

Company Information and Disclosure Statement

GlobalTech Holdings, Inc.

A Wyoming Corporation

(Formerly Laketown Leasing Corporation to October 21, 1996,
Admor Memory Corp. to December 11, 2003,
Atlas Resources, Inc., to August 1, 2007)

116 Lakewood Drive
Thomasville, GA 70053

Website: <http://www.GlobalTechhldgs.com>

Phone: 347-878-5388

Email: investor@globaltechhldgs.com

CUSIP No. 37948L 209

Trading Symbol GLBH

Federal EIN:

SIC Code: 6719—Offices of Holding Companies, not elsewhere classified

DECEMBER 31, 2016 REPORT

Common Stock

\$0.001 Par Value per Share

700,000,000 Authorized

438,822,867 Issued and Outstanding

as of December 31, 2016

Cusip No. 37948L 209

Trading Symbol GLBH

GlobalTech Holdings, Inc., Inc. is responsible for the content of this Report. The securities described in this document are not registered with, and the information contained in this report has not been filed with, or approved by, the U.S. Securities and Exchange Commission.

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GlobalTech Holdings, Inc.

A Nevada Corporation

(Formerly Laketown Leasing Corporation to October 21, 1996,
Admor Memory Corp. to December 11, 2003,
Atlas Resources, Inc., to August 1, 2007)

116 Lakewood Drive
Thomasville, GA 70053

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DECEMBER 31, 2016 REPORT

Cautionary Note Regarding Forward-Looking Statements

Information set forth in this updated December 31, 2016 Report (the “Report”) contains forward-looking statements, which involve a number of risks and uncertainties that could cause our actual results to differ materially from those reflected in the forward-looking statements. Forward-looking statements can be identified by the use of the words “expect,” “project,” “may,” “might,” “potential,” and similar terms. GlobalTech Holdings, Inc., Inc. (“GlobalTech Holdings, Inc.,” “we,” the “Issuer” or the “Company”) cautions readers that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information. Forward-looking statements involve a number of risks, uncertainties or other factors beyond our control. These factors include, but are not limited to, our ability to implement our strategic initiatives, economic, political and market conditions and price fluctuations, government and industry regulation, U.S. and global competition, and other factors. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

Section One: Issuers' Initial Disclosure Obligations

Part A General Company Information

Item 1 The exact name of the issuer:

GlobalTech Holdings, Inc. (hereinafter referred to as "GLBH," or "GlobalTech Holdings," or the "Company," the "Issuer," or "We" or "Us"), formerly Atlas Resources, Inc. until 8-07, formerly Admor Memory Corp. until 12-03, formerly Laketown Leasing Corp. until 10-96.

Item 2 The Address of the Issuer's Principal Executive Offices

The Issuer's principal executive offices are located at 116 Lakewood Drive, Thomasville, GA 70053.

Item 3 The Jurisdiction(s) and Date of the Issuer's Incorporation or Organization:

The Company, sometimes referred to herein as "we," "us," "our," and the "Company" and/or "GlobalTech Holdings" was incorporated on February 13, 1995, under the laws of the State of Nevada, to engage in any lawful corporate undertaking. The Issuer's domicile was changed to Wyoming on June 20, 2016.

Part B. Share Structure

Item 4 The Exact Title and Class of Securities Outstanding:

Common Stock

Trading Symbol: GLBH

Exact title and class of securities outstanding: Common Stock

CUSIP: 37948L 209

Par or Stated Value: 0.001

Total shares authorized: 700,000,000

Item 5. Par or Stated Value and Description of the Security

The Par Value for all Common Stock is \$0.001 per Share.

Item 6. The Number of Shares or Total Amount of the Securities Outstanding for Each Class of Securities Authorized.

Common Stock

Year end 2015

Total shares authorized: 700,000,000 as of December 31, 2015

Total shares outstanding: 438,822,867 shares as of December 31, 2015

Freely trading shares (public float);

Number of beneficial shareholders owning at least 100 shares:

Total number of shareholders of record:

Year end 2016

Total shares authorized: 700,000,000 as of December 31, 2016

Total shares outstanding: 438,822,867 shares as of December 31, 2016

Freely trading shares (public float); 21,048,447

Number of beneficial shareholders owning at least 100 shares:

Total number of shareholders of record: 207

Item 7 Transfer Agent

Pacific Stock Transfer Company

4045 South Spencer St

Suite 403

Las Vegas, NV 89119

Phone Number (702) 361-3033

The transfer agent is registered under the Exchange Act.

Part C. Business Information

Item 8 Nature of Business

A. Business Development:

GlobalTech Holdings, Inc. is now operating in the medical services field. Formerly the Issuer was a management and holding company for real and intellectual properties and strategic partnerships in various markets based in the southeastern USA and countries bordering the Gulf of Mexico.

The Issuer, formerly Laketown Leasing Corporation, was incorporated in the State of Nevada on February 13, 1995.

On October 21, 1996, the Issuer changed its name to Admor Memory Corp. (“Admor”). On December 11, 2003, the Issuer changed its name to Atlas Resources, Inc. (“Atlas”).

On December 24, 2003, the Issuer underwent a name and symbol change from Admor Memory Corp. (AMRS) to Atlas Holdings, Inc. (ASRS).

On June 21, 2007, the Issuer filed with the SEC a Form 15, in order to cease filing SEC reports. (This Form 15 appears to have been mistakenly linked by the Edgar filer at the time to the Commission File Number (000-15117) of a company with a similar name, “Admar Group” rather than the CIK number of Admor Memory Corp. (Since the last Annual Report, the Issuer has been in contact with the SEC and FINRA and has corrected this 2007 mistake, thus linking the Issuer to its proper CIK (0000943770) which was originally assigned to Laketown Leasing Corporation, in 1995. The proper SEC filings, which show three Regulation D filings, are now shown here: <http://www.otcmarkets.com/stock/GLBHD/filings> .

On July 12, 2007, the Issuer, then known as Atlas, changed its name to GlobalTech Holdings, Inc. (GLBH). On August 10, 2012, was granted an Application by Ricochet Trading, Inc. for Appointment as Custodian of GlobalTech Holdings, Inc. pursuant to Nevada Revised Statutes 78.347 by the District Court of Clark County, Nevada. Mr. Wheeler was appointed a Director of the Issuer at this time.

On September 11, 2012, the Issuer’s Director, Warren Wheeler, filed a Certificate of Amendment and Amended and Restated Articles of Incorporation which changed the par value of the Issuer’s common stock to \$0.0001. In this document, the Issuer’s name was incorrectly listed as GlobalTech Holding, Inc., without the “s.”

On February 5, 2013, the Issuer began filing Annual and Annual Financial Reports and Disclosure Statements on OTCMarkets.com pursuant to the Alternative Reporting Standard. On February 12, 2013, Warren Wheeler resigned as Director and CEO of the Issuer, and the Issuer's current Officer and Director, Ormand Hunter, was appointed as President, CEO and Director.

On February 13, 2013, the Issuer filed a Certificate of Change in which the name was again shown properly as GlobalTech Holdings, Inc. and the authorized shares of common stock were increased to 685,000,000 shares, par value \$0.001.

On June 20, 2016, the Issuer moved its corporate domicile to Wyoming.

Item 9 The Nature of the Products or Services Offered.

BUSINESS

Medical Equipment Recovery

The Issuer is in the business of assisting medical facilities in recovering the value of surplus medical equipment. Such recovery is limited to medical equipment and dietary equipment. No upfront charge is made to the medical facility. The Issuer, after deducing recovery costs, receives 30 to 50 percent of such recoveries.

The Issuer also prides itself in its equipment de-commissioning process for hospitals where all depleted assets are removed and disposed of properly. Principals of the Issuer have closed or assisted in the closure of 165 hospitals dating back to 1990. They have worked with such companies as Columbia, HCA, Catholic Health System, Duke University, Wake Forest School of Medicine, Carolina's Medical System, VHA, North Carolina Baptist and more.

Marketing Medical Services

The Issuer is in the business of selling and promoting various medical sales services to medical providers, on behalf of companies which provide services to such medical

providers.

As of December 31, 2016, the Issuer, being a 33% owner of NYX Health, LLC, was selling the services of NYX. The Issuer's relationship with NYX was recently terminated, in relation to new clients for NYX service offerings as NYX had reached capacity to its limit to supply services. The accounts enlisted by GLBH representatives for NYX are still under contract with GLBH and are therefore entitled to receive the revenue streams related thereto. The Issuer intends to also develop similar service offerings under a DBA entitled "Med XS Recovery", for its own accounts.

NYX Medical provides a variety of services, including collections of aged accounts receivable for claims payable by insurance companies and other third party payors for and on behalf of physicians, medical practices, hospitals and other health care providers.

The Issuer contracted with NYX Medical to market, promote and sell NYX's services to medical providers in the geographic area in which NYX provides its services.

The Issuer contracted with a third-party to market NYX Medical's services for the Issuer.

The Issuer developed marketing materials and a marketing plan for promoting the Services, which shall be approved by NYX. NYX has granted us the right to use, display, and market the Services through promotional materials in any type of medium. NYX shall provide information reasonably requested by us to develop such promotional materials. NYX shall pay all costs and expenses for the production of all promotional materials to be used by us.

As consideration for NYX sales services, NYX pays an amount that varies depending on the type of service sold, but generally equal to about fifty percent (50%) of NYX's net revenue after the billing fee of ten percent (10%) of Gross Collections per the Service Agreement, as provided in the terms of the agreements between NYX and the providers for the Services.

NYX Health Management Services

NYX Health's management team is made up of seasoned healthcare professionals who average over 15+ years experience in clinical and business services. NYX physician and executive team is well seasoned in anesthesia, emergency medicine, hospital medicine and billing allowing us to provide exceptional service to each healthcare client. NYX team has served over 200+ facilities with top quality service along with the most cost efficient rates in the industry.

NYX Billing Advantage Services

NYX has access to national and large health system reimbursement schedules. NYX has over a billion dollars in revenue cycle experience, with over 8,000 transactions daily. It has ISO Certifications 9001:2008 & 27001:2013. All coders certified AAPC – COC, CIC, & CPC., all credentialing specialists CPCS, and its AQI is governed quality assurance systems.

NYX Accounts Receivable Recovery Advantage

We have what it takes to resolve issues completely, including vast industry knowledge, specialized coding personnel, proprietary technology, and HIPAA compliant security. Since January 2016, NYX has achieved the following results for clients: Increased revenue for every client at every location, Responsible for over \$1.4 billion in accounts receivable, and Consistently improved profitability through payor contract renegotiations.

NYX mission is to empower healthcare facilities with a comprehensive and proprietary approach to ensure maximum revenue and payor accountability. NYX is confident it can deliver on its promise; therefore, NYX takes on all the risk. NYX requires no payment upfront.

NYX specialized recovery team works in unison with client teams to ensure no disruption to client business. NYX Health conducts an accurate and meticulous A/R recovery service for the prior two-years. Our team evaluates insurance contracts, identifies system issues and implements necessary corrections. Unlike consultants which may identify an issue, but leave it up to the facility to find a remedy, NYX Health identifies areas of financial weakness and rectifies the problem for increased financial profitability. NYX has what it takes to resolve issues completely: Vast Industry Knowledge, Specialized Coding Personnel, Proprietary Technology, HIPAA Compliant Security

Since January 2016, NYX has achieved the following results for clients:

- Increased revenue for every client at every location
- Responsible for over \$1.4 billion in accounts receivable
- Consistently improved profitability through payor contract renegotiations

NYX mission is to empower healthcare facilities with a comprehensive and proprietary approach to ensure maximum revenue and payor accountability.

Proprietary Billing Platform – Accounts Receivable | Data Processing

NYX has state of the art technology and continuous follow-up, secure transmission, handling & processing, alert system for procedure codes, diagnosis codes, pre-certs or bundling issues, and seasoned soft collection approach.

Document Management is stored through redundant servers for protection, has full audit trails tracks all users access to the information, and all reports are accessible 24/7.

For statement claim vendors, NYX has comprehensive secure on-line billing, automated payment, posting and managing patient payments, clear, concise patient statements, and the largest financial and administrative healthcare network in the United States.

Payment Processing (credit cards)

NYX has integrated payment options simple and secure, award winning on-line and mobile payment solutions, and patiented member and consumer payment information.

NYX Anesthesia Management

NYX addresses the anesthesia service needs for healthcare facilities across the country. NYX proven track record of implementing a customized anesthesia care team coupled with the depth of experience gained from providing a smooth transition for each of NYX hospital partners should prove to be a very valuable asset.

NYX diverse leadership group, consisting of healthcare veterans, marries the non-clinical business aspects of anesthesiology with the clinical quality of care provided by board certified and/or board eligible anesthesiologists.

NYX customers discover the difference from having their anesthesia services leveraged by a partnership with AHP. Their anesthesia care team will be made up of anesthesia professionals who are dedicated to their facility and paid without worry to the types of cases or times; allowing for consistent, safe and worry-free coverage.

NYX develops anesthesia programs that deliver the highest quality care for the facilities and communities it serves. NYX deals with recruitment & retention, credentialing & enrollment, managed care contracting, optimum staffing & scheduling, billing & collections, revenue management, quality management, accounting, legal and logistics

Emergency Medicine Management

NYX Health values emergency medicine, NYX understand all emergency departments are different. NYX is dedicated to enhancing client practices service, along with increasing client revenue.

NYX Health does not discriminate any facility based on size; it treats every hospital with total respect and top quality service. NYX will optimize the perfect team for each facility, making the department the envy of all competing hospitals. Let NYX safely and efficiently increase client service allowing for maximum patient satisfaction.

Hospital Medicine Management

NYX Health is dedicated to the delivery of comprehensive medical care to hospitalized patients. NYX team of experts will manage the clinical problems of acutely ill, hospitalized patients, hospital medicine along with enhancing client hospitals or health systems performance.

NYX Health will provide complete attention to all patient care needs, including diagnosis, treatment and the performance of medical procedures in which they are suited to practice. NYX goal is to bring quality and process improvement techniques to customer facilities, while coordinating with the medical staff to offer exceptional care to the patient.

NYX Health's goal is to use the hospitals resources in the most efficient manner to maximize the patients experience and outcome. NYX's team will assist in the safe transfer of patients within the hospital along with transitioning the patient back to their homes.

The Issuer's relationship with NYX was recently been cancelled and the Issuer intends to develop such services for its own account.

Medical Receivable Collections

The Issuer believes that medical payers generally only pay institutions 55-70 percent of contracts receivable by the hospitals or other medical institutions. Last year Becker's printed an article that indicated \$165 billion in commercial payables was due to providers but never received from commercial payers.

The Issuer intends to examine such contracts intensively. In most cases, the Issuer or its contracted affiliate has been able to collect 15-20 percent of the amount contracted for but not paid.

The Issuer is in the process of building its own medical billing platform with self-contained electronic medical records. This platform will enable to the Issuer to address the major payer market extensively.

Discontinued Operations

Twenty Eight Gauge Properties (TEGP)

From September 2013 to December 2016, the Issuer attempted to develop TEGP, a high calcium limestone quarry located in southwest Georgia. TEGP's total capital cost was \$43,000,000 or more with needed capital to start being \$10,000,000. The Issuer was never able to develop adequate financing for TEGP and the project was discontinued.

In September 2013, the Issuer entered into an agreement with Scott Miller to purchase 28 Gauge Properties, including the mining operation lease and 140 acres in exchange for 410,000,000 of the Issuer's stock issued to Langmeier, LLC. On December 26, 2017, the Issuer notified Langmeier that the Issuer would cancel the this agreement with Langmeier, LLC, on January 6 2107. This transaction was cancelled by the Issuer on December 26, 2016 and the stock was returned to the Issuer and held as treasury stock by the Issuer.

Live Oak Pond Farm

The Issuer issued 20,887,500 shares of common stock to purchase Live Oak Pond Farm, as of December 2nd, 2013. On May 1st, 2015, the Issuer returned Whispering Pines, Inc. to the newly elected President of the corporation with the exclusion of the Live Oak Pond Farm property. The Issuer agreed that the current principals of Whispering Pines, Inc. will manage Live Oak Pond Farm, until the common stock of the Corporation could be converted to pay the outstanding debt on the Live Oak Pond Farm property totaling \$2,895,000. The arrangement that will be carried forward until such debt can be extinguished and a free and clear title be delivered to the Issuer.

The principals of Polyidus Oros, LLC, holders of the 20,887,500 shares of common stock of the Issuer, shall execute such sale of the common stock of the Issuer when the net share price shall warrant the required value to extinguish the debt on Live Oak Pond Farm. If Polyidus Oros, LLC and its principals elect to retain said stock, the required liquidation of the note on Live Oak Pond Farm will become due and payable at such time. At such time, these principals shall deliver a free and clear title of Live Oak Pond Farm to the Issuer.

The terms of this sale are to be subject to a "Life Estate" being granted to Pete Thomas, of Thomasville, Georgia. Said Life Estate gives Mr. Thomas full access to the property, its amenities, benefits and privileges. In addition, a place of abode will be arranged for Mr. Thomas, to be used at his discretion. Mr. Thomas agrees to pay the costs of such

improvements to the property.

Regulation

Although we generally do not contract with U.S., state or local government entities, the services that we provide are subject to a complex array of federal and state laws and regulations, including regulation by the Centers for Medicare and Medicaid Services, or CMS, of the U.S. Department of Health and Human Services, as well as additional regulation.

Government Regulation of Health Information

HIPAA Privacy and Security Rules. The Health Insurance Portability and Accountability Act of 1996, as amended, and the regulations that have been issued under it (collectively, “HIPAA”) contain substantial restrictions and requirements with respect to the use and disclosure of individuals’ protected health information. These are embodied in the Privacy Rule and Security Rule portions of HIPAA. The HIPAA Privacy Rule prohibits a covered entity from using or disclosing an individual’s protected health information unless the use or disclosure is authorized by the individual or is specifically required or permitted under the Privacy Rule. The Privacy Rule imposes a complex system of requirements on covered entities for complying with this basic standard. Under the HIPAA Security Rule, covered entities must establish administrative, physical, and technical safeguards to protect the confidentiality, integrity, and availability of electronic protected health information maintained or transmitted by them or by others on their behalf.

The HIPAA Privacy and Security Rules apply directly to covered entities, such as health care providers who engage in HIPAA-defined standard electronic transactions, health plans, and health care clearinghouses. Because we translate electronic transactions to and from the HIPAA-prescribed electronic forms and other forms, we are considered a clearinghouse, and as such are a covered entity. In addition, our clients are also covered entities. In order to provide clients with services that involve the use or disclosure of protected health information, the HIPAA Privacy and Security Rules require us to enter into business associate agreements with our clients. Such agreements must, among other things, provide adequate written assurances:

- as to how we will use and disclose the protected health information;

- that we will implement reasonable administrative, physical, and technical safeguards to protect such information from misuse;
- that we will enter into similar agreements with our agents and subcontractors that have access to the information;
- that we will report security incidents and other inappropriate uses or disclosures of the information; and
- that we will assist the client in question with certain of its duties under the Privacy Rule.

HIPAA Transaction Requirements. In addition to the Privacy and Security Rules, HIPAA also requires that certain electronic transactions related to health care billing be conducted using prescribed electronic formats. For example, claims for reimbursement that are transmitted electronically to payers must comply with specific formatting standards, and these standards apply whether the payer is a government or a private entity. As a covered entity subject to HIPAA, we must meet these requirements, and moreover, we must structure and provide our services in a way that supports our clients' HIPAA compliance obligations.

HITECH Act. The HITECH Act, which became law in February 2009, and the regulations issued under it, have provided, among other things, clarification of certain aspects of both the Privacy and Security Rules, expansion of the disclosure requirements for a breach of the Security Rule, and strengthening of the civil and criminal penalties for failure to comply with HIPAA. As these additional requirements become effective, we will be required to comply with them.

State Laws. In addition to the HIPAA Privacy and Security Rules and the requirements imposed by the HITECH Act, most states have enacted patient confidentiality laws that protect against the disclosure of confidential medical information, and many states have adopted or are considering further legislation in this area, including privacy safeguards, security standards, and data security breach notification requirements. Such state laws, if more stringent than HIPAA and HITECH Act requirements, are not preempted by the

federal requirements, and we must comply with them. For example, the Massachusetts Office of Consumer Affairs and Business Regulations issued final data security regulations, which became effective in March

2010 and establish minimum standards for protecting and storing personal information about Massachusetts residents contained in paper or electronic format.

Government Regulation of Reimbursement

Our clients are subject to regulation by a number of governmental agencies, including those that administer the Medicare and Medicaid programs. Accordingly, our clients are sensitive to legislative and regulatory changes in, and limitations on, the government health care programs and changes in reimbursement policies, processes, and payment rates. During recent years, there have been numerous federal legislative and administrative actions that have affected government programs, including adjustments that have reduced or increased payments to physicians and other health care providers and adjustments that have affected the complexity of our work. It is possible that the federal or state governments will implement future reductions, increases, or changes in reimbursement under government programs that adversely affect our client base or our cost of providing our services.

Fraud and Abuse

A number of federal and state laws, loosely referred to as “fraud and abuse laws,” are used to prosecute health care providers, physicians, and others that make, offer, seek, or receive referrals or payments for products or services that may be paid for through any federal or state health care program and, in some instances, any private program. Given the breadth of these laws and regulations, they are potentially applicable to our business; the transactions that we undertake on behalf of our clients; and the financial arrangements through which we market, sell, and distribute our services. These laws and regulations include:

Anti-Kickback Laws. There are numerous federal and state laws that govern patient referrals, physician financial relationships, and inducements to health care providers and patients. The federal health care programs’ anti-kickback law prohibits any person or entity from offering, paying, soliciting, or receiving anything of value, directly or indirectly, for the referral of patients covered by Medicare, Medicaid, and other federal health care programs or the leasing, purchasing, ordering, or arranging for or recommending the lease, purchase, or order of any item, good, facility, or service covered by these programs. Courts have construed this anti-kickback law to mean that a

financial arrangement may violate this law if any one of the purposes of one of the arrangements is to encourage patient referrals or other federal health care program business, regardless of whether there are other legitimate purposes for the arrangement. There are several limited exclusions known as safe harbors that may protect some arrangements from enforcement penalties. These safe harbors have very limited application. Penalties for federal anti-kickback violations are severe, and include imprisonment, criminal fines, civil money penalties with triple damages, and exclusion from participation in federal health care programs. Many states have similar anti-kickback laws, some of which are not limited to items or services for which payment is made by a government health care program.

False or Fraudulent Claim Laws. There are numerous federal and state laws that forbid submission of false information, or the failure to disclose information, in connection with the submission and payment of physician claims for reimbursement. In some cases, these laws also forbid abuse in connection with such submission and payment, for example, by systematic over treatment or duplicate billing for the same services to collect increased or duplicate payments. These laws and regulations may change rapidly, and it is frequently unclear how they apply to our business. For example, one federal false claim law forbids knowing submission to government programs of false claims for reimbursement for medical items or services. Under this law, knowledge may consist of willful ignorance or reckless disregard of falsity. How these concepts apply to services such as ours that rely substantially on automated processes has not been well defined in the regulations or relevant case law. As a result, our errors with respect to the formatting, preparation, or transmission of such claims and any mishandling by us of claims information that is supplied by our clients or other third parties may be determined to, or may be alleged to, involve willful ignorance or reckless disregard of any falsity that is later determined to exist.

In most cases where we are permitted to do so, we charge our clients a percentage of the collections that they receive as a result of our services. To the extent that liability under fraud and abuse laws and regulations requires intent, it may be alleged that this percentage calculation provides us or our employees with incentive to commit or overlook fraud or abuse in connection with submission and payment of reimbursement claims. CMS has stated that it is concerned that percentage-based billing services may encourage billing companies to commit or to overlook fraudulent or abusive practices.

PPACA. In addition to the provisions relating to health care access and delivery, the Patient Protection and Affordable Care Act made changes to health care fraud and abuse

laws. The PPACA expands false claim laws, amends key provisions of other anti-fraud and abuse statutes, provides the government with new enforcement tools and funding for enforcement, and enhances both criminal and administrative penalties for noncompliance. The PPACA may result in increased anti-fraud enforcement activities.

Stark Law and Similar State Laws. The Ethics in Patient Referrals Act, known as the Stark Law, prohibits certain types of referral arrangements between physicians and health care entities. Physicians are prohibited from referring patients for certain designated health services reimbursed under federally funded programs to entities with which they or their immediate family members have a financial relationship or an ownership interest, unless such referrals fall within a specific exception. Violations of the statute can result in civil monetary penalties and/or exclusion from the Medicare and Medicaid programs. Furthermore, reimbursement claims for care rendered under forbidden referrals may be deemed false or fraudulent, resulting in liability under other fraud and abuse laws.

Laws in many states similarly forbid billing based on referrals between individuals and /or entities that have various financial, ownership, or other business relationships. These laws vary widely from state to state.

Corporate Practice of Medicine Laws, Fee-Splitting Laws, and Anti-Assignment Laws

In many states, there are laws that prohibit non-licensed practitioners from practicing medicine, prevent corporations from being licensed as practitioners, and prohibit licensed medical practitioners from practicing medicine in partnership with non-physicians, such as business corporations. In some states, these prohibitions take the form of laws or regulations forbidding the splitting of physician fees with non-physicians or others. In some cases, these laws have been interpreted to prevent business service providers from charging their physician clients on the basis of a percentage of collections or charges.

There are also federal and state laws that forbid or limit assignment of claims for reimbursement from government-funded programs. Some of these laws limit the manner in which business service companies may handle payments for such claims and prevent such companies from charging their physician clients on the basis of a percentage of collections or charges. In particular, the Medicare program specifically requires that billing agents who receive Medicare payments on behalf of medical care providers must meet the following requirements:

- the agent must receive the payment under an agreement between the provider and the agent;
- the agent's compensation may not be related in any way to the dollar amount billed or collected;
- the agent's compensation may not depend upon the actual collection of payment;
- the agent must act under payment disposition instructions, which the provider may modify or revoke at any time; and
- in receiving the payment, the agent must act only on behalf of the provider, except insofar as the agent uses part of that payment to compensate the agent for the agent's billing and collection services.

Medicaid regulations similarly provide that payments may be received by billing agents in the name of their clients without violating anti-assignment requirements if payment to the agent is related to the cost of the billing service, not related on a percentage basis to the amount billed or collected, and not dependent on collection of payment.

Electronic Prescribing Laws

States have differing prescription format and signature requirements. Many existing laws and regulations, when enacted, did not anticipate the methods of e-commerce now being developed. However, due in part to recent industry initiatives, federal law and the laws of all 50 states now permit the electronic transmission of prescription orders. In addition, on November 7, 2005, the Department of Health and Human Services published its final E-Prescribing and the Prescription Drug Program regulations, referred to below as the E-Prescribing Regulations. These regulations are required by the Medicare Prescription Drug Improvement and Modernization Act of 2003 ("MMA") and became effective beginning on January 1, 2006. The E-Prescribing Regulations consist of detailed standards and requirements, in addition to the HIPAA standards discussed previously, for prescription and other information transmitted electronically in connection with a drug benefit covered by the MMA's Prescription Drug Benefit. These

standards cover not only transactions between prescribers and dispensers for prescriptions but also electronic eligibility and benefits inquiries and drug formulary and benefit coverage information. The standards apply to prescription drug plans participating in the MMA's Prescription Drug Benefit. Aspects of our services are affected by such regulation, as our clients need to comply with these requirements.

Anti-Tampering Laws

For certain prescriptions that cannot or may not be transmitted electronically from physician to pharmacy, both federal and state laws require that the written forms used exhibit anti-tampering features. For example, the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act of 2007 has since April 2008 required that most prescriptions covered by Medicaid must demonstrate security features that prevent copying, erasing, or counterfeiting of the written form. Because our clients will, on occasion, need to use printed forms, we must take these laws into consideration for purposes of the prescription functions of our

Electronic Health Records Certification Requirements

The HITECH Act directs the Office of the National Coordinator for Health Information Technology, or ONCHIT, to support and promote meaningful use of certified EHR technology nationwide through the adoption of standards, implementation specifications, and certification criteria as well as the establishment of certification programs for EHR technology. In January 2011, HHS issued a final rule to establish a permanent certification program for EHR technology, including how organizations can become ONC-Authorized Testing and Certification Bodies (ONC-ATCBs). ONC-ATCBs are required to test and certify that EHR technology is compliant with the standards, implementation specifications, and certification criteria adopted by the Secretary and meet the definition of "certified EHR technology." In July 2010, the Secretary published the final rule that adopted standards, implementation specifications, and certification criteria for EHR technology. While we believe our system is well designed in terms of function and interoperability, we cannot be certain that it will meet future requirements.

United States Food and Drug Administration

The U.S. Food and Drug Administration ("FDA") has promulgated a draft policy for the regulation of computer software products as medical devices and a proposed rule for reclassification of medical device data systems under the Federal Food, Drug and Cosmetic Act, as amended, or FDCA. The FDA has stated that health information technology software is a medical device under the FDCA, and we expect that the FDA is

likely to become increasingly active in regulating computer software intended for use in health care settings regardless of whether the draft policy or proposed rule is finalized or changed. We anticipate additional guidance on this subject by early 2014, in the form of a report to be issued by the FDA, ONCHIT, and the Federal Communications Commission. This report would propose a regulatory framework for health information technology that promotes innovation, protects patient safety, and avoids regulatory duplication.

If our computer software functionality is considered a medical device under the FDCA, we could be subject to additional regulatory requirements. Under the FDCA, medical devices include any instrument, apparatus, machine, contrivance, or other similar or related article that is intended for use in the diagnosis of disease or other conditions or in the cure, mitigation, treatment, or prevention of disease. FDA regulations govern, among other things, product development, testing, manufacture, packaging, labeling, storage, clearance or approval, advertising and promotion, sales and distribution, and import and export. FDA requirements with respect to devices that are determined to pose lesser risk to the public include:

- establishment registration and device listing with the FDA;
- the Quality System Regulation, or QSR, which requires manufacturers, including third-party or contract manufacturers, to follow stringent design, testing, control, documentation, and other quality assurance procedures during all aspects of manufacturing;
- labeling regulations and FDA prohibitions against the advertising and promotion of products for uncleared, unapproved off-label uses and other requirements related to advertising and promotional activities;
- medical device reporting regulations, which require that manufacturers report to the FDA if their device may have caused or contributed to a death or serious injury or malfunctioned in a way that would likely cause or contribute to a death or serious injury if the malfunction were to recur;
- corrections and removal reporting regulations, which require that manufacturers

report to the FDA any field corrections and product recalls or removals if undertaken to reduce a risk to health posed by the device or to remedy a violation of the FDCA that may present a risk to health; and

- post-market surveillance regulations, which apply when necessary to protect the public health or to provide additional safety and effectiveness data for the device.

Non-compliance with applicable FDA requirements can result in, among other things, public warning letters, fines, injunctions, civil penalties, recall or seizure of products, total or partial suspension of production, failure of the FDA to grant marketing approvals, withdrawal of marketing approvals, a recommendation by the FDA to disallow us from entering into government contracts, and criminal prosecutions. The FDA also has the authority to request repair, replacement, or refund of the cost of any device.

Intellectual Property

We may rely on a combination of patent, trademark, copyright, and trade secret laws in the United States as well as confidentiality procedures and contractual provisions to protect our proprietary technology, databases, and our brand. Despite these reliances, we believe the following factors are more essential to establishing and maintaining a competitive advantage:

- the statistical and technological skills of our service operations and research and development teams;
- the health care domain expertise and payer rules knowledge of our service operations and research and development teams;
- the real-time connectivity of our service offerings;
- the continued expansion of our proprietary Rules Engine; and

- a continued focus on the improved financial results of our clients.

We have a policy of requiring key employees and consultants to execute confidentiality agreements upon the commencement of an employment or consulting relationship with us. Our employee agreements also require relevant employees to assign to us all rights to any inventions made or conceived during their employment with us. In addition, we have a policy of requiring individuals and entities with which we discuss potential business relationships to sign non-disclosure agreements. Our agreements with clients include confidentiality and non-disclosure provisions.

Seasonality

There is moderate seasonality in the activity level of medical practices. Typically, discretionary use of physician services declines in the late summer and during the holiday season, which leads to a decline in collections by our physician clients about 30 to 50 days later. In addition, as further explained in “Risk Factors,” our revenues and operating results may fluctuate from quarter to quarter depending on a host of factors including, but not limited to, the severity, length, and timing of seasonal and pandemic illness.

Litigation

The Issuer has no current, pending or threatened legal proceedings or administrative actions either by or against the Issuer that could have a material effect on the Issuer's business, financial condition, or operations and any current, past or pending trading suspensions by a regulator.

Employees

As of December 31, 2016, we had two employees, including officers and directors. We believe that we have been successful in attracting experienced and capable personnel. All of our employees have entered into agreements with us requiring them not to compete or disclose our proprietary information. Our employees are not represented by any labor union. We believe that relations with our employees are excellent. Usually the number of total employees and number of full-time employees will vary.

RISK FACTORS

The following is only a brief summary of the risks involved in investing in our Company. Investment in our Securities involves risks. You should carefully consider the following risk factors in addition to other information contained in this Disclosure Document. The occurrence of any of the following risks might cause you to lose +all or part of your investment. Some statements in this Document, including statements in the following risk factors, constitute "Forward-Looking Statements."

Risks Related to Our Industry

We operate in a highly competitive industry, and if we are not able to compete effectively, our business and operating results will be harmed.

The provision by third parties of services to medical practices has historically been dominated by small service providers who offer highly individualized services and a high degree of specialized knowledge applicable in many cases to a limited medical specialty, a limited set of payers, or a limited geographical area. We anticipate that the software, statistical, and database tools that are available to such service providers will continue to become more sophisticated and effective and that demand for our services could be adversely affected.

Revenue cycle and clinical cycle software for medical practices has historically been dominated by large, well-financed, and technologically sophisticated entities that have focused on software solutions. Some of these entities are now offering “on-demand” services or a “software-as-a-service” model under which software is centrally administered, and these vendors may also provide administrative services. The size, financial strength, and breadth of offerings of the larger entities is increasing as a result of continued consolidation in both the information technology and health care industries. We expect large integrated technology companies to continue to become more active in our markets, both through acquisition and internal investment. As costs fall and technology improves, increased market saturation may change the competitive landscape in favor of competitors with greater scale than we possess. In addition, a few smaller companies have started providing software using a model similar to ours; the offerings of these smaller companies may reduce the perceived competitive advantage of our

services and impact our market share. Further, while the market for patient communication and referral management services is growing and is not as yet dominated by a small group of vendors with significant resources, our patient and referral cycle services face competition from a wide variety of market participants. For example, certain health systems have developed their own patient portals or referral management systems. If we fail to distinguish our patient and referral cycle offerings from the other options available to health care providers, the demand for and market share of those offerings may decrease.

Some of our current large competitors, such as Allscripts-Misys Healthcare Solutions, Inc.; Athena Health, Inc; GE Healthcare; and McKesson Corp., have greater name recognition, longer operating histories, and significantly greater resources than we do. As a result, our competitors may be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, standards, or client requirements. In addition, current and potential competitors have established, and may in the future establish, cooperative relationships with vendors of complementary products, technologies, or services to increase the availability of their products to the marketplace. Current or future competitors may consolidate to improve the breadth of their products, directly competing with our integrated offerings. Accordingly, new competitors or alliances may emerge that have greater market share, larger client bases, more widely adopted proprietary technologies, broader offerings, greater marketing expertise, greater financial resources, and larger sales forces than we have, which could put us at a competitive disadvantage. Further, in light of these advantages, even if our services are more effective than the product or service offerings of our competitors, current or potential clients might accept competitive products and services in lieu of purchasing our services. Increased competition is likely to result in pricing pressures, which could negatively impact our sales, profitability, or market share. In addition to new niche vendors, who offer stand-alone products and services, we face competition from existing enterprise vendors, including those currently focused on software solutions, which have information systems in place with clients in our target market. These existing enterprise vendors may now, or in the future, offer or promise products or services with less functionality than our services, but that offer ease of integration with existing systems and that leverage existing vendor relationships.

The market for our services may not develop substantially further or develop more slowly than we expect, harming the growth of our business.

While medical business services are becoming more accepted, the market for these services remains narrowly based, and it is uncertain whether these services will achieve and sustain the high levels of demand and market acceptance we anticipate. Our success will depend to a substantial extent on the willingness of enterprises, large and small, to

increase their use of on-demand business services in general, and for their revenue, clinical, and patient cycles in particular. Many enterprises have invested substantial personnel and financial resources to integrate established enterprise software into their businesses and therefore may be reluctant or unwilling to switch to an on-demand application service. Furthermore, some enterprises may be reluctant or unwilling to use on-demand application services, because they have concerns regarding the risks associated with the security and reliability, among other things, of the technology delivery model associated with these services. If enterprises do not perceive the benefits of our services, then the market for these services may not expand as much or develop as quickly as we expect, either of which would significantly adversely affect our business, financial condition, or operating results.

Changes in the health care industry could affect the demand for our services, cause our existing contracts to terminate, and negatively impact the process of negotiating future contracts.

As the health care industry evolves, changes in our client and vendor bases may reduce the demand for our services, result in the termination of existing contracts, and make it more difficult to negotiate new contracts on terms that are acceptable to us. For example, the current trend toward consolidation of health care providers within hospital systems may cause our existing client contracts to terminate as independent practices are merged into hospital systems. Such larger health care organizations may also have their own practice management services and health IT systems, reducing demand for our services. Similarly, client and vendor consolidation results in fewer, larger entities with increased bargaining power and the ability to demand terms that are unfavorable to us. If these trends continue, we cannot assure you that we will be able to continue to maintain or expand our client base, negotiate contracts with acceptable terms, or maintain our current pricing structure, and our revenues may decrease.

If we do not continue to innovate and provide services that are useful to users, we may not remain competitive, and our revenues and operating results could suffer.

Our success depends on providing services that the medical community uses to improve business performance and quality of service to patients. Our competitors are constantly developing products and services that may become more efficient or appealing to our clients. As a result, we must continue to invest significant resources in research and development in order to enhance our existing services and introduce new high-quality services that clients will want. If we are unable to predict user preferences or industry changes, or if we are unable to modify our services on a timely basis, we may lose clients. Our operating results would also suffer if our innovations are not responsive to

the needs of our clients, are not appropriately timed with market opportunity, or are not effectively brought to market. As technology continues to develop, our competitors may be able to offer results that are, or that are perceived to be, substantially similar to or better than those generated by our services. This may force us to compete on additional service attributes and to expend significant resources in order to remain competitive.

Failure to manage our rapid growth effectively could increase our expenses, decrease our revenue, and prevent us from implementing our business strategy.

After funding, we expect to experience a period of rapid growth. To manage our anticipated future growth effectively, we must continue to maintain, and may need to enhance, our information technology infrastructure and financial and accounting systems and controls, as well as manage expanded operations in geographically distributed locations. We also must attract, train, and retain a significant number of qualified sales and marketing personnel, professional services personnel, software engineers, technical personnel, and management personnel. Failure to manage our rapid growth effectively could lead us to over-invest or under-invest in technology and operations; result in weaknesses in our infrastructure, systems, or controls; give rise to operational mistakes, losses, or loss of productivity or business opportunities; and result in loss of employees and reduced productivity of remaining employees. Our growth could require significant capital expenditures and may divert financial resources and management attention from other projects, such as the development of new services. If our management is unable to effectively manage our growth, our expenses may increase more than expected, our revenue could decline or may grow more slowly than expected, and we may be unable to implement our business strategy.

Our business involves a high degree of risk.

An investment in our common stock is extremely speculative and of exceptionally high risk.

We may be unsuccessful in raising the necessary capital to fund operations and capital expenditures.

Our ability to generate cash flow is dependent upon the success of our ability to market our Automated Billing System. However, we cannot guarantee that the sales of our products and other available cash sources will generate sufficient cash flow to meet our overall cash requirements. If cash flow is not sufficient to meet our business requirements, we will be required to raise additional capital through other financing

activities. While we have been successful in raising the necessary funds in the past, there can be no assurance we can continue to do so in the future.

We depend on key employees and face competition in hiring and retaining qualified employees.

Our employees are vital to our success, and our key management and other employees are difficult to replace. We currently do not have employment contracts with our key employees. We may not be able to retain highly qualified employees in the future which could adversely affect our business.

We may experience significant losses from operations.

Even if we do generate operating income in one or more quarters in the future, subsequent developments in our industry, customer base, business or cost structure or an event such as significant litigation or a significant transaction may cause us to again experience operating losses. We may not become profitable for the long-term, or even for any quarter.

Because competition for our target employees is intense, we may not be able to attract and retain the highly skilled employees we need to support our planned growth.

To continue to execute on our growth plan, we must attract and retain highly qualified personnel. Competition for these personnel is intense, especially for senior sales executives and engineers with high levels of experience in designing and developing software and Internet-related services. We may not be successful in attracting and retaining qualified personnel. We have from time to time in the past experienced, and we expect to continue to experience in the future, difficulty in hiring and retaining highly skilled employees with appropriate qualifications. Many of the companies with which we compete for experienced personnel have greater resources than we have. In addition, in making employment decisions, particularly in the Internet and high-technology industries, job candidates often consider the value of the equity awards they are to receive in connection with their employment. Volatility in the price of our stock or failure to obtain stockholder approval for increases in the number of shares available for grant under our equity plans may, therefore, adversely affect our ability to attract or retain key employees. Furthermore, the requirements to expense equity awards may discourage us from granting the size or type of equity awards that job candidates require to join our company. If we fail to attract new personnel or fail to retain and motivate our current personnel, our business and future growth prospects could be severely harmed.

If we acquire companies or technologies in the future, they could prove difficult to integrate, disrupt our business, dilute stockholder value, and adversely affect our operating results and the value of our common stock.

As part of our business strategy, we may acquire, enter into joint ventures with, or make investments in complementary companies, services, and technologies in the future. Acquisitions and investments involve numerous risks, including:

- difficulties in identifying and acquiring products, technologies, or businesses that will help our business;
- difficulties in integrating operations, technologies, services, and personnel;
- diversion of financial and managerial resources from existing operations;
- the risk of entering new markets in which we have little to no experience;
- risks related to the assumption of known and unknown liabilities;
- the risk of write-offs and the amortization of expenses related to purchased intangible assets; and
- delays in client purchases due to uncertainty and the inability to maintain relationships with clients of the acquired businesses.

As a result, if we fail to properly evaluate acquisitions or investments, we may not achieve the anticipated benefits of any such acquisitions, we may incur costs in excess of what we anticipate, and management resources and attention may be diverted from other necessary or valuable activities.

We may choose to expand by strategic acquisitions. Completion of the any proposed acquisition is subject to various closing conditions, involves significant costs, and will require considerable attention from our management. Failure to complete the acquisition could adversely affect our stock price and our future business and operations.

The completion of the any proposed acquisition is subject to the satisfaction of various closing conditions, including the approval by target stockholders, and we cannot assure you that such conditions will be satisfied and that the acquisition will be successfully completed. In the event that the acquisition is not consummated, we will have spent considerable time and resources, and incurred substantial costs, including costs related to the acquisition, many of which must be paid even if the merger is not completed. If the acquisition is not consummated, our reputation in our industry and in the investment community could be damaged and, as a result, the market price of our common stock could decline.

We may fail to realize the anticipated benefits of the any acquisition.

The success of any acquisition will depend on, among other things, our ability to combine the our businesses in a manner that does not materially disrupt existing relationships and that allows us to achieve operational synergies and capitalize on the increased brand recognition and customer base of the combined company. If we are not able to achieve these objectives, the anticipated benefits of the acquisition may not be realized fully or at all or may take longer to realize than expected. In particular, the acquisition may not be accretive or accelerate sales in near or long term.

The integration process could result in the loss of key employees; the disruption of our ongoing businesses; or inconsistencies in standards, controls, procedures, or policies that could adversely affect our ability to maintain relationships with third parties and employees or to achieve the anticipated benefits of the acquisition. Integration efforts between the two companies will also divert management's attention from our core business and other opportunities that could have been beneficial to our shareholders. An inability to realize the full extent of, or any of, the anticipated benefits of the acquisition, as well as any delays encountered in the integration process, could have an adverse

effect on our business and results of operations, which may affect the value of the shares of our common stock after the completion of the acquisition.

Further, the actual integration may result in additional and unforeseen expenses. Operational improvements and actual cost synergies, if achieved at all, may be lower than we expect and may take longer to achieve than we anticipate. If we are not able to adequately address these challenges, we may be unable to realize the anticipated benefits of the integration of any acquisition.

Financial Risks

We will need additional financing.

Our development schedule could be delayed if we are unable to fund our activities. We believe we will need to raise additional funds to achieve full commercial operation. We do not know whether we will be able to secure additional funding, or funding on terms acceptable to us.

We face financial risk, including the risk of high leverage.

Our development and operation will entail uncertain cash flows. We may spend relatively large amounts on marketing and other expenses. All of these factors and more will result in substantial financial risk. See "Business."

We may be subject to the risks normally associated with debt financing, including the risk that payments of principal and interest on borrowings may leave us with insufficient cash to operate or to pay distributions.

We intend to make use of a very high degree of financial leverage. We could become more highly leveraged because our organizational documents contain no limitation on the amount of debt we may incur.

The use of a high degree of leverage will increase our sensitivity to increases in interest rates. Increases in interest rates may increase our interest expense and adversely affect our cash flow and our ability to service our indebtedness and make distributions to our stockholders.

Legal Risks

We may be unable to adequately protect, and we may incur significant costs in enforcing, our intellectual property and other proprietary rights.

Our success depends in part on our ability to enforce our intellectual property and other proprietary rights. We rely upon a combination of trademark, trade secret, copyright, patent, and unfair competition laws, as well as license and access agreements and other contractual provisions, to protect our intellectual property and other proprietary rights. In addition, we attempt to protect our intellectual property and proprietary information by requiring certain of our employees and consultants to enter into confidentiality, noncompetition, and assignment of inventions agreements. Our attempts to protect our intellectual property may be challenged by others or invalidated through administrative process or litigation.

Agreement terms that address non-competition are difficult to enforce in many jurisdictions and may not be enforceable in any particular case. To the extent that our intellectual property and other proprietary rights are not adequately protected, third parties might gain access to our proprietary information, develop and market products or services similar to ours, or use trademarks similar to ours, each of which could materially harm our business. Existing U.S. federal and state intellectual property laws offer only limited protection. Moreover, the laws of other countries in which we now or may in the future conduct operations or contract for services may afford little or no effective protection of our intellectual property. Further, our platform incorporates open source software components that are licensed to us under various public domain licenses. While we believe that we have complied with our obligations under the various applicable licenses for open source software that we use, there is little or no legal precedent governing the interpretation of many of the terms of certain of these licenses, and therefore the potential impact of such terms on our business is somewhat unknown. The failure to adequately protect our intellectual property and other proprietary rights could materially harm our business.

In addition, if we resort to legal proceedings to enforce our intellectual property rights or to determine the validity and scope of the intellectual property or other proprietary rights of others, the proceedings could be burdensome and expensive, even if we were to prevail. Any litigation that may be necessary in the future could result in substantial costs and diversion of resources and could have a material adverse effect on our business, operating results, or financial condition.

We may be sued by third parties for alleged infringement of their proprietary rights.

The software and Internet industries are characterized by the existence of a large number of patents, trademarks, and copyrights and by frequent litigation based on allegations of infringement or other violations of intellectual property rights. Moreover, our business involves the systematic gathering and analysis of data about the requirements and behaviors of payers and other third parties, some or all of which may be claimed to be confidential or proprietary. We may receive in the future, communications from third parties claiming that we have infringed on the intellectual property rights of others. Our technologies may not be able to withstand such third-party claims of rights against their use. Any intellectual property claims, with or without merit, could be time-consuming and expensive to resolve, divert management attention from executing our business plan, and require us to pay monetary damages or enter into royalty or licensing agreements. In addition, many of our contracts contain warranties with respect to intellectual property rights, and some require us to indemnify our clients for third-party intellectual property infringement claims, which would increase the cost to us of an adverse ruling on such a claim.

Moreover, any settlement or adverse judgment resulting from such a claim could require us to pay substantial amounts of money or obtain a license to continue to use the technology or information that is the subject of the claim, or otherwise restrict or prohibit our use of the technology or information. There can be no assurance that we would be able to obtain a license on commercially reasonable terms, if at all, from third parties asserting an infringement claim; that we would be able to develop alternative technology on a timely basis, if at all; or that we would be able to obtain a license to use a suitable alternative technology to permit us to continue offering, and our clients to continue using, our affected services. Accordingly, an adverse determination could prevent us from offering our services to others. In addition, we may be required to indemnify our clients for third-party intellectual property infringement claims, which would increase the cost to us of an adverse ruling for such a claim.

Current and future litigation against us could be costly and time-consuming to defend and could result in additional liabilities.

We may from time to time be subject to legal proceedings and claims that arise in the ordinary course of business, such as claims brought by our clients in connection with commercial disputes and employment claims made by our current or former employees. Claims may also be asserted by or on behalf of a variety of other parties, including government agencies, patients of our physician clients, or stockholders. For example, we have entered into a purchase and sale agreement for the property on which our corporate headquarters are located. This property is a former Superfund site, and our ownership of

it, or any of our other properties, could expose us to liability under applicable environmental laws. Any litigation involving us may result in substantial costs and may divert management's attention and resources, which may seriously harm our business, overall financial condition, and operating results. Insurance may not cover existing or future claims, be sufficient to fully compensate us for one or more of such claims, or continue to be available on terms acceptable to us. A claim brought against us that is uninsured or underinsured could result in unanticipated costs, thereby reducing our operating results and leading analysts or potential investors to reduce their expectations of our performance resulting in a reduction in the trading price of our stock.

Errors or illegal activity on the part of our clients may result in claims against us.

We require our clients to provide us with accurate and appropriate data and directives for our actions. We also rely upon our clients as users of our system to perform key activities in order to produce proper claims for reimbursement. Failure of our clients to provide these data and directives or to perform these activities may result in claims against us alleging that our reliance was misplaced or unreasonable or that we have facilitated or otherwise participated in submission of false claims.

Our clients may seek to defraud us.

We are currently engaged in litigation to recover substantial amounts owed to us by a client who defrauded us. If our clients seek to defraud us, we not be aware of this, we may not be able to obtain sufficient information on their activities, and we may have to engage in costly and time-consuming litigation to recover any amounts due.

If participants in our channel marketing and sales lead programs do not maintain appropriate relationships with current and potential clients, our sales accomplished with their help or data may be unwound and our payments to them may be deemed improper.

We maintain a series of relationships with third parties that we term "channel relationships." These relationships take different forms under different contractual language. Some relationships help us identify sales leads. Other relationships permit third parties to act as value-added resellers or as independent sales representatives for our services. In some cases, for example in the case of some membership organizations, these relationships involve endorsement of our services as well as other marketing activities. In each of these cases, we require contractually that the third party disclose information to and limit their relationships with potential purchasers of our services for regulatory compliance reasons. If these third parties do not comply with these regulatory

requirements or if our requirements are deemed insufficient, sales accomplished with the data or help that they have provided, as well as the channel relationships themselves, may not be enforceable, may be unwound, and may be deemed to violate relevant laws or regulations. Third parties that, despite our requirements, exercise undue influence over decisions by current and prospective clients, occupy positions with obligations of fidelity or fiduciary obligations to current and prospective clients, or who offer bribes or kickbacks to current and prospective clients or their employees may be committing illegal acts that could render any resulting contract between us and the client unenforceable or in violation of relevant laws or regulations. Any misconduct by these third parties with respect to current or prospective clients, any failure to follow contractual requirements, or any insufficiency of those contractual requirements may result in allegations that we have encouraged or participated in illegal behavior and that payments to such third parties under our channel contracts are improper. This misconduct could subject us to civil or criminal claims and liabilities, require us to change or terminate some portions of our business, require us to refund portions of our services fees, and adversely affect our revenue and operating margin. Even an unsuccessful challenge of our activities could result in adverse publicity, require costly response from us, impair our ability to attract and maintain clients, and lead analysts or investors to reduce their expectations of our performance, resulting in reduction in the market price of our stock.

Risks Inherent in the Company

We are indemnifying our officers and directors.

Our By-Laws provide for the indemnification of officers and directors relating to their activities for the Company to the fullest extent permitted under the Wyoming General Corporation Code. These provisions may have the effect of providing indemnity in connection with suits brought by parties other than the Company against an officer or director who has been grossly negligent, though he acted in good faith and in the Company's interests. See "Indemnification."

We rely upon a few officers.

At present, we are wholly dependent on the personal abilities of one officer in order to develop and conduct our operations. Our success will be largely dependent on the personal efforts of our key officers and directors. The loss of the services of any of these

officers would have a material adverse effect on our business and prospects. Our success also may be dependent, in part, upon our ability to hire and retain additional qualified sales and marketing personnel. There can be no assurance that we will be able to hire or retain such necessary personnel. See "Management."

Our present shareholders will retain control.

Our present control shareholders own 93.4% of the outstanding Common Stock. As a result of this percentage of ownership, the existing shareholders will be able to control our management at least for the foreseeable future. Investors will not have the right to elect our directors and the Company's control will stay with the current shareholders. This shareholder will have full voting control of the Company and the Board of Directors. See "Management," "Principal Shareholders" and "Description of Securities."

The liability of our directors and officers is limited.

Our Articles of Incorporation include provisions to eliminate, to the full extent permitted by Wyoming corporate law as in effect from time to time, the personal liability of our directors for monetary damages arising from a breach of their fiduciary duties as directors. The Articles of Incorporation also includes provisions to the effect that (subject to certain exceptions) the Company shall, to the maximum extent permitted from time to time under Wyoming law, indemnify, and upon request shall advance expenses to, any director or officer to the extent that such indemnification and advancement of expenses is permitted under such law, as it may from time to time be in effect. In addition, our By-Laws require us to indemnify, to the full extent permitted by law, any of our directors, officers, employees or agents for acts which such person reasonably believes are not in violation of our corporate purposes as set forth in the Articles of Incorporation. As a result of such provisions in the Articles of Incorporation and the By-Laws, stockholders may be unable to recover damages against our directors and officers for actions taken by them which constitute negligence, gross negligence or a violation of their fiduciary duties, which may reduce the likelihood of stockholders instituting derivative litigation against directors and officers and may discourage or deter stockholders from suing our directors, officers, employees and agents for breaches of their duty of care, even though such action, if successful, might otherwise benefit us and our stockholders. See "Indemnification."

Our Board of Directors may unilaterally implement changes in our investment and financing policies that may affect the interests of our stockholders.

Our investment and financing policies, and our policies with respect to other activities,

including growth, debt, capitalization, and operating policies, are determined by the Board of Directors. Although the Board of Directors has no present intention to do so, these policies may be amended or revised from time to time at the discretion of the Board of Directors without notice to stockholders or a vote of our stockholders. Accordingly, stockholders have no direct control over changes in our policies and changes in our policies may affect them.

The loss of key executive officers could have an adverse effect on us.

We are dependent on the efforts of our President, Ormand Hunter. The loss of her services could have an adverse effect on our operations. We do not currently maintain or contemplate obtaining any “key man” life insurance on, our executive officers. See “Management.”

We are dependent on external sources of capital.

In order to achieve our business plan and to grow, we will need constant infusions of additional capital. We will need to fund our future capital needs, including capital for property development and acquisitions, from sources other than income from operations. We therefore will have to rely on third-party sources of debt and equity capital financing, which may or may not be available on favorable terms or at all. Our access to third party sources of capital depends on a number of things, including conditions in the capital markets generally and the market’s perception of our growth potential and our current and potential future earnings. Additional equity offerings may result in substantial dilution of stockholders’ interests, and additional debt financings may substantially increase our leverage. Further, there has been substantial turmoil in the financial markets and there is no assurance that we will be able to successfully access capital.

Risks in the Securities

You may experience dilution if we issue additional securities,

If we issue additional shares, you may find your holdings diluted, which if it occurs, means that you will own a smaller percentage of our company. Further, any issuance of additional securities to various persons or entities in lieu of cash payments will lead to

further dilution.

We do not expect to pay dividends on our Common Stock.

We have never paid any dividends on our Common Stock. We have no plans to pay dividends on our Common Stock in the foreseeable future. Furthermore, the Company may issue Preferred Stock or other securities senior to the Common Stock, under terms which provide that no dividends shall be payable to holders of Common Stock unless and until all accrued cash dividends through the most recent past annual dividend payment date have been paid in full to holders of such senior securities. See "Dividend Policy."

Our operating results have in the past fluctuated and may continue to fluctuate significantly, and if we fail to meet the expectations of analysts or investors, our stock price and the value of an investment in our common stock could decline substantially.

Our operating results are likely to fluctuate, and if we fail to meet or exceed the expectations of securities analysts or investors, the trading price of our common stock could decline. Moreover, our stock price may be based on expectations of our future performance that may be unrealistic or that may not be met. Some of the important factors that could cause our revenues and operating results to fluctuate from quarter to quarter include:

- the extent to which our services achieve or maintain market acceptance;
- our ability to introduce new services and enhancements to our existing services on a timely basis;
- new competitors and the introduction of enhanced products and services from new or existing competitors;

- the length of our contracting and implementation cycles;
- changes in Client Days in Accounts Receivable;
- seasonal declines in the use of physician services, generally in the late summer and during the holiday season, which lead to a decline in collections by our physician clients about 30 to 50 days later;
- the financial condition of our current and future clients;
- changes in client budgets and procurement policies;
- the amount and timing of our investment in research and development activities;
- the amount and timing of our investment in sales and marketing activities;
- technical difficulties or interruptions in our services;
- our ability to hire and retain qualified personnel and maintain an adequate rate of expansion of our sales force;

- changes in the regulatory environment related to health care;
- regulatory compliance costs;
- the timing, size, and integration success of potential future acquisitions; and
- unforeseen legal expenses, including litigation and settlement costs.

Many of these factors are not within our control, and the occurrence of one or more of them might cause our operating results to vary widely. As such, we believe that quarter-to-quarter comparisons of our revenues and operating results may not be meaningful and should not be relied upon as an indication of future performance.

A significant portion of our operating expense is relatively fixed in nature, and planned expenditures are based in part on expectations regarding future revenue and profitability. Accordingly, unexpected revenue shortfalls, lower-than-expected revenue increases as a result of planned expenditures, and longer-than-expected impact on profitability and margins as a result of planned revenue expenditures may decrease our gross margins and profitability and could cause significant changes in our operating results from quarter to quarter. In addition, our future quarterly operating results may fluctuate and may not meet the expectations of securities analysts or investors. If this occurs, the trading price of our common stock could fall substantially, either suddenly or over time.

If the revenue of our clients decreases, or if our clients cancel or elect not to renew their contracts, our revenue will decrease.

Under most of our client contracts, we base our charges on a percentage of the revenue that the client realizes while using our services. Many factors may lead to decreases in client revenue, including:

- interruption of client access to our system for any reason;
- our failure to provide services in a timely or high-quality manner;
- failure of our clients to adopt or maintain effective business practices;
- actions by third-party payers of medical claims to reduce reimbursement;
- government regulations and government or other payer actions or inaction reducing or delaying reimbursement; and
- reduction of client revenue resulting from increased competition or other changes in the marketplace for physician services.

The current economic situation may give rise to several of these factors. For example, patients who have lost health insurance coverage due to unemployment or who face increased deductibles imposed by financially struggling employers or insurers could reduce the number of visits those patients make to our physician clients. Patients without health insurance or with reduced coverage may also default on their payment obligations at a higher rate than patients with coverage. Added financial stress on our clients could lead to their acquisition or bankruptcy, which could cause the termination of some of our service relationships. Further, despite the cost benefits that we believe our services provide, prospective clients may wish to delay contract decisions due to implementation costs or be reluctant to make any material changes in their established business methods in the current economic climate. With a reduction in tax revenue, state and federal government health care programs, including reimbursement programs such as Medicaid, may be reduced or eliminated, which could negatively impact the payments that our clients receive. Also, although we currently estimate our expected customer life to be twelve years, this is only an estimate, and there can be no assurance that our clients will elect to renew their contracts for this period of time. Our clients typically purchase one-

year contracts that, in most cases, may be terminated on 90 days notice without cause. If our clients' revenue decreases for any of the above or other reasons, or if our clients cancel or elect not to renew their contracts, our revenue will decrease.

If we are required to collect sales and use taxes on the services we sell in additional jurisdictions, we may be subject to liability for past sales and incur additional related costs and expenses, and our future sales may decrease.

We may lose sales or incur significant expenses should states be successful in imposing state sales and use taxes on our services. A successful assertion by one or more states that we should collect sales or other taxes on the sale of our services could result in substantial tax liabilities for past sales, decrease our ability to compete with software vendors subject to sales and use taxes, and otherwise harm our business. Each state has different rules and regulations governing sales and use taxes, and these rules and regulations are subject to varying interpretations that may change over time. We review these rules and regulations periodically and, when we believe that our services are subject to sales and use taxes in a particular state, we voluntarily approach state tax authorities in order to determine how to comply with their rules and regulations. We cannot assure you that we will not be subject to sales and use taxes or related penalties for past sales in states where we believe no compliance is necessary.

Vendors of services, like us, are typically held responsible by taxing authorities for the collection and payment of any applicable sales and similar taxes. If one or more taxing authorities determines that taxes should have, but have not, been paid with respect to our services, we may be liable for past taxes in addition to taxes going forward. Liability for past taxes may also include very substantial interest and penalty charges. Our client contracts provide that our clients must pay all applicable sales and similar taxes. Nevertheless, clients may be reluctant to pay back taxes and may refuse responsibility for interest or penalties associated with those taxes. If we are required to collect and pay back taxes and the associated interest and penalties, and if our clients fail or refuse to reimburse us for all or a portion of these amounts, we will have incurred unplanned expenses that may be substantial. Moreover, imposition of such taxes on our services going forward will effectively increase the cost of such services to our clients and may adversely affect our ability to retain existing clients or to gain new clients in the states in which such taxes are imposed.

We may also become subject to tax audits or similar procedures in states where we already pay sales and use taxes. The occurrence of additional accounting and legal costs and related expenses in connection with, and the assessment of, taxes, interest, and penalties as a result of audits, litigation, or otherwise could be materially adverse to our

current and future results of operations and financial condition.

As a result of our variable sales and implementation cycles, we may be unable to recognize revenue to offset expenditures, which could result in fluctuations in our quarterly results of operations or otherwise harm our future operating results.

The sales cycle for our services can be variable, typically ranging from three to five months from initial contact to contract execution, although this period can be substantially longer. During the sales cycle, we expend time and resources, and we do not recognize any revenue to offset such expenditures. Our implementation cycle is also variable, typically ranging from three to five months from contract execution to completion of implementation, although some of our new-client set-up projects—especially those for larger clients—are complex and require a lengthy delay and significant implementation work. Each client’s situation is different, and unanticipated difficulties and delays may arise as a result of failure by us or by the client to meet our respective implementation responsibilities. During the implementation cycle, we expend substantial time, effort, and financial resources implementing our services, but accounting principles do not allow us to recognize the resulting revenue until the service has been implemented, at which time we begin recognition of implementation revenue over an expected attribution period of the longer of the estimated expected customer life, currently twelve years, or the contract term.

Even if implementation has begun, there can be no assurance that we will recognize revenue on a timely basis or at all from our efforts. Implementation for a given client may be canceled, as our contracts typically provide that they can be terminated for any reason or no reason on 90 days notice. Despite the fact that we typically require a deposit in advance of implementation, some clients have canceled before our services have been started. In addition, implementation may be delayed, or the target dates for completion may be extended into the future, for a variety of reasons, including the needs and requirements of the client, delays with payer processing, and the volume and complexity of the implementations awaiting our work. If implementation periods are extended, our provision of the revenue cycle, clinical cycle, or patient cycle services upon which we realize most of our revenues will be delayed, and our financial condition may be adversely affected. In addition, cancellation of any implementation after it has begun may involve loss to us of time, effort, and expenses invested in the canceled implementation process and lost opportunity for implementing paying clients in that same period of time.

These factors may contribute to substantial fluctuations in our quarterly operating results, particularly in the near term and during any period in which our sales volume is relatively low. As a result, in future quarters our operating results could fall below the

expectations of securities analysts or investors, in which event our stock price would likely decrease.

Risks Related to Our Products and Services

We are subject to the effect of payer and provider conduct that we cannot control and that could damage our reputation with clients and result in liability claims that increase our expenses.

We offer certain electronic claims submission services for which we rely on content from clients, payers, and others. While we have implemented certain features and safeguards designed to maximize the accuracy and completeness of claims content, these features and safeguards may not be sufficient to prevent inaccurate claims data from being submitted to payers. Should inaccurate claims data be submitted to payers, we may experience poor operational results and may be subject to liability claims, which could damage our reputation with clients and result in liability claims that increase our expenses.

If our services fail to provide accurate and timely information, or if our content or any other element of any of our services is associated with faulty clinical decisions or treatment, we could have liability to clients, clinicians, or patients, which could adversely affect our results of operations.

Our software, content, and services are used to assist clinical decision-making and provide information about patient medical histories and treatment plans. If our software, content, or services fail to provide accurate and timely information or are associated with faulty clinical decisions or treatment, then clients, clinicians, or their patients could assert claims against us that could result in substantial costs to us, harm our reputation in the industry, and cause demand for our services to decline.

The assertion of such claims and ensuing litigation, regardless of its outcome, could result in substantial cost to us, divert management's attention from operations, damage our reputation, and decrease market acceptance of our services. We attempt to limit by contract our liability for damages and to require that our clients assume responsibility for medical care and approve key system rules, protocols, and data. Despite these precautions, the allocations of responsibility and limitations of liability set forth in our contracts may not be enforceable, be binding upon patients, or otherwise protect us from

liability for damages.

We maintain general liability and insurance coverage, but this coverage may not continue to be available on acceptable terms or may not be available in sufficient amounts to cover one or more large claims against us. In addition, the insurer might disclaim coverage as to any future claim. One or more large claims could exceed our available insurance coverage.

Our proprietary software may contain errors or failures that are not detected until after the software is introduced or updates and new versions are released. It is challenging for us to test our software for all potential problems because it is difficult to simulate the wide variety of computing environments or treatment methodologies that our clients may deploy or rely upon. From time to time we have discovered defects or errors in our software, and such defects or errors can be expected to appear in the future. Defects and errors that are not timely detected and remedied could expose us to risk of liability to clients, clinicians, and patients and cause delays in introduction of new services, result in increased costs and diversion of development resources, require design modifications, or decrease market acceptance or client satisfaction with our services.

If any of these risks occur, they could materially adversely affect our business, financial condition, or results of operations.

We may be liable for use of incorrect or incomplete data that we provide, which could harm our business, financial condition, and results of operations.

We store and display data for use by health care providers in treating patients. Our clients or third parties provide us with most of these data. If these data are incorrect or incomplete or if we make mistakes in the capture or input of these data, adverse consequences, including death, may occur and give rise to product liability and other claims against us. In addition, a court or government agency may take the position that our storage and display of health information exposes us to personal injury liability or other liability for wrongful delivery or handling of health care services or erroneous health information. While we maintain insurance coverage, we cannot assure that this coverage will prove to be adequate or will continue to be available on acceptable terms, if at all. Even unsuccessful claims could result in substantial costs and diversion of management resources. A claim brought against us that is uninsured or under-insured could harm our business, financial condition, and results of operations.

Regulatory Risks

Government regulation of health care creates risks and challenges with respect to our compliance efforts and our business strategies.

The health care industry is highly regulated and is subject to changing political, legislative, regulatory, and other influences. Existing and new laws and regulations affecting the health care industry could create unexpected liabilities for us, cause us to incur additional costs, and restrict our operations. Many health care laws are complex, and their application to specific services and relationships may not be clear. In particular, many existing health care laws and regulations, when enacted, did not anticipate the health care information services that we provide, and these laws and regulations may be applied to our services in ways that we do not anticipate. Our failure to accurately anticipate the application of these laws and regulations, or our other failure to comply, could create liability for us, result in adverse publicity, and negatively affect our business. Some of the risks we face from health care regulation are described below:

False or Fraudulent Claim Laws. There are numerous federal and state laws that forbid submission of false information, or the failure to disclose information, in connection with submission and payment of physician claims for reimbursement. In some cases, these laws also forbid abuse in connection with such submission and payment. Any failure of our services to comply with these laws and regulations could result in substantial liability (including, but not limited to, criminal liability), adversely affect demand for our services, and force us to expend significant capital, research and development, and other resources to address the failure. Errors by us or our systems with respect to entry, formatting, preparation, or transmission of claim information may be determined or alleged to be in violation of these laws and regulations. Any determination by a court or regulatory agency that our services violate these laws could subject us to civil or criminal penalties, invalidate all or portions of some of our client contracts, require us to change or terminate some portions of our business, require us to refund portions of our services fees, cause us to be disqualified from serving clients doing business with government payers, and have an adverse effect on our business.

In most cases where we are permitted to do so, we calculate charges for our services based on a percentage of the collections that our clients receive as a result of our services. To the extent that violations or liability for violations of these laws and regulations require intent, it may be alleged that this percentage calculation provides us or our employees with incentive to commit or overlook fraud or abuse in connection with submission and payment of reimbursement claims. The U.S. Centers for Medicare and Medicaid Services has stated that it is concerned that percentage-based billing

services may encourage billing companies to engage in or overlook fraudulent or abusive practices.

In addition, we may contract with third parties that offer software relating to the selection or verification of codes used to identify and classify the services for which reimbursement is sought. Submission of codes that do not accurately reflect the services provided or the location or method of their provision may constitute a violation of false or fraudulent claims laws. Our ability to comply with these laws depends on the coding +decisions made by our clients and the accuracy of our vendors' software and services in suggesting possible codes to our clients and verifying that proper codes have been selected.

HIPAA and other Health Privacy Regulations. There are numerous federal and state laws related to patient privacy. In particular, the Health Insurance Portability and Accountability Act of 1996, or HIPAA, includes privacy standards that protect individual privacy by limiting the uses and disclosures of individually identifiable health information and implementing data security standards that require covered entities to implement administrative, physical, and technological safeguards to ensure the confidentiality, integrity, availability, and security of individually identifiable health information in electronic form. HIPAA also specifies formats that must be used in certain electronic transactions, such as claims, payment advice, and eligibility inquiries. Because we translate electronic transactions to and from HIPAA-prescribed electronic formats and other forms, we are considered a clearinghouse and, as such, a covered entity subject to HIPAA. In addition, our clients are also covered entities and are mandated by HIPAA to enter into written agreements with us—known as business associate agreements—that require us to safeguard individually identifiable health information. Business associate agreements typically include:

- a description of our permitted uses of individually identifiable health information;
- a covenant not to disclose that information except as permitted under the agreement and to make our subcontractors, if any, subject to the same restrictions;
- assurances that appropriate administrative, physical, and technical safeguards are in place to prevent misuse of that information;

- an obligation to report to our client any use or disclosure of that information other than as provided for in the agreement;
- a prohibition against our use or disclosure of that information if a similar use or disclosure by our client would violate the HIPAA standards;
- the ability of our clients to terminate the underlying support agreement if we breach a material term of the business associate agreement and are unable to cure the breach;
- the requirement to return or destroy all individually identifiable health information at the end of our support agreement; and
- access by the Department of Health and Human Services to our internal practices, books, and records to validate that we are safeguarding individually identifiable health information.

We may not be able to adequately address the business risks created by HIPAA implementation. Furthermore, we are unable to predict what changes to HIPAA or other laws or regulations might be made in the future or how those changes could affect our business or the costs of compliance. For example, the provisions of the HITECH Act and the regulations issued under it have provided clarification of certain aspects of both the Privacy and Security Rules, expansion of the disclosure requirements for a breach of the Security Rule, and strengthening of the civil and criminal penalties for failure to comply with HIPAA. In addition, ONCHIT is coordinating the ongoing development of standards to enable interoperable health information technology infrastructure nationwide based on the widespread adoption of electronic health records in the health care sector. We are unable to predict what, if any, impact the changes in such standards will have on our compliance costs or our services.

In addition, some payers and clearinghouses with which we conduct business interpret HIPAA transaction requirements differently than we do. Where clearinghouses or payers

require conformity with their interpretations as a condition of effecting transactions, and their interpretations are no less stringent than ours, we seek to comply with their interpretations.

The HIPAA transaction standards include proper use of procedure and diagnosis codes. Since these codes are selected or approved by our clients, and since we do not verify their propriety, some of our capability to comply with the transaction standards is dependent on the proper conduct of our clients.

Among our services, we provide telephone reminder services to patients, Internet- and telephone-based access to medical test results, pager and email notification to practices of patient calls, and patient call answering services. We believe that reasonable efforts to prevent disclosure of individually identifiable health information have been and are being taken in connection with these services, including the use of multiple-password security. However, any failure of our clients to provide accurate contact information for their patients or physicians or any breach of our telecommunications systems could result in a disclosure of individually identifiable health information.

In addition to the HIPAA Privacy and Security Rules and the HITECH Act requirements, most states have enacted patient confidentiality laws that protect against the disclosure of confidential medical and other personally identifiable information, and many states have adopted or are considering further legislation in this area, including privacy safeguards, security standards, and data security breach notification requirements. Such state laws, if more stringent than HIPAA and HITECH Act requirements, are not preempted by the federal requirements, and we are required to comply with them.

Failure by us to comply with any of the federal and state standards regarding patient privacy may subject us to penalties, including civil monetary penalties and, in some circumstances, criminal penalties. In addition, such failure may injure our reputation and adversely affect our ability to retain clients and attract new clients.

In addition to false claims and HIPAA requirements, we are subject to a variety of other regulatory schemes, including:

- *Anti-Kickback and Anti-Bribery Laws.* There are federal and state laws that govern patient referrals, physician financial relationships, and inducements to health care providers and patients. For example, the federal health care programs' anti-kickback law prohibits any person or entity from offering, paying, soliciting, or receiving anything of value, directly or indirectly, for the referral of patients covered by Medicare, Medicaid, and other federal health care programs or the leasing, purchasing, ordering, or arranging for or recommending the lease, purchase, or order of any item, good, facility, or service covered by these

programs. Many states also have similar anti-kickback laws that are not necessarily limited to items or services for which payment is made by a federal health care program. Moreover, both federal and state laws forbid bribery and similar behavior. Any determination by a state or federal regulatory agency that any of our activities or those of our clients, vendors, or channel partners violate any of these laws could subject us to civil or criminal penalties, require us to change or terminate some portions of our business, require us to refund a portion of our service fees, disqualify us from providing services to clients doing business with government programs, and have an adverse effect on our business. As the recipients of those orders will in certain instances pay us for the submission of accurate, complete, and readable orders instead of the handwritten and often incomplete orders traditionally submitted, our service could potentially be seen as providing referrals to the order recipients in exchange for payment. Although the Office of Inspector General issued an Advisory Opinion in November 2011 stating that our receipt of payments in such instances would not violate federal anti-kickback laws, we cannot predict whether changes in the law or our

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kickback laws, we cannot predict whether changes in the law or our services might lead to a challenge of the legality of those services by government regulators. Even an unsuccessful challenge by regulatory authorities of our activities could result in adverse publicity and could require a costly response from us.

- *Anti-Referral Laws.* There are federal and state laws that forbid payment for patient referrals, patient brokering, remuneration of patients, or billing based on referrals between individuals or entities that have various financial, ownership, or other business relationships with health care providers. In many cases, billing for care arising from such actions is illegal. These vary widely from state to state, and one of the federal laws—called the Stark Law—is very complex in its application. Any determination by a state or federal regulatory agency that any of our clients violate or have violated any of these laws may result in allegations that claims that we have processed or forwarded are improper. This could subject us to civil or criminal penalties, require us to change or terminate some portions of our business, require us to refund portions of our services fees, and have an adverse effect on our business. Even an unsuccessful challenge by regulatory authorities of our activities could result in adverse publicity and could require a costly response from us.
- *Corporate Practice of Medicine Laws and Fee-Splitting Laws.* Many states have laws forbidding physicians from practicing medicine in partnership with non-physicians, such as business corporations. In some states, including New York, these take the form of laws or regulations forbidding splitting of physician fees with non-physicians or others. In some cases, these laws have been interpreted to prevent business service providers from charging their physician clients on the basis of a percentage of collections or charges. We have varied our charge structure in some states to comply with these laws, which may make our services less desirable to potential clients. Any determination by a state court or regulatory agency that our service contracts with our clients violate these laws could subject us to civil or criminal penalties, invalidate all or portions of some of our client contracts, require us to change or terminate some portions of our business, require us to refund portions of our services fees, and have an adverse effect on our business. Even an unsuccessful challenge by regulatory authorities of our activities could result in adverse publicity and could require a costly response

from us.

- *Anti-Assignment Laws.* There are federal and state laws that prohibit or limit assignment of claims for reimbursement from government-funded programs. In some cases, these laws have been interpreted in regulations or policy statements to limit the manner in which business service companies may handle checks or other payments for such claims and to limit or prevent such companies from charging their physician clients on the basis of a percentage of collections or charges. Any determination by a state court or regulatory agency that our service contracts with our clients violate these laws could subject us to civil or criminal penalties, invalidate all or portions of some of our client contracts, require us to change or terminate some portions of our business, require us to refund portions of our service fees, and have an adverse effect on our business. Even an unsuccessful challenge by regulatory authorities of our activities could result in adverse publicity and could require a costly response from us.
- *Prescribing Laws.* The use of our software by physicians to perform a variety of functions relating to prescriptions, including electronic prescribing, electronic routing of prescriptions to pharmacies, and dispensing of medication, is governed by state and federal law, including fraud and abuse laws, drug control regulations, and state department of health regulations. States have differing prescription format requirements, and, due in part to recent industry initiatives, federal law and the laws of all 50 states now provide a regulatory framework for the electronic transmission of prescription orders. Regulatory authorities such as the U.S. Department of Health and Human Services' Centers for Medicare and Medicaid Services may impose functionality standards with regard to electronic prescribing and EHR technologies. Any determination that we or our clients have violated prescribing laws may expose us to liability, loss of reputation, and loss of business. These laws and requirements may also increase the cost and time necessary to market new services and could affect us in other respects not presently foreseeable.

- *Electronic Health Records Laws.* A number of federal and state laws govern the use and content of electronic health record systems, including fraud and abuse laws that may affect how such technology is provided. As a company that provides EHR functionality, our systems and services must be designed in a manner that facilitates our clients' compliance with these laws. Because this is a topic of increasing state and federal regulation, we expect additional and continuing modification of the current legal and regulatory environment. We cannot predict the content or effect of possible future regulation on our business activities. Department of Health and Human Services (HHS). The 2011/2012 criteria support the Stage 1 meaningful use measures required to qualify eligible providers and hospitals for funding under the HITECH Act. While we believe that our system is well designed in terms of function and interoperability, we cannot be certain that it will meet future requirements.
- *Claims Transmission Laws.* Our services include the manual and electronic transmission of our client's claims for reimbursement from payers. Federal and various state laws provide for civil and criminal penalties for any person who submits, or causes to be submitted, a claim to any payer (including, without limitation, Medicare, Medicaid, and any private health plans and managed care plans) that is false or that overbills or bills for items that have not been provided to the patient. Although we do not determine what is billed to a payer, to the extent that such laws apply to a service that merely transmits claims on behalf of others, we could be subject to the same civil and criminal penalties as our clients.
- *Prompt Pay Laws.* Laws in many states govern prompt payment obligations for health care services. These laws generally define claims payment processes and set specific time frames for submission, payment, and appeal steps. They frequently also define and require clean claims. Failure to meet these requirements and time frames may result in rejection or delay of claims. Failure of our services to comply may adversely affect our business results and give rise to liability claims by clients.

- *Medical Device Laws.* The U.S. Food and Drug Administration (FDA) has promulgated a draft policy for the regulation of computer software products as medical devices under the 1976 Medical Device Amendments to the Federal Food, Drug and Cosmetic Act. In addition, in February 2011 the FDA issued a final rule regarding regulation of Medical Device Data Systems (MDDSs), which are systems that are intended to transfer, store, convert, or display medical device data. While EHRs are expressly exempted from the final rule, it is possible that future changes in our services could involve the transfer, storage, conversion, or display of medical device data. In addition, a report, due by early 2014 from the FDA, ONCHIT, and the Federal Communications Commission, is expected to propose a regulatory framework for health information technology for the purpose of promoting innovation, protecting patient safety, and avoiding regulatory duplication. To the extent that our software is considered a medical device under the policy or an MDDS under the final rule, or is the subject of additional regulation promulgated as a result of the report, we, as a provider of application functionality, could be required, depending on the functionality, to:
 - register and list our products with the FDA;
 - notify the FDA and demonstrate substantial equivalence to other products on the market before marketing our functionality; or
 - obtain FDA approval by demonstrating safety and effectiveness before marketing our functionality.

The FDA can impose extensive requirements governing pre- and post-market conditions, such as service investigation and others relating to approval, labeling, and manufacturing. In addition, the FDA can impose extensive requirements governing development controls and quality assurance processes.

Potential health care reform and new regulatory requirements placed on our software, services, and content could impose increased costs on us, delay or prevent our introduction of new services types, and impair the function or value of our existing service types.

Our services may be significantly impacted by health care reform initiatives and will be subject to increasing regulatory requirements, either of which could affect our business in a multitude of ways. If substantive health care reform or applicable regulatory requirements are adopted, we may have to change or adapt our services and software to comply. Reform or changing regulatory requirements may also render our services obsolete or may block us from accomplishing our work or from developing new services. This may in turn impose additional costs upon us to adapt to the new operating environment or to further develop services or software. Such reforms may also make introduction of new service types more costly or more time-consuming than we currently anticipate. Such changes may even prevent introduction by us of new services or make the continuation of our existing services unprofitable or impossible.

Potential additional regulation of the disclosure of health information outside the United States may adversely affect our operations and may increase our costs.

Federal or state governmental authorities may impose additional data security standards or additional privacy or other restrictions on the collection, use, transmission, and other disclosures of health information. Legislation has been proposed at various times at both the federal and the state level that would limit, forbid, or regulate the use or transmission of medical information outside of the United States. Such legislation, if adopted, may render our use of our off-shore partners, such as our data-entry and customer service providers, for work related to such data impracticable or substantially more expensive. Alternative processing of such information within the United States may involve substantial delay in implementation and increased cost.

Due to the particular nature of certain services we provide or the manner in which we provide them, we may be subject to government regulation unrelated to health care.

While our services are primarily subject to government regulations pertaining to health care, certain aspects of those services may require us to comply with regulatory schemes from other areas. Examples of such regulatory schema include:

Antitrust Laws. Our national cloud-based network allows us access to cost and pricing data for a large number of providers in most regional markets, as well as to the contracted rates for third-party payers. To the extent that our services enable providers to compare their cost and pricing data with those of their competitors, those providers could collude to increase the pricing for their services, to reduce the compensation they pay their employees, or to collectively negotiate agreements with third parties. Similarly, if payers are able to compare their contracted rates of payment to providers, those payers may seek to reduce the amounts they might otherwise pay. Such actions may be deemed to be anti-competitive and a violation of federal antitrust laws. To the extent that we are

deemed to have enabled such activities, we could be subject to fines and penalties imposed by the U.S. Department of Justice or the Federal Trade Commission and be required to curtail or terminate the services that permitted such collusion.

Debt Collection Laws. As a billing service that offers patient communication and registration services, our employees or those of our service providers may from time to time come into contact with patients who owe our clients outstanding amounts. Communications with patients that relate to amounts owed may be deemed to subject us or our service providers to federal or state debt collection laws and regulations. Such laws and regulations, if deemed to apply to us, could require registration with government agencies and compliance with significant administrative obligations (e.g., to maintain an in-state office with local employees), which could result in increased expenses and subject us to fines and penalties for violation. Following the disclosure in 2012 of the methods used by debt collector Accretive Health to obtain payment of amounts owed by patients to one of its hospital clients, heightened focus on debt collection practices may lead to additional regulation and greater scrutiny of existing debt collection practices.

Subsidy of services similar to ours may reduce client demand if we do not participate in such programs.

In the past few years, entities such as the Massachusetts Healthcare Consortium have offered to subsidize adoption by physicians of EHR technology. In addition, federal regulations have been changed to permit such subsidy from additional sources, subject to certain limitations, and the current administration passed the HITECH Act, which provides federal support for EHR initiatives. While we have qualified for and participated in many of such subsidy programs, we cannot guarantee that we will be able to do so in the future. To the extent that we do not participate in such programs, demand for our services may be reduced, which may decrease our revenues.

The price of our common stock may continue to be volatile.

The trading price of our common stock has been and is likely to remain highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control or unrelated to our operating performance. In addition to the factors discussed in this “Risk Factors” section and elsewhere, these factors include: the operating performance of similar companies; the overall performance of the equity markets; the announcements by us or our competitors of acquisitions, business plans, or commercial relationships; threatened or actual litigation; changes in laws or regulations relating to the provision of health care or the sale of health insurance; any major change in our board of directors or management; publication of research reports or news stories

about us, our competitors, or our industry or positive or negative recommendations or withdrawal of research coverage by securities analysts; large volumes of sales of our shares of common stock by existing stockholders; and general political and economic conditions.

In addition, the stock market in general, and the market for Internet-related companies in particular, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies securities. This litigation, if instituted against us, could result in very substantial costs; divert our management's attention and resources; and harm our business, operating results, and financial condition.

Wyoming law might discourage, delay, or prevent a change of control of our company or changes in our management and, therefore, depress the trading price of our common stock.

Wyoming law may discourage, delay, or prevent a merger, acquisition, or other change in control that stockholders may consider favorable, including transactions in which they might otherwise receive a premium for their shares of our common stock. These provisions may also prevent or frustrate attempts by our stockholders to replace or remove our management. These provisions include: limitations on the removal of director; advance notice requirements for stockholder proposals and nominations; inability of stockholders to act by written consent or call special meetings; and the ability of our board of directors to make, alter or repeal our by-laws.

Wyoming General Corporation Law prohibits a publicly held Wyoming corporation from engaging in a business combination with an interested stockholder (generally an entity that, together with its affiliates, owns, or within the last three years has owned, 15% or more of our voting stock) for a period of three years after the date of the transaction in which the entity became an interested stockholder, unless the business combination is approved in a prescribed manner.

The existence of the foregoing provisions and anti-takeover measures could limit the price that investors might be willing to pay in the future for shares of our common stock. They could also deter potential acquirers of our company, thereby reducing the likelihood that stockholders could receive a premium for their common stock in an acquisition.

Risks Associated with Investing in our Common Stock

If we obtain additional financing, existing investor interests may be diluted. We may need to raise additional funds in the near future to fund our operations, deliver, expand, or enhance our products and services, finance acquisitions and respond to competitive pressures or perceived opportunities. If we raise additional funds by issuing equity or convertible debt securities, the percentage ownership of our investors will be diluted. Furthermore, we cannot assure you that additional financing will be available when and to the extent we require it or that, if available, it will be on acceptable terms.

Because we may be subject to the “penny stock” rules, you may have difficulty in selling our common stock. Because our stock price is less than \$5.00 per share, our stock may be subject to the SEC’s penny stock rules, which impose additional sales practice requirements and restrictions on broker-dealers that sell our stock to persons other than established customers and institutional accredited investors. The application of these rules may affect the ability of broker-dealers to sell our common stock and may affect your ability to sell any common stock you may own.

According to the SEC, the market for penny stocks has suffered in recent years from patterns of fraud and abuse. Additionally, we may be subject to short selling, manipulation by others, and the regulations of the Pink Sheets OTC markets, all of which may be outside our control.

As an Issuer of “penny stock” the protection provided by the federal securities laws relating to forward looking statements does not apply to us. Although the federal securities law provide a safe harbour for forward-looking statements made by a public company that files reports under the federal securities laws, this safe harbour is not available to Issuers of penny stocks. As a result, if we are a penny stock we will not have the benefit of this safe harbour protection in the event of any based upon an claim that the material provided by us contained a material misstatement of fact or was misleading in any material respect because of our failure to include any statements necessary to make the statements not misleading.

The volatility of and limited trading market in our common stock may make it difficult for you to sell our common stock for a positive return on your investment. The public market for our common stock has historically been very volatile. Any future market price for our shares is likely to continue to be very volatile. Further, our common stock is not actively traded, which may amplify the volatility of our stock. These factors may make it more difficult for you to sell shares of common stock.

The registration and potential sale, either pursuant to a prospectus or pursuant to Rule 144, by certain of our selling stockholders of a significant number of shares could encourage short sales by third parties. There may be significant downward pressure on our stock price caused by the sale or potential sale of a significant number of +shares by certain of our selling stockholders pursuant to this prospectus, which could allow short sellers of our stock an opportunity to take advantage of any decrease in the value of our stock. The presence of short sellers in our common stock may further depress the price of our common stock.

If the selling stockholders sell a significant number of shares of common stock, the market price of our common stock may decline. Furthermore, the sale or potential sale of the offered shares pursuant to a prospectus and the depressive effect of such sales or potential sales could make it difficult for us to raise funds from other sources.

Our listing in the “Pink Sheets” limits the marketability of our stock. We are traded in the Pink Sheets. Companies in this market generally are disadvantaged in attracting investor interest.

Complete conversion of our convertible securities would result in substantial dilution to the common shareholders. We have outstanding issues of convertible notes. The conversion of all or a part of these securities would result in substantial dilution to the common shares. The Issuer intends to convert such notes and issue a large number of new shares which will dilute existing holders.

Because we do not intend to pay any dividends on our common shares, investors seeking dividend income or liquidity should not purchase our shares. We do not currently anticipate declaring and paying dividends to our shareholders in the near future. It is our current intention to apply net earnings, if any, in the foreseeable future to increasing our working capital. Prospective investors seeking or needing dividend income or liquidity should, therefore, not purchase our common stock. We currently have no revenues and a history of losses, so there can be no assurance that we will ever have sufficient earnings to declare and pay dividends to the holders of our shares, and in any event, a decision to declare and pay dividends is at the sole discretion of our board of directors, who currently do not intend to pay any dividends on our common shares for the foreseeable future.

You may experience dilution if we issue additional securities. If we issue additional shares, you may find your holdings diluted, which if it occurs, means that you will own a smaller percentage of our company. Further, any issuance of additional securities to various persons or entities in lieu of cash payments will lead to further dilution. The Issuer intends to issue such new shares, see “Marketing.” The Issuer may acquire other companies which would also involve the issuance of new shares.

Our common stock may be subject to penny stock rules, which may make it more difficult for our stockholders to sell their common stock. Broker-dealer practices in connection with transactions in "penny stocks" are regulated by certain penny stock rules adopted by the Securities and Exchange Commission ("SEC"). Penny stocks generally are equity securities with a price of less than \$5.00 per share. The penny stock rules require a broker-dealer, prior to a purchase or sale of a penny stock not otherwise exempt from the rules, to deliver to the customer a standardized risk disclosure document that provides information about penny stocks and the risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction, and monthly account statements showing the market value of each penny stock held in the customer's account. In addition, the penny stock rules generally require that prior to a transaction in a penny stock the broker-dealer make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for a stock that becomes subject to the penny stock rules.

We are not required to meet or maintain any listing standards for our common stock to be quoted on the OTC Bulletin Board or in the Pink Sheets, which could affect our stockholders' ability to access trading information about our common stock.

The OTC Bulletin Board and the Pink Sheets are each separate and distinct from the NASDAQ Stock Market and any national stock exchange, such as the New York Stock Exchange or the American Stock Exchange. Although the OTC Bulletin Board is a regulated quotation service operated by FINRA, that displays real-time quotes, last sale prices, and volume information in over-the-counter ("OTC") equity securities like our common stock, and although Pink Sheets' Electronic Quotation Service is an Internet-based, real-time quotation service for OTC equities for market makers and brokers that provides pricing and financial information for the OTC securities markets, we are not required to meet or maintain any qualitative or quantitative standards for our common

stock to be quoted on either the OTC Bulletin Board or in the Pink Sheets. Our common stock does not presently meet the minimum listing standards for listing on the NASDAQ Stock Market or any national securities exchange, which could affect our stockholders' ability to access trading information about our common stock. Additionally, we are required to satisfy the reporting requirements under the Securities Exchange.

As an Issuer of “penny stock” the protection provided by the federal securities laws relating to forward looking statements does not apply to us. Although the federal securities law provide a safe harbor for forward-looking statements made by a public company that files reports under the federal securities laws, this safe harbor is not available to Issuers of penny stocks. As a result, if we are a penny stock we will not have the benefit of this safe harbor protection in the event of any based upon an claim that the material provided by us contained a material misstatement of fact or was misleading in any material respect because of our failure to include any statements necessary to make the statements not misleading.

The volatility of and limited trading market in our common stock may make it difficult for you to sell our common stock for a positive return on your investment. The public market for our common stock has historically been very volatile. Any future market price for our shares is likely to continue to be very volatile. Further, our common stock is not actively traded, which may amplify the volatility of our stock. These factors may make it more difficult for you to sell shares of common stock.

The registration and potential sale, either pursuant to a prospectus or pursuant to Rule 144, by certain of our stockholders of a significant number of shares could encourage short sales by third parties. There may be significant downward pressure on our stock price caused by the sale or potential sale of a significant number of shares by certain of our stockholders, which could allow short sellers of our stock an opportunity to take advantage of any decrease in the value of our stock. The presence of short sellers in our common stock may further depress the price of our common stock.

If the selling stockholders sell a significant number of shares of common stock, the market price of our common stock may decline. Furthermore, the sale or potential sale of our shares and the depressive effect of such sales or potential sales could make it difficult for us to raise funds from other sources.

Statements Regarding Forward-looking Statements

This Disclosure Statement contains various "forward-looking statements." You can identify forward-looking statements by the use of forward-looking terminology such as "believes," "expects," "may," "will," "would," "could," "should," "seeks," "approximately," "intends," "plans," "projects," "estimates" or "anticipates" or the negative of these words and phrases or similar words or phrases. You can also identify forward-looking statements by discussions of strategy, plans or intentions. These statements may be impacted by a number of risks and uncertainties.

The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance taking into account all information currently available to us. These beliefs, assumptions and expectations are subject to risks and uncertainties and can change as a result of many possible events or factors, not all of which are known to us. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. You should carefully consider these risks before you make an investment decision with respect to our Securities. For a further discussion of these and other factors that could impact our future results, performance or transactions, see the section entitled "Risk Factors."

Item 10. The nature and extent of the Issuer's facilities

Property

We rent an office at 116 Lakewood Drive, Thomasville, Georgia 70053.

Part D Management Structure and Financial Information

Item 11 The name of the chief executive officer, members of the board of directors, as well as control persons.

Scott Miller – COO. Director

Formerly Mr. Miller was President of Sales and Contracting for seven years for General Asset Recovery of Chicago, Illinois. There he took sales from \$200,000 a year to over

\$40 million. He contracted largest hospital group in the US (HCA) and closed 135 hospitals across US. He sold the company to Neoforma .Com and transitioned to Senior Management.

At Neoforma .Com of San Jose, California, he was President of Business Development and a Member of the Leadership Council for seven years. Mr. Miller headed the IPO effort for the company, raising \$150 million. He continued the GAR service line, closed another 30 hospitals, and contracted 800 hospitals to use services. He also signed the first partnership deal with the VHA for online purchasing for purchasing groups.

At Med One Source of Cleveland, Ohio, Mr. Miller was President of the Service Arm for nine years. He sold auction division from Neoforma to Med One Source, closed an additional 60 hospitals, and contracted an additional 900 hospitals. He achieved million dollar revenue growth in each of his nine years with the company. Mr. Miller signed long term agreement for consulting with HCA, Catholic Health Care, Duke University, Baptist, Mayo Clinic, Umass Healthcare, University California, and Baylor University.

Ormand Hunter, Jr. - President, Treasurer, Director

Mr. Hunter currently serves as President and Treasurer of the Issuer following the resignation of Mr. Hayes. Mr. Hunter has been a serial entrepreneur since 1978, specializing in real estate projects. Mr. Hunter started had has run a building and design firm spanning from January of 1978 to the present. He has developed several mixed use real estate projects in Florida and residential developments in Georgia and Florida, as well as acting as builder for 48 retail projects. Mr. Hunter has designed and built \$50 million of design/build projects built in place. He is a CADD Specialist and experienced in innovative sustainable product design. As a developer, he is adept at feasibility studies and market analysis, land acquisition and development services, and completing project design and execution.

Mr. Hunter is a Certified Building Contractor in State of Florida. He has studied architecture at the College of Design, Construction, and Planning, University of Florida, and is proficient as a SoftPlan Designer. He was a featured speaker at the IBC in utilization of SoftPlan as a medium for Light Commercial design and multi-family design concepts.

Michael Hayes

As of December 31, 2016, Mr. Hayes was serving as the Issuer's Chairman of the Board and Chief Executive Officer. Mr. Hayes later resigned as a director for health reasons. He continues to serve as an advisor the Issuer.

Mr. Hayes is the Chief Executive Manager and Principal of MD Hayes Enterprises, LLC, a strategic minded business advisory, consulting, mentoring and executive coaching firm committed to helping businesses and business owners maximize their full potential through a focus-based and analytical approach. Michael is an accomplished Hands On Business Manager offering over 30 years' experience in international finance, systems, and operations for international and domestic manufacturing and distribution companies during their emerging and growth periods. He traveled worldwide to optimize financial and operational cohesion with customers, vendors, Auditors, and Bankers. Michael orchestrates business mergers and acquisitions. Designs and executes systems, procedures, both short and long-term strategic plans that drive and develop emerging businesses. He is accomplished in international and domestic operations, financing, and banking. Michael as an entrepreneurial visionary has successfully identified strategic business opportunities and built relationships to achieve desired results of business owners. He is a creative and ethical leader who successfully inspires management teams, business owners, and investors to achieve company goals and establishes esprit de corps within the company.

Of the 30 years' experience in business and industry, over 20 years was in senior management positions. Prior to starting MD Hayes Consulting, Michael was the Chief Operating Officer-President and member of the Board of Directors of an international manufacturing company with annual revenues of \$90 million. Prior to that position Michael has worked as the Corporate Financial Reporting Manager of a Fortune 500 company, a Divisional Officer of a multi-billion dollar manufacturing worldwide conglomerate, and Vice President for several other start – up and high growth companies. Michael has extensive experience in many parts of Asia including: China, Taiwan, and Korea. In addition, he spent a year in Europe working in Germany, Holland France and Italy structuring banking relationships, sales organizations, mineral processing, and distribution and manufacturing facilities for an international company. Michael also worked in the financial services industry on Wall Street and with a major US lending organization based in Houston Texas. This gave him a solid understanding of financial structuring for many different business situations in private equity/lenders, commercial banking, venture funding, and second tier funding organizations.

Mr. Hayes has achieved an MBA, Finance from Trinity College University with Honors, a BS in Accounting - Marywood University Summa Cum Laude, Certification in Negotiations - Rockhurst University, and a Certification in Advanced User Systems –

Software International. He is recognized by the Association of Financial Managers as a Financial Manager, Institute of Management Accountants as a Management Accountant, Institute for Independent Business as an Executive Associate, CMT Mentors as an Accredited Master Mentor & Executive Coach, and Recognized in 1994, Book Of Who's Who For Business Leaders as a Financial Manager.

None of our officers or directors in the last five years has been the subject of any conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses), 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; 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 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.

There are no family relationships among and between our directors, officers, persons nominated or chosen by the Issuer to become directors or officers, or beneficial owners of more than five percent (5%) of the any class of the Issuer's equity securities.

Related Party Transactions

During the last two full fiscal years and the current fiscal year or any currently proposed transaction, there is no transaction involving the Issuer, in which the amount involved exceeds the lesser of \$120,000 or one percent of the average of the Issuer's total assets at year-end for its last three fiscal years other than as follows:

The Issuer transferred treasury stock Mr. Miller and Mr. Hunter in exchange for all amounts due from the Issuer as compensation. See Part D Management Structure and Financial Information – Item 11 – Employment Agreements.

Disclosure of Conflicts of Interest

There are no conflicts of interest between the Company and any of its officers or directors.

Employment Agreements

Mr. Miller and Mr. Hunter have entered into an employment agreement with the Company for a term of five years. Pursuant to this employment agreement, they have agreed to devote a substantial portion of their business and professional time and efforts to our business. The employment agreement provides that each employee shall receive a salary determined by the Board of Directors commensurate with the development of the Company. He may be entitled to receive, at the sole discretion of our Board of Directors or a committee thereof, bonuses based on the achievement (in whole or in part) by the Company of our business plan and achievement by the employee of fixed personal performance objectives.

On March 1, 2014, Mr. Miller agreed to serve as Chief Operating Officer of the Issuer, for compensation of \$33,334 per month, in addition to quarterly bonuses of \$40,000 dollars, and an executive insurance package with delineated stock options as determined by the Board of Directors and agreed to by the Issuer's Chief Executive Officer. Mr. Miller agreed to defray his compensation for a period of time not to exceed one year as not to over burden the financial condition of the company. Upon the termination of employment, initiated by COO or Issuer, without cause, the COO shall receive the following executive level insurance package paid for by Issuer for a period of one year from termination and a one time cash payment of \$500,000. In May 2017. Mr. Miller agreed to accept 258,002,616 shares of the Issuer's common stock in lieu of all monies due from the Issuer for compensation. The Issuer issued these shares from its treasury stock.

Mr. Hunter signed a compensation agreement with the Issuer in February 2013. His initial compensation was \$5,500 per month for until the company commenced operations, at which time it would increase to \$10,000 per month with quarterly bonuses of \$30,000. Mr. Hunter agreed to defer this compensation for one year. Subsequently, his compensation accrued at the rate of \$10,000 per month. In May 2017. Mr. Hunter agreed to accept 151,387,994 shares of the Issuer's common stock in lieu of all monies due from the Issuer for compensation. The Issuer issued these shares from its treasury stock.

Our employment agreements also contain covenants (a) restricting the executive from engaging in any activities competitive with our business during the terms of such employment agreements and one year thereafter, and (b) prohibiting the executive from disclosure of confidential information regarding the Company at any time.

The Company's directors are elected by shareholders at each annual meeting or, in the

event of a vacancy, appointed by the Board of Directors then in office to serve until the next annual meeting or until their successors are duly elected and qualified. The Company's executive officers are appointed by the Board of Directors and serve at the discretion of the Board of Directors.

Legal/Disciplinary History

1. None of GlobalTech Holdings, Inc., Inc.'s Officers or Directors have been the subject of any criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

2. None of GlobalTech Holdings, Inc., Inc.'s Officers or Directors have been the subject of any 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;

3. None of GlobalTech Holdings, Inc., Inc.'s Officers or Directors have been the subject of any 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

4. None of GlobalTech Holdings, Inc., Inc.'s Officers or Directors has been the subject of any 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.

Item 12 Financial Information for the Issuer's Most Recent Fiscal Period

Financial Information of the Issuer is posted through the OTC Disclosure and News Service and is hereby attached and include a Balance Sheet, Statement of Income, Statement of Cash Flows, Statement of Changes in Stockholder's Equity and Notes to Financial Statements. These financial statements for period ended December 31, 2016 are hereby incorporated by reference.

Item 13 Similar Financial Information for such Part of the Two Preceding Fiscal Years as the Issuer or its Predecessor has been in Existence.

Financial Information of the Issuer for the periods ended December 31, 2016, and December 31, 2015 are posted through the OTC Disclosure and News Service and are hereby incorporated by reference. These financial statements include balance sheets, statements of income, statements of cash flows, a statement of changes in stockholders' equity, and financial statement notes.

Item 14 Beneficial Owners of more than 5% of any class

The following table gives information on ownership of our securities as of December 31, 2016. The following lists ownership of our Common Stock and Preferred Stock by each person known by us to be the beneficial owner of over 5% of the outstanding Common and Preferred Stock, and by our officers and directors:

Common Stock as of May 1, 2017.

Name	Address	Shareholdings	Percentage of Class Outstanding (1)
Scott Miller	116 Lakewood Drive Thomasville, Ga 31792	258,002,616	58.8
Ormand Hunter	116 Lakewood Drive Thomasville, Ga 31792	151,387,994	34.6
Total owned by officers and directors		410,000,000	93.4

(1) Based on a total of 438,822,867 shares outstanding as of December 31, 2017.

Item 15 Outside Advisors

1. Investment Banker

None

2. Promoters

None, other than the officers and directors.

3. Legal Counsel
Securities Law
John E. Lux, Esq.
Lux Law, pa
1629 K Street, Suite 300
Washington, DC 20006
Telephone: (202) 780-1000
Email: john.lux@securities-law.info
Website www.securities-law.info

4. Accountant

The Issuer has not engaged an independent accountant at this time.

5. Public Relations Consultant – None

6. Investor Relations Consultant – None.

Item 16 Management’s Discussion and Analysis or Plan of Operations

A. Plan of Operation

1. The Issuer’s plan of operation for the next twelve months.

See “Business.”

There is no assurance that these efforts will be successful.

B. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

1. Full fiscal years. Discuss the Issuer's financial condition, changes in financial condition and results of operations for each of the last two fiscal years. This discussion should address the past and future financial condition and results of operation of the Issuer, with particular emphasis on the prospects for the future. The discussion should also

address those key variable and other qualitative and quantitative factors that are necessary to an understanding and evaluation of the Issuer. If material, the Issuer should disclose the following:

i. Any known trends, events or uncertainties that have or are reasonably likely to have a material impact on the Issuer's short-term or long-term liquidity;

The Issuer divested itself of the 28 Gauge Properties project after failing to find financing. The Issuer is now in the business of marketing medical services. This is a new business for the Issuer and its impact on liquidity is therefore uncertain.

The Issuer has to raise capital to continue its development. There is no assurance that it will be able to do so. If funding is secured, the Company intends to take very aggressive attempts to implement its business plan.

ii. Internal and external sources of liquidity;

The Issuer has no material internal sources of liquidity. The Issuer may issue debt and equity securities to obtain liquidity but there is no assurance that such securities can be sold. The Issuer is currently dependent upon its majority shareholder for support.

In addition to its limited revenues, the Issuer may support itself by issuing securities. There is no assurance that these efforts will be successful.

iii. Any material commitments for capital expenditures and the expected sources of funds for such expenditures;

The Issuer has no material commitments for capital expenditures and no expected sources of funds for such expenditures, but is exploring financing alternatives.

iv. Any known trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations;

Other than mentioned in this report, there are no known trends that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. There is uncertainty about the Issuer's ability to realize income from its business.

v. Any significant elements of income or loss that do not arise from the Issuer's continuing operations;

There no known elements of income or loss that do not arise from the Issuer's continuing operations other than as disclosed herein.

vi. The causes for any material changes from period to period in one or more line items of the Issuer's financial statements; and

The causes for any material changes from period to period in one or more line items of the Issuer's financial statements are as follows:

As mentioned above, changes in the medical services industry may affect the financial condition value of the Issuer.

vii. Any seasonal aspects that had a material effect on the financial condition or results of operation.

There are no known seasonal aspects that have had a material effect on the financial condition or results of operation of the Issuer.

2. Interim Periods. Provide a comparable discussion that will enable the reader to assess material changes in financial condition and results of operations since the end of the last fiscal year and for the comparable interim period in the preceding year.

The Issuer has had no material change in financial condition and results of operations for the last two fiscal years other than as noted herein.

The Issuer has entered into a new line of business and is unable to predict the exact results of operations as this time.

The Issuer expects that the material changes in financial condition and the results of operation since the end of the last fiscal year and for the comparable interim period in the preceding year are that the Issuer is attempting to develop its business. There is no assurance that the Issuer will be able to obtain financing, or if such financing is obtained, that it will be on favorable terms. See also "Risk Factors" for a more specific discussion of the issues faced by the Issuer.

C. Off-Balance Sheet Arrangements.

The Issuer has no off-balance sheet arrangements.

Part E Issuance History

Item 17 List of Securities Offerings and Shares issued for services in the past two years.

List of the securities offerings and shares issued for services in the past two years, financial information for the Issuer's most recent. Fiscal period and for such part of the two preceding fiscal years as the Issuer or its predecessor has been in existence.

The Issuer has not issued shares or securities or options to acquire such securities for Services in the past two fiscal years and any interim periods other than as follows.

In May 2017, the issuer transferred 258,002,616 shares of Common Stock from the Issuer's treasury stock to Mr. Miller and 151,387,994 shares of Common Stock from the Issuer's treasury stock to Mr. Hunter. See Part D Management Structure and Financial Information – Item 11 – Employment Agreements.

Part F Exhibits

Item 18 Material Contracts

The following documents have been posted via the OTC Disclosure and News Service as material contracts: None.

Item 19 Articles of Incorporation and Bylaws. Attached.

Item 20 Purchases of Equity Securities by the Issuer and Affiliated Purchasers.

The Issuer rescinded the issuance of shares for 28 Gauge Properties on December 26, 2016.

Item 21 Issuer's Certifications

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, Ormand Hunter, CEO/President of GlobalTech Holdings, Inc. certify that:

1. I have reviewed this quarterly disclosure statement of GlobalTech Holdings, Inc., 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.

Date: May 23rd , 2017

Ormand Hunter



[Signature]
CEO/President