

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Novus Acquisition & Development Corp.



2665 South Bayshore Drive

Miami FL 33131

855-228-7355

<https://getnovusnow>

info@getnovusnow.com

SIC Code 524114

Interim Report

**For the period ending March 31, 2024
(the "Reporting Period")**

Outstanding Shares

The number of shares outstanding of our Common Stock was:

107,803,624 as of March 31, 2024

107,803,624 as of December 31, 2023

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934, and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control

Indicate by check mark whether a Change in Control of the company has occurred over this reporting period:

Yes: ☐ No: ☒

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

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

The name of the issuer from 2006 to 2009 was known as BrandQuest Development Group, Inc., and in May of 2009, the name changed to Novus Acquisition & Development Corp, a Nevada Corp

Current State and Date of Incorporation or Registration: Nevada, 1996

Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

No

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

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

None

Address of the issuer's principal executive office:

2665 South Bayshore Drive

#220

Miami FL 33131

Address of the issuer's principal place of business:

X Check if principal executive office and principal place of business are the same address:

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: X

Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Olde Monmouth Stock Transfer

Phone: 732-872-2727

Email: matt@oldemonmouth.com

Address: 200 Memorial Parkway, Atlantic Highlands, NJ 07716

Publicly Quoted or Traded Securities:

Trading symbol:	NDEV
Exact title and class of securities outstanding:	Common
CUSIP:	67011R20
Par or stated value:	\$.001
Total shares authorized:	200,000,000 as of date: March 31, 2024
Total shares outstanding:	107,803,624 as of date: March 31, 2024
Total number of shareholders of record:	2077 as of date: March 31, 2024

All additional class(es) of publicly quoted or traded securities (if any):

Trading symbol:	NDEV
Exact title and class of securities outstanding:	Series A
CUSIP:	67011R205
Par or stated value:	\$.001
Total shares authorized:	6,600 as of date: January 1, 2015
Total shares outstanding:	6,600 as of date: March 31, 2024
Total number of shareholders of record:	1 as of date: March 31, 2024

Other classes of authorized or outstanding equity securities:

Exact title and class of the security:	Series B Dividend Shares
CUSIP (if applicable):	None and no symbol
Par or stated value:	\$.001
Total shares authorized:	10,000,000 as of date: January 1, 2015
Total shares outstanding (if applicable):	0 as of date: March 31, 2024
Total number of shareholders of record	0 as of date: March 31, 2024

Exact title and class of the security:	Series C Convertible Preferred
CUSIP (if applicable):	None and no symbol
Par or stated value:	\$.001
Total shares authorized:	10,000,000 as of date: January 1, 2015
Total shares outstanding (if applicable):	0 as of date: March 31, 2024
Total number of shareholders of record	0 as of date: March 31, 2024

Exact title and class of the security:	Series D
CUSIP (if applicable):	None and no symbol
Par or stated value:	\$.001
Total shares authorized:	100,000,000 as of date: January 1, 2015
Total shares outstanding (if applicable):	0 as of date: March 31, 2024
Total number of shareholders of record	0 as of date: March 31, 2024

Security Description:

1. **For common equity, describe any dividend, voting, and preemption rights.**

Common Shares:

It does not pay dividends. Shareholders have the right to vote on material events that directly affect their stock ownership. They receive one vote per share. Shareholders can exercise their voting rights in person at the corporation's annual general meeting or other special meeting convened for voting purposes or by proxy. As of the date of this report, there are no shareholder preemption rights.

2. **For preferred stock, describe the dividend, voting, conversion, liquidation rights, and redemption or sinking fund provisions.**

Series A Preferred Stock: All authorized shares have been issued. The total number of Series A Preferred Stock shares issued at any given time, irrespective of their quantity, shall have voting rights equivalent to 66% of the total number of Common Stock shares, along with the total number of all other series of stock shares issued and outstanding at the time of any shareholder vote. The Series A shares do not receive any dividends, nor can they be converted into equity; they are solely voting shares. Note: No Stock Symbol For Series A

Preferred Series B - 100 million shares of convertible preferred stock have been authorized at a price of \$1.00 per share. These preferred shares can be converted into two common shares for each preferred share. As of now, there are no voting rights or liquidation provisions since no shares have been issued or outstanding. There are also no redemption or buyback provisions at this time. Please note that there is no stock symbol for Series B, and any modifications to this information will be considered prior to issuance.

Preferred Series C - Authorized 10 million shares and carry at the stated conversion of \$5.00 per share and is 1:1 conversion into common. As of now, there are no voting rights or liquidation provisions since no shares have been issued or outstanding. There are also no redemption or buyback provisions at this time. Please note that there is no stock symbol for Series C, and any modifications to this information will be considered prior to issuance. Reclassification issues will not be granted in the event of dilution that equates to a higher net asset value. None are issued.

Preferred Series D- This class of stock was established to be traded on foreign exchanges such as the Nikkei and the Dax. By June 30, 2009, the Company had not yet obtained authorization to trade on any foreign exchanges. The total authorized number of Series D shares is 100,000,000. None are issued. There is no stock symbol for Series D. As of now, there are no voting rights or liquidation provisions since no shares have been issued or outstanding. There are also no redemption or buyback provisions

at this time. and any modifications to this information will be considered prior to issuance.
Reclassification issues will not be granted in the event of dilution that equates to a higher net asset value

3. Describe any other material rights of common or preferred stockholders.

Common stock shareholders hold the right to vote on several issues such as board member elections, stock splits, and setting corporate policies and objectives. Preferred Series A shares are issued and outstanding only for voting purposes. Preferred shares Series B, C, and D have priority in dividends and assets over common stocks but do not have any voting rights.

4. Describe any material modifications to the rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None

3) Issuance History

A. Changes to the Number of Outstanding Shares

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years :

No: X Yes: (If yes, you must complete the table below)

Note: The chart indicates that shares are subject to a Leak-Out Agreement contractually by the third-party vendors who received stock in lieu of cash payment. The leak-out of securities restricts the third-party vendor/shareholder to 5%-15% of the average daily trading volume of the Company's common stock for the last 30 days.

Number of Shares outstanding as of <u>1-Jan-17</u>	<u>Opening Balance:</u> Common: <u>94,453,624</u> Preferred: <u>6,600</u>								
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
<u>4/5/2017</u>	<u>New Issuance</u> -	<u>500,000</u>	<u>Common</u>	<u>\$0.001</u>	<u>No</u>	<u>*Tysadco Partners LLC. - Robert Delvecchio</u>	<u>Consulting Contract</u>	<u>Restricted</u>	<u>N/A</u>
<u>7/26/2017</u>	<u>New Issuance</u> -	<u>750,000</u>	<u>Common</u>	<u>\$0.001</u>	<u>No</u>	<u>*Ralph Hiller</u>	<u>Direct Investment</u>	<u>Restricted</u>	<u>N/A</u>
<u>11/20/2017</u>	<u>New Issuance</u> -	<u>500,000</u>	<u>Common</u>	<u>\$0.001</u>	<u>No</u>	<u>*Tysadco Partners LLC. - Robert Delvecchio</u>	<u>Consulting Contract</u>	<u>Restricted</u>	<u>N/A</u>
<u>11/20/2017</u>	<u>New Issuance</u> -	<u>1,000,000</u>	<u>Common</u>	<u>\$0.001</u>	<u>No</u>	<u>*Tysadco Partners LLC. - Robert Delvecchio</u>	<u>Consulting Contract</u>	<u>Restricted</u>	<u>N/A</u>
<u>11/22/2017</u>	<u>New Issuance</u> -	<u>30,000</u>	<u>Common</u>	<u>\$0.001</u>	<u>No</u>	<u>Olde Monmouth</u>	<u>Transfer Agent Service Fees</u>	<u>Restricted</u>	<u>N/A</u>
<u>2/20/2018</u>	<u>New Issuance</u>	<u>120,000</u>	<u>Common</u>	<u>\$0.001</u>	<u>No</u>	<u>*Denise Belle</u>	<u>Consulting Contract</u>	<u>Restricted</u>	<u>N/A</u>

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: ☐ Yes: ☒ (If yes, you must complete the table below)

Date of Note Issuance	Outstanding Balance (\$)	Principal	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
06-2015	158,061	90,000	68,061	None	None	Frank Labrozzi CEO	Operational Capital

Use the space below to provide any additional details, including footnotes to the table above:

Footnote: Frank Labrozzi's CEO has no call provision or maturity date for repaying funds.

4) Issuer's Business, Products, and Services

The purpose of this section is to provide a clear description of the issuer's current operations. (Please ensure that these descriptions are updated on the Company's Profile on www.otcmarts.com).

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Introduction

Novus, a legal cannabis health insurance carrier, has built its infrastructure since 2015. It has a national dispensary network and operates under an HMO insurance business model. Novus is currently active in the United States, and the combined projected revenue of the medical and recreational cannabis markets is expected to reach \$47 billion by 2024.

Novus offers health plans that provide risk and non-risk insurance coverage through its wholly-owned subsidiary, WCIG Insurance Service, Inc. (WCIG), a California insurance entity. WCIG sells nationwide health policies for CBD concentrate and state-specific THC plans. All insurance policies can include coverage for dental, vision, hearing, and telemedicine services.

The health plans offered by THC are available in the states listed below:

Colorado	California	New York	Massachusetts
Florida	Vermont	Ohio	Illinois
Maryland	Wash DC	Pennsylvania	Maine
Oklahoma	Missouri	Nevada	Nebraska
Hawaii	Michigan	Arizona	Oregon
New Mexico			

Novus Business Model

Novus is well-positioned to capitalize on the growing demand for cannabis-related products through its health insurance plans. Novus' business model provides value to shareholders, policyholders, and cannabis dispensaries in the following ways:

Shareholders: Novus owns receivables (insurance policies) rather than depreciative assets. This means that the cost of hard inventory, manufacturing, delivery vehicles, and warehousing does not weigh down Novus' intrinsic value. Additionally, insurance companies have the highest **Benefit Monetization Ratio** on Wall Street. This is calculated by dividing the company's price-to-earnings ratio by the total number of policies it monetizes annually.

Policyholders: Recreational and medicinal cannabis users who spend \$100 or more per month on cannabis qualify for the Novus Cannabis MedPlan. Novus patient members spend an average of \$300 monthly and receive a 30% to 45% discount. This translates to a gross savings of \$1,800 to \$2,338 annually. Additionally, employees can get their policy premiums covered through Employer-Sponsored Health Plans and Health Reimbursement Accounts.

Cannabis Verticals: Novus supports dispensaries/verticals at no cost. It drives foot traffic and reimbursements to participating dispensaries and provides free advertising. Novus' HMO commerce model uses a 5-meter geo-fence to target consumers' buying behavior, which is more effective than Google's quarter-mile geo-fence. Novus can deliver advertisements as consumers enter nonparticipating dispensaries and maintain their attention with a retargeting strategy across multiple devices and formats.

Benefiting From The Latest Regulations

Changes in the regulatory landscape were quite fortunate, with critical factors shaping the cannabis health plan marketplace.

- i. **Cannabis Reclassification:** The Biden administration is set to announce an interim rule soon that would reclassify cannabis for the first time in more than 50 years. The Drug Enforcement Administration (DEA) is expected to approve an opinion that marijuana should be reclassified from Schedule I to Schedule III, acknowledging its potential medical benefits and initiating further study.
- ii. The **Compassionate Care Act:** Employees are protected from termination for using medical cannabis, which leads the way for employer-sponsored health plans that cover medical cannabis under their offerings.
- iii. **The Veterans Cannabis Use for Safe Healing Act** Prohibits the Department of Veterans Affairs (VA) from denying VA benefits to 19 million veterans who participate in a state-approved cannabis program(s).

- iv. **Opioid Settlement Framework**: Many State Attorney Generals settled on \$50 billion in compensatory damages, rehabilitation, and opioid diversion programs. Novus proposes the use of its Cannabis MedPlan as a compelling option to comply with the settlement diversion programs.
- v. **Taxation**: Legislative reform will create higher taxes on recreational cannabis. In California, many recreational consumers are converting to medicinal users, taking advantage of 50% tax breaks along with significant discounts that Novus Cannabis MedPlan offers.
- vi. **Credit Cards and Safe Banking Act**: Novus has established a relationship with Authorize.net, a leading credit card processing platform. Novus' workaround strategy was not to touch or sell the plant; we provide insurance benefits to policyholders, which appears to be satisfactory. Therefore, the Safe Banking Act does not directly affect its business model.
- vii. **California SB1186 Medicinal Patients' Right of Access**: State bill SB 1186 will help to expand safe access to medical cannabis throughout the state dramatically. Once passed, this will significantly increase the Novus provider network from dispensaries to doctor's offices, urgent care facilities, hospitals, and managed healthcare. Just like the Employee Compassionate Care Act, there will be states following suit on similar legislation.
- viii. **Providers**: Many cultivators are adopting selling direct-to-consumer and are using delivery platforms to sell their products regionally, opening up a new segment in our provider network. One of Novus' providers, Budee, has one such platform covering California with four distribution centers and 800 daily deliveries. This allows Novus to consolidate its provider network, where policyholders can order from the digital platforms of their choice and get their product(s) within an hour.
- ix. **Worker's Comp**: Novus solved this problem by implementing a cannabis medical plan as a diversion to overprescribing opioids, complying with the Opioid Settlement Framework.

Future Of Cannabis and the Federal Government: The SAFE Banking Act and Schedule III cannabis legalization at the federal level would be a boon to the United States. It would generate billions of dollars in tax revenue, reduce crime, improve public health, and create jobs.

The American people are overwhelmingly in favor of cannabis legalization. A recent poll found that 69% of Americans support making marijuana legal for medicinal and recreational use. This is a decisive bipartisan mandate for Congress to act.

The SAFE Banking Act: Though pending would allow banks to do business with cannabis businesses without fear of federal prosecution. This would provide much-needed access to capital for the cannabis industry, which would help it to grow and create jobs.

ALLIANCES

Alignment With Carriers and Third-Party Administrators

Since its inception, Novus effortlessly endeavored to gain the interest of Third-Party Administrators who managed major carriers' employee benefits. Then, a series of breakthroughs occurred. Carriers use our cannabis benefit packages as an enticement to procure new customers and as a mechanism to upsell to current members, boosting Novus from being a Discount Medical Plan to a network of designated healthcare providers with the premier level of full coverage.

Adoption of Embedded Insurance:

In the past ten years, the number of cannabis users grew by almost [20 million](#), making an estimated 12% of Americans consume cannabis, and each consumer has their personality traits. Prompting management to adapt to its marketing and sales arsenal, Embedded Insurance.

This digital bundling form enables retailers from nearly any industry to offer insurance policies as an add-on or feature for online or in-store checkout. This is a self-sustaining **Insurance Ecosystem Solution** through a **business-to-business-to-consumer** insurance partnership between Novus and retailers. For example, an airline might present travel insurance just as a consumer is booking plane tickets.

A study by [Accenture](#) found that “customers are increasingly willing to consider insurance purchases while shopping for other needs. The study concluded that 60% of consumers want to buy more from brands they trust and love the convenience of embedded experiences.

Retail brands that tap into the market by offering Embedded Insurance gain a huge opportunity to build new recurring revenue streams and deepen their relationships with existing customers. With the right partners, Embedded Insurance can quickly realize revenue from an insurance offering and innovative ways to distribute our benefit packages.

Adoption of Online Pharmacy:

It's been six years of building an infrastructure of a Provider Network of cannabis verticals that integrates cannabis in our health plans, and we find ourselves on the precipice of re-scheduling cannabis under federal law.

Management has set its plans for the future in giving cannabis policyholders more healthcare options for their cannabis benefits. Novus will offer prescription medication through an online pharmacy platform with a Canadian developer known as [Plitio](#).

Health Carrier and Wholesale Contracts:

Below are carriers of health plans and wholesales that are integrating Novus Cannabis MedPlan into their health plan offering

- a. **[PRAM](#)**: Begin a market rollout for its subscriber base. PRAM focuses on proprietary prescription drug benefits and identifies a unique need for pharmacy cost containment in the marketplace. It has a sizeable client base in the group markets, proprietary health plans, and a distribution base with carriers.
- b. **[Healthfield Solutions, LLC](#)**: Novus executed an MGA Agreement to train its arsenal of 2,600 agents to sell Novus policies, embed them, and sell them to their 250,000-client base.
- c. **[Compass Health](#)**: This insurance agent platform offers customized, ready-to-buy personalized plans to give agents access to customized policies. Their portal can pair Novus Cannabis MedPlan with full coverage and as standalone policies.
- d. **[Unique Insurance Concepts UIC](#)**: A consortia of health insurance agents focusing on group policies, Medicare supplements, dental, and critical illness with over 5,000 corporate clients.
- e. **[Go Enroll / Elevate Wellness](#)**: This is one of the nation's top InsureTech platforms, with over 9,200 clients targeted for large groups. This platform allows employees to integrate cannabis with Dental, Vision, GAP, and Medical Plans. The Elevate Wellness Plans cover over 4,500 employers, and

their employees can choose alternative treatment options that may not be available through their traditional healthcare providers.

f. **Oneshare** is a medical cost-sharing provider with an ACA-exempt path to healthcare. Its health-based sharing membership plan focuses on Catastrophic Plans and Complete Health.

g. **Essential Benefits: Minimal Essential Care** (MEC) is a plan that meets the Affordable Care Act requirement for getting health coverage. Some of these programs under MEC include marketplace plans, job-based plans, Medicare, and Medicaid. Mainly focused on covering routine preventative illness plans.

h. **Wellness 360**: This is an employee-based wellness platform that offers plans, program guides, online educational resources, a white-label wellness program, and many other customizable options for workplace wellness.

i. **Back 9 Insurance**: This is an InsureTech platform that sells annuities, life, long-term care, disability, and annuities. Their platform makes it easy for agents to display side-by-side comparisons with over 50 carriers and offer Novus' plans as a cross-sell.

j. **National Life**: Contracted through Novus provider Compass Health this is one of the oldest life insurance carriers in the country.

Management Discussion and Analysis

Strategy and Outlook

According to [Forbes](#), by 2025, 5.4 million Americans, or 2.4% of U.S. adults, will be registered patients in medical cannabis states. However, the rising prices and added federal taxation on recreational products have not been considered.

Novus' unique business model addresses this challenge by applying cannabis benefits to health plans. This will make cannabis more affordable for consumers, with 30%- 35% discounts on purchases and a 15%- 17% reduction of taxes at the point of sale.

Employer-Sponsored Health Plans

Novus is experiencing a breakthrough in penetrating the small to midsize businesses (SMB) market with its cannabis-integrated health insurance plans. Many SMBs are eager to compete and expand, and offering competitive health benefits is essential. Cannabis benefits are a compliant and attractive way to do this, especially as healthcare costs continue to rise.

Employers are also rewriting cannabis policies in light of state Supreme Court rulings that protect employees who use cannabis legally. Novus is experiencing strong demand from health carriers and aggregators, which are embedding Novus' plans into their benefits packages. This confirms Novus' assessment that health insurance carriers prefer acquiring market share rather than creating one.

Provider Network

Novus is experiencing a breakthrough in penetrating the small to midsize businesses (SMB) market with its cannabis-integrated health insurance plans. Many SMBs are eager to compete and expand, and offering competitive health benefits is essential. Cannabis benefits are a compliant and attractive way to do this, especially as healthcare costs continue to rise.

Employers are also rewriting cannabis policies in light of state Supreme Court rulings that protect employees who use cannabis legally. Novus is experiencing strong demand from health carriers and aggregators, which are embedding Novus' plans into their benefits packages. This confirms Novus' assessment that health insurance carriers prefer acquiring market share rather than creating one.

How Cannabis Companies Use Novus' Business Model to Boost Value

Shareholders will demand greater profitability from cannabis verticals, which Novus will address by tailoring health plan designs to offer pass-through rebates/discounts on cannabis medications in the form of "Usage-based Health Plans." This strategy allows policyholders to keep cannabis medications affordable while maintaining higher volume, attractive profit margins, and dedicated foot traffic for the cannabis verticals.

More Cultivators /Manufacturing Are Becoming Providers

Novus is expanding its provider network to include cultivators who sell direct-to-consumer and use delivery platforms to sell their products regionally. This opens up a new segment of the market for Novus and allows policyholders to order and receive their products within an hour. One of Novus' providers, [Budee](#), has a delivery platform covering California with four distribution centers and 1,000 daily deliveries.

Conclusion

Changes in regulations have dramatically transformed the scope of our business model. Over the past two years, health carriers have not fully accepted the Novus Cannabis MedPlan. Today, we see total acceptance. Novus has a clear first-mover advantage with its developed provider network, which offers the best value for cannabis consumers.

The cannabis stock index has had a difficult journey, but Novus will continue to grow despite the challenges. Our receivable-based business model creates limited overhead and contributes directly to the company's profits when a policyholder is procured and makes a premium payment. Novus protects its shareholders by not excessively issuing stock from treasury and by using its mandatory leak-out provision to deter third-party vendors from damaging the stock price with irresponsible selling pressure in the market.

B. List any subsidiaries, parent company, or affiliated companies.

- i. WCIG Insurance Services Inc. (WCIG) is a California licensed insurance entity with Licensed Number 0K41569. WCIG is a wholly-owned subsidiary
- ii. Novus QC, Inc. a Florida corp. that is the company's operational bank account. Novus Qc, Inc. is a wholly-owned subsidiary.

C. Describe the issuers' principal products or services.

Carrier of health insurance policies that cover cannabis (THC and CBD) as supplemental or embedded plans for individual, group, or contracted sales with insurance carriers.

5) Issuer's Facilities

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

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

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

1. The offices are located at 2665 South Bayshore Drive, Suite 220, Miami, FL 33131; the offices are leased for \$1,200 annually. The corporation owns no other real property
2. WCIG Insurance Solutions, Inc. California domiciled insurance entity with reciprocity throughout the United States. WCIG wholly owned subsidiary purchased in 2017 for \$530,000

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding any officers or directors of the company, individuals or entities controlling more than 5% of any class of the issuer's securities, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

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

Names of All Officers, Directors, and Control Persons	Affiliation with Company (e.g. Officer Title /Director /Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control person(s) if a corporate entity
<u>Frank Labrozzi</u>	<u>Chairman/CEO</u>	<u>Miami, FL</u>	<u>51,900,000</u>	<u>Common</u>	<u>48.3%</u>	<u>Individual</u>
<u>Frank Labrozzi</u>	<u>Chairman/CEO</u>	<u>Miami, FL</u>	<u>6,600</u>	<u>Series A Preferred</u>	<u>100%</u>	<u>Individual</u>
<u>John McDonald</u>	<u>Individual</u>	<u>Dallas TX</u>	<u>9,576,535</u>	<u>Common</u>	<u>9%</u>	<u>Individual w/ Leak Out Provision</u>
<u>Andrea Lopez</u>	<u>Director</u>	<u>Phoenix AZ</u>	<u>2,000,000</u>	<u>Common</u>	<u>1.8%</u>	<u>Individual</u>

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None

2. Been the subject of 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, financial- or investment-related, insurance or banking activities;

None

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

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

No

5. Been the subject 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.

No

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

No

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

8) Third Party Service Providers

Provide the name, address, telephone number, and email address of each of the following outside providers. You may add additional space as needed.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Crone Law Group.
Address 1: 420 Lexington Ave Suite 2446
Address 2: New York, NY 10170
Phone: 646- 861-7891
Email: robert@sonefield.com

Accountant or Auditor

Name: Frank Labrozzi
Firm: Novus Acquisition & Development Corp.
Address 1: 2665 South Bayshore Dr.
Address 2: Miami, FL 33131
Phone: 855-228-7355
Email: frank@ndev.biz

Investor Relations

Name: Done In House
Firm: Novus Acquisition & Development Corp.
Address 1: 2665 South Bayshore Dr.
Address 2: Miami, FL 33131
Phone: 855-228-7355
Email: info@getnovusnow.com

All other means of Investor Communication:

Twitter: https://twitter.com/Novus_Stock
Discord: None
LinkedIn: None
Facebook: <https://www.facebook.com/MMJHealthPlan/>

[Other]. None

Other Service Providers

Provide the name of any other service provider(s) that **assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s), or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: None
Firm: None
Nature of Services: None
Address 1: None
Address 2: None
Phone: None
Email: None

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: **Frank Labrozzi**
Title: **CEO**
Relationship to Issuer: **CEO/CFO/ Chairman**

B. The following financial statements were prepared in accordance with:

☐ IFRS
☒ U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: **Frank Labrozzi**
Title: **CEO/CFO/Chairman**
Relationship to Issuer: **CEO/CFO/Chairman**

Describe the qualifications of the person or persons who prepared the financial statements:

Frank Labrozzi has more than a decade of experience in preparing the Company's GAAP financial statements. His extensive understanding of accounting and the health insurance industry helps him file precise and timely statements, showcasing the company's analytical skills, research capabilities, and proficiency in organizing complex data into a clear and concise written format.

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be “machine readable”. Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

(rest of page left blank)

10) Issuer Certification



Principal Executive Officer:

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) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Frank Labrozzi certify that:

1. I have reviewed this Disclosure Statement for Nous Acquisition & Development Corp; Interim Report for the reporting period of March 31, 2024
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.

5/10/2024 [Date]

A handwritten signature in black ink, appearing to be "FL", written over a light blue horizontal line.

[CEO's Signature]

(Digital Signatures should appear as "/s/ Frank Labrozzi)



Principal Financial Officer:

I, Frank Labrozzi certify that:

1. I have reviewed this Disclosure Statement for Nous Acquisition & Development Corp; Interim Report for the reporting period of March 31, 2024
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.

5/10/2024 [Date]

A handwritten signature in black ink, appearing to be "FL", written over a light gray horizontal line.

[CFO's Signature]

(Digital Signatures should appear as "/s/ Frank Labrozzi")

Financial Highlights

Critical insights into Novus' business model include revenue streams and financial condition.

- **Expansion into the Midwest:** Novus has partnered with Heya Wellness to expand its services across the Midwest and serve up to 4.3 million potential policyholders who are cannabis users, leveraging Missouri's reciprocity laws.
- **No Dilution:** No common stock has been issued after June 15, 2021.
- **No Sales of Insider Shares:** For close to 3 years
- **Gross Revenue Increase:** During this reporting period, Gross Revenue increased by 6.8% compared to March 31, 2024 and 2023, respectively,
- **Net Revenue Increase:** During this reporting period, EBITDA increased by 19.47% compared to March 31, 2024, and 2023.
- **Profit Margin:** During the reporting period, the company experienced a gradual increase in gross profit margins, with margins of 43.14% in 2023 and 45.2% in 2024
- **Cash and Cash Equivalents:** There was an increase of 1.8% compared to the financial reporting periods on March 31, 2024, and December 31, 2023. This is in contrast to the higher increase of 6.84% in the period from March 31, 2023, to 2024.
- **No Convertible Notes:** No convertible notes issued or outstanding
- **Debt Transparency:** Frank Labrozzi, the CEO, is owed \$158,061. He has no plans to exercise the call provision, and there is no equity conversion provision in this debt instrument.
- **Leak Out Vendor Shares:** All vendors who received treasury-issued stock are required to gradually sell their shares. The selling amount is determined based on 15% of the average daily trading volume over the past 30 days.

Consolidated Balance Sheet
(Unaudited)
Novus Acquisition & Development Corp

	<u>31-Mar-24</u>	<u>31-Dec-23</u>
<u>ASSETS</u>	\$	\$
Cash and cash equivalents	204,992	201,209
Investments	0	0
Total current assets		
Software Development	173,401	173,010
Insurance Contracts	409,347	402,188
Deferred Tax Loss Carried Forward	285,515	285,515
Insurance Assets	513,000	513,000
Goodwill	206,877	203,431
TOTAL ASSETS	1,793,132	1,778,353
<u>LIABILITIES AND EQUITY</u>		
Current liabilities:		
Note Due to Related Party	158,061	156,273
Deferred Credits and Other Noncurrent Liabilities	0	0
Total current liabilities	158,061	156,273
Stockholders' Deficit:		
Common Stock 200,000,000 shares authorized \$.001 par value shares did not increase from December 31, 2023 March 31, 2024	107,803	107,803
Series A Preferred: \$.001 par value; 6,600 shares authorized; all shares issued and outstanding as of Dec 31,2015 through March 31, 2024 respectively	660	660
Series B: Preferred dividend stock: \$.001 par value; 100,000,000 shares authorized; no shares issued	0	0
Series & D Preferred Shares: \$.001 par value; 100,000,000 shares authorized; no shares issued and	0	0
Total		
Additional paid-in capital	7,784,377	7,770,589
Accumulated Deficit	-6,149,306	-6,148,509
Total Equity	1,635,071	1,622,080
Total Liabilities and Equity	1,793,132	1,778,353
Earnings Per Share	\$0.0166	\$0.0150

Income Statement
(Unaudited)
Novus Acquisition & Development Corp

	Three Months Ended March 31	
	2024	2023
	-	
	\$	\$
Revenues	89,207	83,532
G&A Expenses	18,555	17,825
Professional fees	3,500	3,500
Salaries and Commissions	26,762	28,401
Total operating expenses	48,817	49,726
Gross Income from operations	40,390	33,806
Other income (expense):	-	-
Investment gains (losses)	-	-
Other income		
Total other income (expense)	-	-
Income		
Net Income (EBITDA)	40,390	33,806

Equity Statement
March 31, 2024 (Unaudited)
Novus Acquisition & Development Corp.

									Additional		Total
	Series A Preferred		Series B Preferred		Series C Preferred		Common Stock		Paid-in	Accumulated	Equity
	Shares	Par Value	Shares	Par Value	Shares	Par Value	Shares	Par Value	Capital	Deficit	(Deficit)
Begin Balance			-					\$			
Ending Balance December 31,2023	6,600	0.0010	-	\$ -	-	-	107,803,624	107,803	\$7,770,589	-\$6,148,509	\$1,622,080
Net income (loss)	-	-	-	-	-	-	-	-	-	-	-
Stock compensation	6,600	-	-	-	-	-	-	-	-	-	-
Conversion of debt	-	-	-	-	-	-	-	-	-	-	-
Stock compensation	-	-	-	-	-	-	-	-	-	-	-
Net income (loss)	-	-	-	-	-	-	-	-	-	-	-
Ending Balance											
Ending Balance March 31,2024	6,600	0.0010	-	\$ -	-	\$ -	107,803,624	107,803	\$7,784,377	-\$6,149,306	\$1,635,071

Cash Flow Statement
(Unaudited)
Novus Acquisition & Development Corp

	Three Months Ended March 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES	\$	\$
Net income (loss)	40,390	33,806
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Stock-based compensation	0	0
NET CASH USED IN OPERATIONS	40,390	33,806
NET CHANGE IN CASH AND CASH EQUIVALENTS	40,390	33,806
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	201,209	186,668
CASH AND CASH EQUIVALENTS AT END OF PERIOD	204,992	191,857

Novus Acquisition & Development Corp.

Notes to Consolidated Financial Statements

DESCRIPTION OF ORGANIZATION

Note 1

Organization – Novus Acquisition & Development Corp. (the “Company”) was incorporated on November 11, 1996, under the laws of the state of Nevada under the name Shirazi Corporation. On January 1, 2003, Shirazi Corporation changed its name to Surface Tech, Inc. On September 29, 2006, Surface Tech, Inc. changed its name to BrandQuest Development Group, Inc., and in April 2009 changed its name to Novus Acquisition & Development Corp.

The Company's primary activities were to serve as a private equity firm for self-funding and/or acquiring one or more operating businesses. The focus of the Company's business model has changed due to economic and market conditions. Commencing May 2008, the Company's business model and purpose are to provide risk management within the alternative medicine field, including medical marijuana in states where it is approved. From the risk management model, we focus on discount medical plans and supplemental insurance programs that will aid and assist patients with discounts within alternative medicine fields discounts to medication in the respective approved states.

NDEV will work as outside developers and will not cultivate, handle, transport, grow, extract, dispense, put up for sale, put on the market, vend, deliver, supply, circulate, or trade cannabis or any substances that violate the United States law or the Controlled Substances Act, nor does it intend to do so in the future and will continue to follow state and federal laws. The products and statements about specific products have not been evaluated by the United States Food and Drug Administration (FDA). They are not intended to diagnose, treat, cure, or prevent disease. All information provided on this press release, or any information contained on or in any product label or packaging, is for informational purposes only and is not intended as a substitute for advice from your physician or other health care professional.

The state laws conflict with the federal Controlled Substances Act. The current administration has effectively stated that it is not an efficient use of resources to direct federal law enforcement agencies to prosecute those lawfully abiding by state-designated laws allowing the use and distribution of medical marijuana. However, there is no guarantee that the current and future administrations will not change this policy and decide to vigorously enforce federal laws. Any such change in the federal government's enforcement of current federal laws could cause significant financial changes to the Company. While we do not intend to harvest, distribute, or sell cannabis or cannabis-related products, we may be harmed by a change in enforcement by federal or state governments.

Delay on Audit: The company disseminated a press release in March of 2014 because the auditors entered into an engagement letter with the company. After reviewing the auditors, a roll-forward of the equity sheet from inception was required. Since the company was formed in 1996, management has researched and produced documents that the auditors must disseminate compliantly under SEC rules. This process has taken some time and the Company now has all the necessary documentation to conduct the audit.

Basis of accounting – The financial statements are prepared using the accrual basis of accounting. Revenues are recognized when services are rendered, and expenses are recognized in the period in which they were incurred. The basis of accounting conforms to accounting principles generally accepted in the United States of America.

Note 2

Going concern

The company has been a going concern since its 2006 PCAOB audit. Even though this may create uncertainty, the company has had this tag on its financials since the 2006 audit.

Use of Estimates

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

Revenue recognition

The Company recognizes revenue in accordance with Staff Accounting Bulletin ("SAB") No. 104, "Revenue Recognition in Financial Statements," which established that revenue could be recognized when persuasive evidence of an arrangement exists, all significant contractual obligations have been satisfied, the fee is fixed or determinable, and collection is reasonably assured.

2009, the company began generating revenue by rendering consulting services to an unrelated party in exchange for customer stock shares. These revenues were valued at the fair market value per share as of the date the services were rendered pursuant to a consulting agreement and discounted for lack of marketability and blockage.

In 2011, the company began its revenue generation of \$65,072 from various consulting efforts, and in 2013, the company generated revenue of \$9,522.60 from various consulting efforts. At the late end of 2013, the company decided to provide Risk Management within the Medical Marijuana space, which has led to the

Company's effort to get into the health insurance/ medical plan and, ultimately, the supplemental insurance space; it has been generating revenue from its medplan policies.

Cash and Cash Equivalents

The Company considers all highly liquid investments with three months or less original maturities as cashequivalents.

Fair value of financial instruments

The carrying amounts of financial instruments, including cash, accounts receivable, and investments, approximated fair value on December 31, 2009, due to their relatively short maturity.

Note 3

Shareholder Loans

Frank Labrozzi, the CEO, has infused money periodically into the Company and its subsidiaries for \$91,000 with no call provisions.

Available for Sale Securities

The Company accounts for investments under Statement of Financial Accounting Standards ("SFAS") No. 115, Accounting for Certain Investments in Debt and Equity Securities. The Company reports investments in debt and marketable equity securities at fair value based on quoted market prices or, if quoted prices are not available, discounted expected cash flows using market rates commensurate with credit quality and maturity of the investment. Investment securities are designated as available for

sale with unrealized gains and losses included in comprehensive income. Held-to-maturity securities are reported at amortized cost. The Company regularly reviews investment securities for impairment based on criteria that include the extent to which the investment's carrying value exceeds its related market value, the duration of the market decline, the Company's ability to hold to recovery, and the financial strength and specific prospects of the issuer of the security. Unrealized losses that are other than temporary are included in the determination of income. Realized gains and losses are accounted for on the specific identification method.

These line items

This line item accumulates the following

Income taxes

Income taxes are computed under the provisions of SFAS No. 109 "Accounting for Income Taxes," using an asset and liability approach for financial accounting and income tax reporting based on expected tax rates. Deferred tax assets are reducing a valuation allowance when it is more likely than not that some portion, or all, of the deferred tax assets will not be realized.

Reclassifications

Specific amounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the current year's presentation.

New accounting pronouncements Fair Value Measurements

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements". SFAS No. 157 guides using fair value to measure assets and liabilities. SFAS No. 157 addresses the requests from investors for expanded disclosure about the extent to which companies measure assets and liabilities at fair value, the information used to measure fair value, and the effect of fair value measurements on earnings. SFAS No. 157 applies whenever other standards require (or permit) assets or liabilities to be measured at fair value and do not expand the use of fair value in any new circumstances. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and will be adopted by the Company in the first quarter of the fiscal year 2008. The Company is unable at this time to determine the condition.

In February 2008, the FASB issued Staff Position ("FSP") 157-2, "Effective Date of FASB Statement No. 157". This FSP delays the effective date of SFAS No. 157 for all nonfinancial assets and nonfinancial liabilities, except those that are recognized or disclosed at fair value regularly (at least annually) to fiscal years beginning after November 15, 2008, and interim periods within those fiscal years. The impact of adoption was not material to the Company's financial condition or results of operations.

Accounting for Uncertainty in Income Taxes: In July 2006, the FASB issued FASB Interpretation No. 48 (FIN 48), "Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109". FIN 48 clarifies that accounting for uncertainty in income taxes is recognized under SFAS No. 109 "Accounting for Income Taxes". FIN 48 prescribes a recognition threshold and measurement attribute for financial statement recognition measurement of a tax position taken or expected to be taken in a tax return and also provides guidelines on various related matters such as derecognition, measurement, and classification of income tax uncertainties, interest and penalties, and disclosure. FIN 48 also includes guidance concerning accounting for income tax uncertainties in interim periods and increases the level of required disclosures associated with any recorded income tax uncertainties. The differences between the amount recognized in the statement of financial position before the adoption of FIN 48 and the amounts reported after adoption are to be accounted for as a cumulative effect adjustment recorded to the beginning balance of retained earnings. FIN 48 was effective beginning in the fiscal year 2007 and did not have a material effect on The Company's financial position, results of development stage activities, or liquidity.

Considering the Effects of Prior Year Misstatements

In September 2006, the Securities and Exchange Commission ("SEC") issued Staff Accounting Bulletin No. 108 (SAB No. 108), "Considering the Effects of Prior Year Misstatements When Qualifying Misstatements in Current Year Financial Statements". SAB No. 108 provides interpretive guidance on how the effects of the carryover or reversal of prior-year misstatements should be considered in qualifying a current-year misstatement. The SEC staff believes that registrants should qualify errors using both a balance sheet and income statement approach and evaluate whether either approach results in qualifying a current-year misstatement that is material when all relevant quantitative and qualitative factors are considered. The provisions of SAB No. 108 were effective for the Company's fiscal year ending December 31, 2007. The adoption of SAB No. 108 did not have a material impact on the Company's financial statements.

Business Combinations

In December 2007, the FASB issued SFAS No. 141(R) "Business Combinations" SFAS No. 141(R). This Statement replaces the original SFAS No. 141. This Statement retains the fundamental requirements in Statement 141 that the acquisition method of accounting (which Statement No. 141 called the purchase method) be used for all business combinations and for an acquirer to be identified for each business combination. The objective of this SFAS No. 141(R) is to improve the relevance and comparability of the information that a reporting entity provides in its financial report about a business combination and its effects.

To accomplish that, SFAS No. 141(R) establishes principles and requirements for how the acquirer:

- Recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree.
- Recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase.
- Determines what information to disclose to enable users of the financial statements to evaluate the nature and economic effects of the business combination.

This Statement applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. It may not be applied before that date. The Company is unable at this time to determine the effect that its adoption of SFAS No. 141(R) will have on its consolidated results of operations and financial condition.

Fair Value Option for Financial Assets and Financial Liabilities

In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities – Including an amendment of FASB Statement No. 115", which becomes effective for the Company on February 1,

2008, permits companies to choose to measure many financial instruments and certain other items at fair value and report unrealized gains and losses in earnings. Such accounting is optional and is generally to be applied instrument by instrument. The Company does not anticipate that the election of this fair-value option will have a material effect on its consolidated financial condition, results of operations, cash flows, or disclosures.

Fair Value Measurements

In September 2006, the FASB issued SFAS No. 157; "Fair Value Measurements" SFAS No. 157 provides guidance for using fair value to measure assets and liabilities. SFAS No. 157 addresses the requests from investors for expanded disclosure about the extent to which companies measure assets and liabilities at fair value, the information used to measure fair value, and the effect of fair value measurements on earnings. SFAS No. 157 applies whenever other standards require (or permit) assets or liabilities to be measured at fair value and does not expand the use of fair value in any new circumstances. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and will be adopted by the Company in the first quarter of the fiscal year 2008. The Company is unable at this time to determine the effect that its adoption of SFAS No. 157 will have on its consolidated results of operations and financial condition.

Stock-based compensation:

Effective January 1, 2007, the Company adopted SFAS No. 123(R), "Share-Based Payment" ("SFAS 123(R)"), and related interpretations that superseded APB No. 25.

SFAS 123(R) requires that all stock-based compensation be recognized as an expense in the financial statements and that such cost be measured at the fair value of the award. This statement was adopted using the modified prospective method, which requires the Company to recognize compensation expenses on a prospective basis.

The above benefit was calculated using a combined federal and state tax estimated rate, as noted.

below

On December 31, 2018, the Company had a net operating loss carryforward of approximately \$240,000, which will expire at various dates through 2027.

COMMITMENTS

Employment Agreements

The Company has employment agreements with its Chief Executive Officer ("CEO") and President. The agreements are for nine years, beginning November 17, 2008, and are automatically renewed. Initial compensation relating to the agreements is 25,000,000 shares, thereafter 2,000,000 shares per year.

Section 1 - DESIGNATION OF SERIES AND RANK

The total 6,600 shares of such series shall be designated as the "Series A Preferred Stock," and the number of shares initially constituting such series shall be up to six thousand six hundred (6,600) shares. The Series A Preferred Stock shall be senior to the common stock and any other series or class of the company's preferred stock. **Note: No Stock Symbol For Series A**

Section 2 - CONVERSION RIGHTS

Series A Preferred Stock- All of the 6,600 shares of Series A Preferred Stock are issued and outstanding, then the total aggregate issued shares of Series A Preferred Stock at any given time, regardless of their number, shall not be convertible into shares of Common Stock, the Series A Preferred is voting shares only equal 66% of the total number of shares of Common Stock, plus the total number of shares of all other series of stock, which are issued and outstanding.

All shares of Series A Preferred Stock shall not be convertible into the number of shares of Common Stock equal to 66% of the total number of shares of Common Stock, plus the total number of shares of all other series of stock issued and outstanding at the time of conversion, divided by the total number of shares of Series A Preferred Stock at the time of conversion.

The terms of the contract include a nine-year non-dilution of officers and directors, acceleration of agreement in the case of termination or change of control, in which all compensation shall be delivered within thirty days of termination, performance-based, and a non-compete clause.

Note: No Stock Symbol For Series A

VALUE OR DEFICIENCY IN ASSETS

Classes of stock

Common Shares- the authorized number of common shares is 200,000,000. The CEO and President are the majority shareholders, owning approximately 66% of the company.

Series A; Section 1 - DESIGNATION OF SERIES AND RANK

The total 6,600 shares of such series shall be designated as the "Series A Preferred Stock," and the number of shares initially constituting such series shall be up to six thousand six hundred (6,600) shares. The Series A Preferred Stock shall be senior to the common stock and any other series or class of the company's preferred stock. **Note: No Stock Symbol For Series A**

Section 2 - CONVERSION RIGHTS

All 6,600 shares of Series A Preferred Stock are issued and outstanding, and the total aggregate issued shares of Series A Preferred Stock at any given time, regardless of their number, shall not be convertible into shares of

Common Stock. The Series A Preferred is voting shares only equal 66% of the total number of shares of Common Stock, plus the total number of shares of all other series of stock that are issued and outstanding.

All shares of Series A Preferred Stock shall not be convertible into the number of shares of Common Stock, which equals 66% of the total number of shares of Common Stock, plus the total number of shares of all other series of stock, which are issued and outstanding at the time of conversion, divided by the total number of shares of Series A Preferred Stock at the time of conversion. **Note:**
No Stock Symbol For Series A

Section 3 - LIQUIDATION RIGHTS

In the event of any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, the holders of the Series A Preferred then outstanding shall be entitled to be paid out of the assets of the Company before any other class or series, available for distribution to its shareholders, any payment or declaration and set apart for payment of any amount shall be made in respect of any outstanding capital stock of the Company, an amount equal to One Thousand Dollars (\$1,000) per share or option issued.

Then, all of the assets of the Company available to be distributed shall be distributed ratably to the holders of the Series A Preferred and then to the holders of other outstanding shares of capital stock of the Company. If upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, the assets to be distributed to the holders of the Series A Preferred shall be insufficient to permit the payment to the holders thereof the total preferential amount as provided herein. Such available assets shall be distributed ratably to the holders of the Series A Preferred.

None of the following events shall be treated as or deemed to be liquidation hereunder:

A merger, consolidation, or reorganization of the Company;

A sale or other transfer of all or substantially all of the Company's assets;

A sale of 50% or more of the Company's capital stock then issued and outstanding;

Purchase or redemption by the Company of stock of any class or

Payment of a dividend or distribution from funds legally available, therefore.

Section 4 - VOTING RIGHTS

Series A Preferred Stock is issued and outstanding, then the total aggregate issued shares of Series A Preferred Stock at any given time, regardless of their number, shall have voting rights equal to 66% of the total number of shares of Common Stock, plus the total number of shares of all other series of stock, issued and outstanding at the time of any vote of shareholders.

All 6,600 of Series A Preferred Stock shall have voting rights equal to 66% of

the number of shares of Common Stock, plus the total number of shares of all other series of Stock, issued and outstanding at the time of any vote of shareholders, divided by the number of shares of Series A Preferred Stock which are issued and outstanding at the time of the vote. **Note: No Stock Symbol For Series A**

Series B Dividend Shares- authorized 100 million shares of this convertible preferred with a redemption rate of 1:2 into common. The price point is \$1.00 per share, two preferred shares for every common share. None are issued

Series C Convertible Preferred Shares - Authorized 10 million shares and carry at the stated conversion of \$5.00 per share and is 1:1 conversion into common.

Reclassification issues will not be granted in the event of dilution that equates to a higher net asset value. None are issued

Series D Shares- This class of stock was established to be traded on foreign exchanges such as the Nikkei and the Dax. By June 30, 2009, the Company had not yet obtained authorization to trade on any foreign exchanges. The total authorized number of Series D shares is 100,000,000. None are issued

EARNINGS PER SHARE

Basic earnings per share are computed by dividing earnings (losses) available to common stockholders by the weighted average of common shares outstanding during the period. Additionally, the earnings per share is calculated for insurance companies based on the net asset value of the balance sheet.

SOFTWARE DEVELOPMENT:

Various portal upgrades and app development