,008,723)</u>

The accompanying Notes are an integral part of the Financial Statements

**RightSmile, Inc.**  
**Consolidated Statements of Cash Flow**  
**For the Three Months Ended August 31, 2010 & 2009**  
(unaudited)

	August 31,	
	2010	2009
Cash at beginning of Year	\$ 1,866	46
Operations:		
Net loss from operations	(331,538)	(120,847)
Depreciation and amortization	3,580	
Decrease in accounts receivable	6,048	
(Increase) in Inventory	(3,060)	(22,817)
Increase (decrease) in accounts payable	3,240	(46)
Increase in accrued officers' payroll	237,500	
Increase in accrued interest	10,897	15,750
Net cash flow from operations	(73,333)	(127,960)
Investing activities:		
Purchase of equipment	-	2,411
Net cash flow from investing activities	-	(2,411)
Financing activities:		
Proceeds from notes payable	75,000	
Net proceeds from assumed note		203,991
Net cash flow from financing activities	75,000	203,991
Net Increase (decrease) in cash	1,667	73,620
Cash at August 31,	\$ 3,532	73,666

The accompanying Notes are an integral part of the Financial Statements

**RightSmile, Inc.**  
**Notes to Financial Statements**  
**For the Three Months Ended August 31, 2010 & 2009**

**HISTORY AND BACKGROUND**

RightSmile, Inc. (The Company) was incorporated in Texas in February, 2001 under the name of Dr. Owl Online, Inc. As a development stage company seeking to design internet websites promoting early childhood education development. The concept never took hold and the Company reorganized itself by merging with Green Power Energy Holdings, Inc. And relocated its corporate status to Delaware in 2003. The Company eventually went bankrupt and all activities ceased for a period of time. In 2006, new management of the Company gained control and relocated the corporate status to Nevada by merging with a Nevada corporation incorporated under the name of Potential Holdings, Inc. On August 10 Potential Holdings, Inc. changed its name to RightSmile, Inc. On August 12, 2009 RightSmile USA, Inc. merged with RightSmile, Inc. The Company has a May 31 year end.

RightSmile's core business is to provide a turn-key state-of-the-art cosmetic teeth whitening systems and supplies to retail outlets known as SmileShoppes®. Each SmileShoppe enters into an exclusive three year dealership agreement which entitles them to whitening hardware, marketing materials and other benefits, in exchange for RightSmile becoming the exclusive provider of their whitening supply needs. Since the business is relatively new, sales to date have been minimal.

**FIXED ASSETS**

Fixed assets consists of the following:	<u>2010</u>	<u>2011</u>
Furniture and office equipment	\$ 9,675	2,411
Vehicles	5,000	
Warehouse equipment	3,934	
Total fixed assets	18,609	
Less: accumulated depreciation	<u>2,791</u>	
Net fixed assets	\$ <u>15,818</u>	<u>2,411</u>

Depreciation has been amortized over 5 years with ½ year in the year of acquisition.

**NOTES PAYABLE**

During the period under which new management gained control in 2006, funds were advanced to the Company to pay the ongoing legal, accounting, and regulatory fees required to remain in active status with all governmental agencies. These funds were periodically turned into notes payable with an 18% interest rate and were written due as demand notes. Two large notes of \$100,000 and \$350,000 originated with the Delaware

Corporation (Green Power Energy Holdings, Inc.) And were later turned into demand notes also. In the first quarter, all notes except one with a principal of \$350,000 were forgiven. In addition, a note for \$100,000 was issued to the holder of 10,000,000 shares in exchange for his shares. The note is due August 12, 2010 and bears interest at the rate of 6%. During the year, the company issued notes for \$77,547, bearing interest at the rate of 18%, convertible into shares of common stock at the lesser of the market price on the effective date of the note or par value per share. On September 15, 2009, the Company issued 3,000,000 shares to reduce the \$350,000 note by \$24,000. In addition, the Company assumed a demand note dated June 17, 2009 in the amount of \$253,000 bearing interest at the rate of 15%. This note was assumed from a similar company with RightSmile receiving working web sites along with marketing and strategic plans and other proprietary information. The Company issued a note on January 19, 2010 at the interest rate of 18%, convertible into shares of common stock at the lesser of the market price on the effective date of the note or par value per share. During the last quarter of 2010, \$358,536 of notes payable and \$227,864 of accrued interest were exchanged for 209,025,973 shares of common stock. For the three months ended August 31, 2010, notes payable and accrued interest of \$176,437 were exchanged for 555,635,993 shares of common stock.

A summary of the notes is as follows:

<u>Year of Origin</u>	<u>Amount</u>	<u>2010</u>	<u>2009</u>
2003			100,000
2006			350,000
2009		71,755	253,000
2010		149,047	
Total		<u>220,802</u>	<u>703,000</u>
Accrued Interest		26,280	187,962

#### COMMON AND PREFERRED STOCK

The common stock of the Company was par value \$.001, authorized 100,000,000 shares. On May 17, 2010 the Company changed the par value to \$.0001 and increased the authorized shares to 1,500,000,000.

In 2007, the shareholders of the Company voted to authorize management to merge the Delaware Company into a new Nevada Corporation by the same name and reverse split the stock up to a 500 to 1 reverse. The management of the Company eventually decided on a 100 for 1 reverse split.

In 2009, in order to accommodate the transfer of control of the Company to new management, the sole officer and director of the Company transferred his control of 10,000,000 shares and resigned his positions. The new controlling shareholders then



appointed a new officer and director. The 10,000,000 shares were cancelled in the first quarter and 28,000,000 shares were issued to the new officers of RightSmile, Inc.

In addition to the notes payable and accrued interest exchanged for common stock, accrued offices' payroll and accounts payable of \$553,051 were exchanged for 497,395,080 shares of common stock and \$158,332 of accrued officers payroll were exchanged for 158,335 shares of preferred stock.

For the three months ended August 31, 2010, \$162,370 of accrued officers payroll were exchanged for 162,370 shares of preferred stock. Also 497,395,080 shares of common stock were exchanged for 49,739 shares of preferred stock.

## FINANCIAL STATEMENTS

These financial statements have not been audited but have prepared in accordance with generally accepted accounting principles. RightSmile has no reason to believe that the financial statements cannot be audited in accordance with generally accepted accounting principles.

## SUBSEQUENT EVENTS

Management has evaluated events and transactions subsequent to the balance sheet date through the date the financial statements were available to be issued for potential recognition or disclosure in the financial statements. Management has not identified any items requiring recognition or disclosure.

## **Item 4      Managements Discussion and analysis or plan of operation**

RightSmile, Inc., during the past year has fully developed and tested their business plan, with the goal of becoming one of the premiere wholesale providers of cosmetic teeth whitening solutions to the retail industry. RightSmile is addressing an industry with estimated \$11 billion dollars per year of revenue available. In July of 2009 RightSmile was awarded a Trademark on the word 'RightSmile' and has three more Trademarks pending, RightSmile expects to leverage these Trademarks into a premiere brand recognition within the targeted emerging markets. The adoption for in-store cosmetic teeth whitening is just beginning in the target vertical markets of health and beauty retailers. RightSmile maintains four websites, [www.RightSmile.com](http://www.RightSmile.com) a site which allows consumers to educate themselves on the RightSmile offering, [www.MySmileShoppe.com](http://www.MySmileShoppe.com) which allows retailers to sign-up for consideration as a SmileShoppe, and once approved, fully manager their account, [www.dentigel.com](http://www.dentigel.com) a site designed for dentists to learn about our product and purchase directly from the site and [www.lazerwhite.com](http://www.lazerwhite.com) our newest site for consumers to purchase the product and have it shipped to there home.

**Item 5      Legal Proceedings**

NA

**Item 6              Defaults upon senior securities**

NA

**Item 7              Other Information**

NA

**Item 8              Exhibits**

NA

**Item 9              Certifications**

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I, Joseph Dwyer, certify that:

1. I have reviewed this Initial Company Information and Disclosure Statement of RightSmile, 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.

Dated: October 20, 2010  
RightSmile, Inc.

By:   
**Joseph Dwyer**