

Name of Offeree: \_\_\_\_\_

PPM Number: \_\_\_\_\_

# CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

## HEALTHCARE PREFERENCE GROUP INC.

**\$500,000**

Max Series A Preferred Shares Offered: 500,000

Min Series A Preferred Shares Offered: 5,000

Price Per Share: \$1.00

Minimum Investment: \$5,000.00

*HealthCare Preference Group Inc. (the "Company" or "HPG"), a Georgia Company, is offering a minimum of 10,000 and a maximum of 500,000 Series A Preferred Shares for \$1.00 per share. The offering price per share has been arbitrarily determined by the Company*

*See Risk Factors: Offering Price.*

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THESE ARE SPECULATIVE SECURITIES WHICH INVOLVE A HIGH DEGREE OF RISK. ONLY THOSE INVESTORS WHO CAN BEAR THE LOSS OF THEIR ENTIRE INVESTMENT SHOULD INVEST IN THESE PREFERRED SHARES.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), THE SECURITIES LAWS OF THE STATE OF GEORGIA, OR UNDER THE SECURITIES LAWS OF ANY OTHER STATE OR JURISDICTION IN RELIANCE UPON THE EXEMPTIONS FROM REGISTRATION PROVIDED BY THE ACT AND REGULATION D RULE 506 PROMULGATED THEREUNDER, AND THE COMPARABLE EXEMPTIONS FROM REGISTRATION PROVIDED BY OTHER APPLICABLE SECURITIES LAWS.

	Sale Price	Selling Commissions (2)	Proceeds to Company (3)
Preferred Share	\$1.00	5%	\$0.95
Minimum	\$100,000	\$2,500	\$47,500
Maximum	\$500,000	\$25,000	\$475,000

### The Date of this Memorandum is September 25, 2021

- (1) The Company reserves the right to waive the 5,000 shares minimum subscription for any investor. The Offering is not underwritten. The Preferred Series A Shares ("Preferred Shares") are offered on a "best efforts" basis by the Company through its officers and directors. The Company has set a minimum offering amount of 100,000 Preferred Shares with minimum gross proceeds of \$100,000 for this Offering. All proceeds from the sale of Preferred Shares up to 100,000 will be deposited in an escrow account. Upon the sale of \$100,000 worth of Preferred Shares, all proceeds will be delivered directly to the Company's corporate account and be available for use by the Company at its discretion.
- (2) Preferred Shares may also be sold by FINRA member brokers or dealers who enter into a Participating Dealer Agreement with the Company, who will receive commissions of up to 5% of the price of the Preferred Shares sold. The Company reserves the right to pay expenses related to this Offering from the proceeds of the Offering. See "PLAN OF PLACEMENT and USE OF PROCEEDS" section.
- (3) The Offering will terminate on the earliest of: (a) the date the Company, in its discretion, elects to terminate, or (b) the date upon which all Preferred Shares have been sold, or (c) September 30, 2020 or such date as may be extended from time to time by the Company, but not later than 180 days thereafter (the "Offering Period").

THIS OFFERING IS NOT UNDERWRITTEN. THE OFFERING PRICE HAS BEEN ARBITRARILY SET BY THE MANAGEMENT OF THE COMPANY. THERE CAN BE NO ASSURANCE THAT ANY OF THE SECURITIES WILL BE SOLD.

THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES AGENCY, NOR HAS ANY SUCH REGULATORY BODY REVIEWED THIS OFFERING MEMORANDUM FOR ACCURACY OR COMPLETENESS. BECAUSE THESE SECURITIES HAVE NOT BEEN SO REGISTERED, THERE MAY BE RESTRICTIONS ON THEIR TRANSFERABILITY OR RESALE BY AN INVESTOR. EACH PROSPECTIVE INVESTOR SHOULD PROCEED ON THE ASSUMPTION THAT HE MUST BEAR THE ECONOMIC RISKS OF THE INVESTMENT FOR AN INDEFINITE PERIOD, SINCE THE SECURITIES MAY NOT BE SOLD UNLESS, AMONG OTHER THINGS, THEY ARE SUBSEQUENTLY REGISTERED UNDER THE APPLICABLE SECURITIES ACTS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. THERE IS NO TRADING MARKET FOR THE COMPANY'S PREFERRED SHARES AND THERE CAN BE NO ASSURANCE THAT ANY MARKET WILL DEVELOP IN THE FUTURE OR THAT THE PREFERRED SHARES WILL BE ACCEPTED FOR INCLUSION ON NASDAQ OR ANY OTHER TRADING EXCHANGE AT ANY TIME IN THE FUTURE. THE COMPANY IS NOT OBLIGATED TO REGISTER FOR SALE UNDER EITHER FEDERAL OR STATE SECURITIES LAWS THE PREFERRED SHARES PURCHASED PURSUANT HERETO, AND THE ISSUANCE OF THE PREFERRED SHARES IS BEING UNDERTAKEN PURSUANT TO RULE 506 OF REGULATION D UNDER THE SECURITIES ACT. ACCORDINGLY, THE SALE, TRANSFER, OR OTHER DISPOSITION OF ANY OF THE PREFERRED SHARES, WHICH ARE PURCHASED PURSUANT HERETO, MAY BE RESTRICTED BY APPLICABLE FEDERAL OR STATE SECURITIES LAWS (DEPENDING ON THE RESIDENCY OF THE INVESTOR) AND BY THE PROVISIONS OF THE SUBSCRIPTION AGREEMENT REFERRED TO HEREIN. THE OFFERING PRICE OF THE SECURITIES TO WHICH THE CONFIDENTIAL TERM SHEET RELATES HAS BEEN ARBITRARILY ESTABLISHED BY THE COMPANY AND DOES NOT NECESSARILY BEAR ANY SPECIFIC RELATION TO THE ASSETS, BOOK VALUE OR POTENTIAL EARNINGS OF THE COMPANY OR ANY OTHER RECOGNIZED CRITERIA OF VALUE.

No person is authorized to give any information or make any representation not contained in the Memorandum and any information or representation not contained herein must not be relied upon. Nothing in this Memorandum should be construed as legal or tax advice.

The Management of the Company has provided all of the information stated herein. The Company makes no express or implied representation or warranty as to the completeness of this information or, in the case of projections, estimates, future plans, or forward-looking assumptions or statements, as to their attainability or the accuracy and completeness of the

assumptions from which they are derived, and it is expected that each prospective investor will pursue his, her, or its own independent investigation. It must be recognized that estimates of the Company's performance are necessarily subject to a high degree of uncertainty and may vary materially from actual results.

This Memorandum does not constitute an offer to sell or a solicitation of an offer to buy securities in any jurisdiction in which such offer or solicitation would be unlawful or is not authorized or in which the person making such offer or solicitation is not qualified to do so. This Memorandum does not constitute an offer if the prospective investor is not qualified under applicable securities laws.

This offering is made subject to withdrawal, cancellation, or modification by the Company without notice and solely at the Company's discretion. The Company reserves the right to reject any subscription or to allot to any prospective investor less than the number of Preferred Shares subscribed for by such prospective investor.

This Memorandum has been prepared solely for the information of the person to whom it has been delivered by or on behalf of the Company. Distribution of this Memorandum to any person other than the prospective investor to whom this Memorandum is delivered by the Company and those persons retained to advise them with respect thereto is unauthorized. Any reproduction of this Memorandum, in whole or in part, or the divulgence of any of the contents without the prior written consent of the Company is strictly prohibited. Each prospective investor, by accepting delivery of this Memorandum, agrees to return it and all other documents received by them to the Company if the prospective investor's subscription is not accepted or if the Offering is terminated.

By acceptance of this Memorandum, prospective investors recognize and accept the need to conduct their own thorough investigation and due diligence before considering a purchase of the Preferred Shares. The contents of this Memorandum should not be considered to be investment, tax, or legal advice and each prospective investor should consult with their own counsel and advisors as to all matters concerning an investment in this Offering.

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## I. JURISDICTIONAL (NASAA) LEGENDS

FOR RESIDENTS OF ALL STATES: THE PRESENCE OF A LEGEND FOR ANY GIVEN STATE REFLECTS ONLY THAT A LEGEND MAY BE REQUIRED BY THAT STATE AND SHOULD NOT BE CONSTRUED TO MEAN AN OFFER OR SALE MAY BE MADE IN A PARTICULAR STATE. IF YOU ARE UNCERTAIN AS TO WHETHER OR NOT OFFERS OR SALES MAY BE LAWFULLY MADE IN ANY GIVEN STATE, YOU ARE HEREBY ADVISED TO CONTACT THE COMPANY. THE SECURITIES DESCRIBED IN THIS MEMORANDUM HAVE NOT BEEN REGISTERED UNDER ANY STATE SECURITIES LAWS (COMMONLY CALLED "BLUE SKY" LAWS) THESE SECURITIES MUST BE ACQUIRED FOR INVESTMENT PURPOSES ONLY AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION OF SUCH SECURITIES UNDER SUCH LAWS, OR AN OPINION OF COUNSEL ACCEPTABLE TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED. THE PRESENCE OF A LEGEND FOR ANY GIVEN STATE REFLECTS ONLY THAT A LEGEND MAY BE REQUIRED BY THE STATE AND SHOULD NOT BE CONSTRUED TO MEAN AN OFFER OF SALE MAY BE MADE IN ANY PARTICULAR STATE.

### STATE LEGENDS

**FOR CALIFORNIA RESIDENTS ONLY:** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS OFFERING HAS NOT BEEN QUALIFIED WITH COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SECURITIES OR PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFORE PRIOR TO SUCH QUALIFICATIONS IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPTED FROM QUALIFICATION BY SECTION 25100, 25102, OR 25104 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS OFFERING ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATIONS BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

**NOTICE TO FLORIDA RESIDENTS ONLY:** THE SHARES DESCRIBED HEREIN HAVE NOT BEEN REGISTERED WITH THE FLORIDA DIVISION OF SECURITIES AND INVESTOR PROTECTION UNDER THE FLORIDA SECURITIES ACT. THE SHARES REFERRED TO HEREIN WILL BE SOLD TO AND ACQUIRED BY THE HOLDER IN A TRANSACTION EXEMPT UNDER SECTION 517.061 OF SAID ACT. THE SHARES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF FLORIDA. IN ADDITION, ALL OFFEREES WHO ARE FLORIDA RESIDENTS SHOULD BE AWARE THAT SECTION 517.061(11)(a)(5) OF THE ACT PROVIDES, IN RELEVANT PART, AS FOLLOWS:

"WHEN SALES ARE MADE TO FIVE OR MORE PERSONS IN [FLORIDA], ANY SALE IN [FLORIDA] MADE PURSUANT TO [THIS SECTION] IS VOIDABLE BY THE PURCHASER IN SUCH SALE EITHER WITHIN 3 DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE PURCHASER TO THE ISSUER, AN AGENT OF THE ISSUER OR AN ESCROW AGENT OR WITHIN 3 DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO SUCH PURCHASER, WHICHEVER OCCURS LATER." THE AVAILABILITY OF THE PRIVILEGE TO VOID SALES PURSUANT TO SECTION 517.061(11) IS HEREBY COMMUNICATED TO EACH FLORIDA OFFEREE. EACH PERSON ENTITLED TO EXERCISE THE PRIVILEGE TO AVOID SALES GRANTED BY SECTION 517.061 (11) (A)(5) AND WHO WISHES TO EXERCISE SUCH RIGHT, MUST, WITHIN 3 DAYS AFTER THE TENDER OF ANY AMOUNT TO THE COMPANY OR TO ANY AGENT OF THE COMPANY (INCLUDING THE SELLING AGENT OR ANY OTHER DEALER ACTING ON BEHALF OF THE PARTNERSHIP OR ANY SALESMAN OF SUCH DEALER) OR AN ESCROW AGENT CAUSE A WRITTEN NOTICE OR TELEGRAM TO BE SENT TO THE COMPANY AT THE ADDRESS PROVIDED IN THIS CONFIDENTIAL EXECUTIVE SUMMARY. SUCH LETTER OR TELEGRAM MUST BE SENT AND, IF POSTMARKED, POSTMARKED ON OR PRIOR TO THE END OF THE AFOREMENTIONED THIRD DAY. IF A PERSON IS SENDING A LETTER, IT IS PRUDENT TO SEND SUCH LETTER BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ASSURE THAT IT IS RECEIVED AND ALSO TO EVIDENCE THE TIME IT WAS MAILED. SHOULD A PERSON MAKE THIS REQUEST ORALLY, HE MUST ASK FOR WRITTEN CONFIRMATION THAT HIS REQUEST HAS BEEN RECEIVED.

**NOTICE TO GEORGIA RESIDENTS ONLY:** THESE SECURITIES ARE OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE GEORGIA SECURITIES ACT PURSUANT TO REGULATION 590-4-2-02. THE SECURITIES CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

**NOTICE TO NEVADA RESIDENTS ONLY:** IF ANY INVESTOR ACCEPTS ANY OFFER TO PURCHASE THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION NRS 92.520 OF THE NEVADA SECURITIES LAW. THE INVESTOR IS HEREBY ADVISED THAT THE ATTORNEY GENERAL OF THE STATE OF NEVADA HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING AND THE FILING OF THE OFFERING WITH THE BUREAU OF SECURITIES DOES NOT CONSTITUTE APPROVAL OF THE ISSUE, OR SALE THEREOF, BY THE BUREAU OF SECURITIES OR THE DEPARTMENT OF LAW AND PUBLIC



SAFETY OF THE STATE OF NEVADA. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. NEVADA ALLOWS THE SALE OF SECURITIES TO 25 OR FEWER PURCHASERS IN THE STATE WITHOUT REGISTRATION. HOWEVER, CERTAIN CONDITIONS APPLY, I.E., THERE CAN BE NO GENERAL ADVERTISING OR SOLICITATION AND COMMISSIONS ARE LIMITED TO LICENSED BROKER-DEALERS. THIS EXEMPTION IS GENERALLY USED WHERE THE PROSPECTIVE INVESTOR IS ALREADY KNOWN AND HAS A PRE-EXISTING RELATIONSHIP WITH THE COMPANY. (SEE NRS 90.530.11.)

DURING THE COURSE OF THE OFFERING AND PRIOR TO ANY SALE, EACH OFFEREE OF THE SHARES AND HIS OR HER PROFESSIONAL ADVISOR(S), IF ANY, ARE INVITED TO ASK QUESTIONS CONCERNING THE TERMS AND CONDITIONS OF THE OFFERING AND TO OBTAIN ANY ADDITIONAL INFORMATION NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION SET FORTH HEREIN. SUCH INFORMATION WILL BE PROVIDED TO THE EXTENT THE COMPANY POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE.

EACH PROSPECTIVE INVESTOR WILL BE GIVEN AN OPPORTUNITY TO ASK QUESTIONS OF, AND RECEIVE ANSWERS FROM, MANAGEMENT OF THE COMPANY CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING AND TO OBTAIN ANY ADDITIONAL INFORMATION, TO THE EXTENT THE COMPANY POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORTS OR EXPENSE, NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION CONTAINED IN THIS MEMORANDUM. IF YOU HAVE ANY QUESTIONS WHATSOEVER REGARDING THIS OFFERING, OR DESIRE ANY ADDITIONAL INFORMATION OR DOCUMENTS TO VERIFY OR SUPPLEMENT THE INFORMATION CONTAINED IN THIS MEMORANDUM, PLEASE WRITE OR CALL: (818)-858-5551

## II. SUMMARY OF THE OFFERING

The following material is intended to summarize information contained elsewhere in this Limited Offering Memorandum (the “Memorandum”). This summary is qualified in its entirety by express reference to this Memorandum and the materials referred to and contained herein. Each prospective subscriber should carefully review the entire Memorandum and all materials referred to herein and conduct his or her own due diligence before subscribing for Preferred Shares.

### A. The Company

Healthcare Preference Group, Inc. (“Healthcare Preference Group”, or the “Company”), began operations on April 24, 2020, with the purpose of establishing a Healthcare Impact Preference Financial Indices. The Company’s legal structure was formed as a C-Corp under the laws of the State of Georgia on April 24, 2020. Its principal offices are presently located at 827 Fairways Court, Ste. 202, Stockbridge, GA 30281. The Company’s telephone number is (818)-8585-5551. The President of the Company is Kenton Gray.

### B. The Advantages of a C Corporation

Corporations have been used for over 500 years to limit owners’ liability and thus encourage business investment and risk taking. Their use for this purpose continues to this day. The C refers to IRS Code Sections. Advantages include having an unlimited number of shareholders, from anywhere in the world. They can have several different classes of shares. They have the widest range of deductions and expenses allowed by the IRS. They are the most widely recognized business entity in the world and are the premier entity for going public. In Nevada and Wyoming, nominee (or stand-in) officers and directors can be utilized, adding extra levels of privacy.

A C Corporation has the widest range of deductions and expenses allowed by the IRS, especially in the area of employee fringe benefits. A C Corporation can set up medical reimbursement and other employee benefits, and deduct the costs of running these programs, including all premiums paid. The employees, including you as the owner/shareholder, will also not pay taxes on the value of those benefits.

This is not the case in a flow-through entity, such as an S Corporation, LLC or LP. In each of those cases the entity may write off the costs of the benefits, but any employee/shareholder who owns more than 2% of the entity will pay taxes on the value of their benefits received,

maximum deductions and all of the employee fringe benefits on a tax-free basis is important to you.

### **C. Operations**

Healthcare Preferences Group will deliver new disruptive financial methodology Indexes to the marketplace consisting of the first-ever Healthcare Impact Preference Index, branded as HIP and a portfolio of HIP Indices to be listed on the NYSE. Simultaneously the Company intends to Sponsor and License their Indices benchmark as (ETF's) Exchange Traded Fund's to be listed on either the NASDAQ or NYSE Exchange. The business model consists of a proprietary methodology with the first financial index to integrate, environmental, social and governance (ESG) compliance and the authentic voice of the healthcare community for superior ROI & return on social impact (ROSI) . Our proprietary methodology with big data AI also screens for alpha financial performance.

### **D. Business Overview**

Portions of the Healthcare Preference Group Business Overview, included as a separate document, were prepared by the Company using assumptions, including several forward-looking statements. Each prospective investor should carefully review the Business Overview and all accompanying Schedule Attachments in association with this Memorandum before purchasing Preferred Shares. Management makes no representations as to the accuracy or achievability of the underlying assumptions and projected results contained herein.

### **E. The Offering**

The Company is offering a minimum of 5,000 and a maximum of 500,000 Preferred Shares at a price of \$1.00 per Share. A 10% dividend will be paid for 2 years (24 months). Dividends are cumulative and will be paid in Common Shares of the Company. Preferred Shares are convertible into Common Shares by the Purchaser at any time during the 24 month period from the time of the closing of the Preferred Convertible Series A Offering. Preferred shares will be converted into common shares of the company 24 months after (Your decision: a. the initial offering date or b. the investor subscription date) or the date that the Company is listed on a major U.S. exchange (NASDAQ, NYSE), whichever is sooner.

Upon completion of the Offering 500,000 Preferred Shares will be outstanding. Each purchaser must execute a Subscription Agreement making certain representations and warranties to the Company, including such purchaser's qualifications as an Accredited Investor as defined by the Securities and Exchange Commission in Rule 501(a) of Regulation D promulgated, or one of 35 Non-Accredited Investors that may be allowed to purchase Preferred Shares in this offering. See "REQUIREMENTS FOR PURCHASERS" section.

## **F. Risk Factors**

See "RISK FACTORS" section in this Memorandum for certain factors that could adversely affect an investment in the Preferred Shares. Those factors include but are not limited to unanticipated obstacles to execution of the Business Overview, general economic factors, changes or amendments to current Health Care law and policy or current Food and Drug Administration requirements.

## **G. Use of Proceeds**

Proceeds from the sale of Preferred Shares will be used to establish the operations and the development and creation of the HIP Index brand and launch the first Healthcare Impact Preference Index called the HIP50, consisting of the top U.S. 50 large-cap publicly listed companies in the healthcare sector See "USE OF PROCEEDS" section.

## **H. Minimum Offering Proceeds - Escrow of Subscription Proceeds**

The Company has set a minimum offering proceeds figure of \$100,000 (the "minimum offering proceeds") for this Offering. The Company has established an Escrow Account with the Veracor Group, LLC, into which the minimum offering proceeds will be placed. At least 50,000 Preferred Shares must be sold for \$100,000 before such proceeds will be released from the escrow account and utilized by the Company. After the minimum number of Preferred Shares is sold, all subsequent proceeds from the sale of Preferred Shares will be delivered directly to the Company. See "PLAN OF PLACEMENT - ESCROW ACCOUNT ARRANGEMENT" section.

## **I. Preferred Shares**

Upon the sale of the maximum number of Preferred Shares from this Offering, the number of issued and outstanding Preferred Shares of the Company's stock will be held as follows:

Present Stockholders	95%
New Stockholders	5%

## **J. Registrar**

The Company will serve as its own registrar and transfer agent with respect to its Preferred Shares.

## **K. Subscription Period**

The Offering will terminate on the earliest of: (a) the date the Company, in its discretion, elects to terminate, or (b) the date upon which all Preferred Shares have been sold, or (c) September 30, 2020, or such date as may be extended from time to time by the Company, but not later than 180 days thereafter (the "Offering Period").

## **III. REQUIREMENTS FOR PURCHASERS**

Prospective purchasers of the Preferred Shares offered by this Memorandum should give careful consideration to certain risk factors described under "RISK AND OTHER IMPORTANT FACTORS" section and especially to the speculative nature of this investment and the limitations described under that caption with respect to the lack of a readily available market for the Preferred Shares and the resulting long term nature of any investment in the Company. This Offering is available only to suitable Accredited Investors, or one of 35 Non-Accredited Investors that may be allowed to purchase Preferred Shares, having adequate means to assume such risks and of otherwise providing for their current needs and contingencies should consider purchasing Preferred Shares.

### **A. General Suitability Standards**

The Preferred Shares will not be sold to any person unless such prospective purchaser or his or her duly authorized representative shall have represented in writing to the Company in a Subscription Agreement that:

- a) The prospective purchaser has adequate means of providing for his or her current needs and personal contingencies and has no need for liquidity in the investment of the Preferred Shares.
- b) The prospective purchaser's overall commitment to investments which are not readily marketable is not disproportionate to his, her, or its net worth and the investment in the Preferred Shares will not cause such overall commitment to become excessive; and
- c) The prospective purchaser is an "Accredited Investor" (as defined below) suitable for purchase in the Preferred Shares.

- d) Each person acquiring Preferred Shares will be required to represent that he, she, or it is purchasing the Preferred Shares for his, her, or its own account for investment purposes and not with a view to resale or distribution. See “SUBSCRIPTION FOR PREFERRED SHARES” section.

## **B. Accredited Investors**

The Company will conduct the Offering in such a manner that Preferred Shares may be sold only to “Accredited Investors” as that term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933 (the “Securities Act”), or to a maximum of 35 Non-Accredited Investors that may be allowed to purchase Preferred Shares in this offering. In summary, a prospective investor will qualify as an “Accredited Investor” if he, she, or it meets any one of the following criteria:

- a) Any natural person whose individual net worth, or joint net worth with that person’s spouse, at the time of his purchase, exceeds \$1,000,000 excluding the value of the primary residence of such natural person;
- b) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of \$300,000 in each of those years and who has a reasonable expectation of reaching the same income level in the current year;
- c) Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities and Exchange Act of 1934 (the “Exchange Act”); any insurance company as defined in Section 2(13) of the Exchange Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; any Small Business Investment Company (SBIC) licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan

has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are Accredited Investors;

- d) Any private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940;
- e) Any organization described in Section 501(c)(3)(d) of the Internal Revenue Code, corporation, business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;
- f) Any director or executive officer, or general partner of the issuer of the securities being sold, or any director, executive officer, or general partner of a general partner of that issuer;
- g) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Section 506(b)(2)(ii) of Regulation D adopted under the Act; and
- h) Any entity in which all the equity owners are Accredited Investors.

### **C. Other Requirements**

No subscription for the Preferred Shares will be accepted from any investor unless he is acquiring the Preferred Shares for his own account (or accounts as to which he has sole investment discretion), for investment and without any view to sale, distribution or disposition thereof. Each prospective purchaser of Preferred Shares may be required to furnish such information as the Company may require to determine whether any person or entity purchasing Preferred Shares is an Accredited Investor or select Non-Accredited Investor who may purchase Preferred Shares.

## **IV. FORWARD-LOOKING INFORMATION**

Some of the statements contained in this Memorandum, including information incorporated by reference, discuss future expectations, or state other forward-looking information. Those statements are subject to known and unknown risks, uncertainties and other factors, several of which are beyond the Company's control, which could cause the actual results to differ materially from those contemplated by the statements. The forward-looking information is based on various factors and was derived using numerous assumptions. In light of the risks,

assumptions, and uncertainties involved, there can be no assurance that the forward-looking information contained in this Memorandum will in fact transpire or prove to be accurate.

Important factors that may cause the actual results to differ from those expressed within may include, but are not limited to:

- The success or failure of the Company's efforts to successfully market its financial products and data as projected;
- The Company's ability to attract, build, and maintain Index License and ETF Sponsorship financial investment networks;
- The Company's ability to attract and retain quality sales employees;
- The effect of changing economic conditions;
- The ability of the Company to obtain adequate financing if only a fraction of this Offering is sold;

These along with other risks, which are described under "RISK FACTORS" may be described in future communications to Shareholders. The Company makes no representation and undertakes no obligation to update the forward-looking information to reflect actual results or changes in assumptions or other factors that could affect those statements.

## **V. RISK FACTORS**

**Investing in the Company's Preferred Shares is very risky. You should be able to bear a complete loss of your investment. You should carefully consider the following factors, including those listed in the accompanying Business Overview.**

### **A. Development Stage Business**

Healthcare Preference Group, Inc. commenced operations in April 2020 and is organized as a C-Corp under the laws of the State of Georgia. Accordingly, the Company has only a limited history upon which an evaluation of its prospects and future performance can be made. The Company's proposed operations are subject to all business risks associated with new enterprises. The likelihood of the Company's success must be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with the expansion of a business, operation in a competitive industry, and the continued development of advertising, promotions and a corresponding customer base. There is a possibility that the Company could sustain losses in the future. There can be no assurances that Healthcare Preference Group, Inc. will even operate profitably.



**B. Inadequacy of Funds**

Gross offering proceeds of a minimum of \$100,000 and a maximum of \$500,000 may be realized. Management believes that such proceeds will capitalize and sustain Healthcare Preference Group sufficiently to allow for the implementation of the Company's Business Overview Phase I. If only a fraction of this Offering is sold, or if certain assumptions contained in Management's Business Overview prove to be incorrect, the Company may have inadequate funds to fully develop its business and may need debt financing or other capital investment to fully implement the Company's Business Overview Phase I.

**C. Dependence on Management**

In the early stages of any development company, the Company's business will be significantly dependent on the Company's management team. The Company's success will be particularly dependent upon Kenton Gray, President and the Board of Directors assembled. The loss of any one of these individuals could have a material adverse effect on the Company. See "MANAGEMENT" section.

**D. Risks Associated with Expansion**

The Company plans on expanding its business through the introduction of sophisticated financial and mainstream media targeted marketing campaigns. Any expansion of operations the Company may undertake will entail risks. Such actions may involve specific operational activities, which may negatively impact the profitability of the Company. Consequently, board members must assume the risk that (i) such expansion may ultimately involve expenditures of funds beyond the resources available to the Company at that time, and (ii) management of such expanded operations may divert Management's attention and resources away from its existing operations, all of which factors may have a material adverse effect on the Company's present and prospective business activities.

**E. Customer Base and Market Acceptance**

Healthcare Preferences Group, Inc and our HIP brand of indices will provide its clients and investors with products and services designed to:

- deliver higher financial returns than industry standards.
- Customized annual data and analytics reporting..
- The launch and listing on the NYSE of the first HIP Index product HIP50 Index;
- The launch of three additional HIP Index product brands; and

- Establish sales channels to Direct Index TAMP Platforms, Direct Index AMC Platforms and ETF Fund Advisers and Institutional, Family Offices and High Networth Investors. Along with creating the first Crowdfunding Platform for AUM ETF Seed Investors.

## **F. Competition**

The current standards in the industry are the S&P 500 Healthcare sub-sector and Vanguard Healthcare ETF which our HIP brand will show higher standards of performance.

## **G. Trend in Consumer Preferences and Spending**

The Company's operating results may fluctuate significantly from period to period as a result of a variety of factors, including treatment patterns of patients, competitive pricing, debt service and principal reduction payments, and general economic conditions. There is no assurance that the Company will be successful in marketing any of its products, or that the revenues from the sale of such products and services will be significant. Consequently, the Company's revenues may vary by quarter, and the Company's operating results may experience fluctuations.

## **H. Risks of Borrowing**

If the Company incurs indebtedness, a portion of its cash flow will have to be dedicated to the payment of principal and interest on such indebtedness. Typical loan agreements also might contain restrictive covenants, which may impair the Company's operating flexibility. Such loan agreements would also provide for default under certain circumstances, such as failure to meet certain financial covenants. A default under a loan agreement could result in the loan becoming immediately due and payable and, if unpaid, a judgment in favor of such lender which would be senior to the rights of Shareholders of the Company. A judgment creditor would have the right to foreclose on any of the Company's assets resulting in a material adverse effect on the Company's business, operating results or financial condition.

## **I. Unanticipated Obstacles to Execution of the Business Overview**

The Company's Business Overview may change significantly. Many of the Company's potential business endeavors are capital intensive and may be subject to statutory or regulatory requirements. Management believes that the Company's chosen activities and strategies are achievable considering current economic and legal conditions with the skills, background, and knowledge of the Company's principals and advisors. Management reserves the right to make significant modifications to the Company's stated strategies depending on future events.

**J. Management Discretion as to Use of Proceeds**

The net proceeds from this Offering will be used for the purposes described under “Use of Proceeds.” The Company reserves the right to use the funds obtained from this Offering for other similar purposes not presently contemplated which it deems to be in the best interests of the Company and its Shareholders in order to address changed circumstances or opportunities. As a result of the foregoing, the success of the Company will be substantially dependent upon the discretion and judgment of Management with respect to application and allocation of the net proceeds of this Offering. Investors for the Preferred Shares offered hereby will be entrusting their funds to the Company’s Management, upon whose judgment and discretion the investors must depend.

**K. Control By Management**

As of May 8, 2020, the Company’s stockholders owned approximately 95% of the Company’s outstanding stock. Upon completion of this Offering, the Company’s stockholders will own approximately 95% of then issued and outstanding Preferred Shares and will be able to continue to control Healthcare Preference Group, Inc. Investors will own a minority percentage of the Company and will have minority voting rights. Investors will not have the ability to control either a vote of the Company’s Board of Directors or any appointed officers. See “BOARD OF DIRECTORS” section.

**L. Return of Profits**

The Company intends to retain any initial future earnings to fund operations and expand the Company’s business. A Shareholder will be entitled to receive revenue profits proportionate to the amount of Preferred Shares held by that Shareholder in the form of a dividend. The Company’s Board of Directors will determine a dividend distribution plan based upon the Company’s results of operations, financial condition, capital requirements, and other circumstances. See “DESCRIPTION OF SECURITIES” section.

**M. No Assurances of Protection for Proprietary Rights; Reliance on Trade Secrets**

In certain cases, the Company may rely on trade secrets to protect intellectual property, proprietary technology and processes, which the Company has acquired, developed or may develop in the future. There can be no assurances that secrecy obligations will be honored or that others will not independently develop similar or superior products or technology. The protection of intellectual property and/or proprietary technology through claims of trade secret

status has been the subject of increasing claims and litigation by various companies both in order to protect proprietary rights as well as for competitive reasons even where proprietary claims are unsubstantiated. The prosecution of proprietary claims or the defense of such claims is costly and uncertain given the uncertainty and rapid development of the principles of law pertaining to this area. The Company, in common with other firms, may also be subject to claims by other parties with regard to the use of intellectual property, technology information and data, which may be deemed proprietary to others.

## **N. Dilution**

Purchasers of Preferred Shares will experience dilution of their equity position in the Company should it be necessary for the Company to seek additional financing through a registered offering either through debt or equity financing. Purchasers of Preferred Shares will experience immediate and substantial dilution of their equity position in the Company should it be necessary for the Company to seek additional financing through a registered offering either through debt or equity financing. There is full-ratchet anti-dilution protection for a period of 24 months if the Company was to close a lower priced registered offering, the Purchasers will be entitled to convert at a 25% discount based on their Principal and fixed dividend triggering the anti-dilution protection. Any Shares issued by the Company from treasury will be subject to anti-dilution protection rights for Purchasers for a period of 24 months.

## **O. Limited Transferability and Liquidity**

To satisfy the requirements of certain exemptions from registration under the Securities Act, and to conform with applicable state securities laws, each investor must acquire his Preferred Shares for investment purposes only and not with a view towards distribution. Consequently, certain conditions of the Securities Act may need to be satisfied prior to any sale, transfer, or other disposition of the Preferred Shares. Some of these conditions may include a minimum holding period, availability of certain reports, including financial statements from Healthcare Preference Group, limitations on the percentage of Preferred Shares sold and the manner in which they are sold. Healthcare Preference Group can prohibit any sale, transfer or disposition unless it receives an opinion of counsel provided at the holder's expense, in a form satisfactory to Healthcare Preference Group, stating that the proposed sale, transfer or other disposition will not result in a violation of applicable federal or state securities laws and regulations. No public market exists for the Preferred Shares and no market is expected to develop. Consequently, owners of the Preferred Shares may have to hold their investment indefinitely and may not be able to liquidate their investments in Healthcare Preference Group or pledge them as collateral for a loan in the event of an emergency.

**P. Broker - Dealer Sales of Preferred Shares**

The Company's Common Shares are not presently included for trading on any exchange, and there can be no assurances that the Company will ultimately be registered on any exchange due to the fact that it is a limited liability company and not a corporation.

No assurance can be given that Shares of the Company will ever qualify for inclusion on any trading market. As a result, the Company's Preferred Shares are covered by a Securities and Exchange Commission rule that opposes additional sales practice requirements on broker-dealers who sell such securities to persons other than established customers and accredited investors. For transactions covered by the rule, the broker-dealer must make a special suitability determination for the purchaser and receive the purchaser's written agreement to the transaction prior to the sale. Consequently, the rule may affect the ability of broker-dealers to sell the Company's securities and will also affect the ability of Shareholders to sell their Preferred Shares in the secondary market.

**Q. Conversion Nature of Investment**

The Purchaser is entitled, at its option, at anytime within 24 months, to convert all or any amount of their Preferred Shares into Common Shares of the company at a conversion value of a 25% discount based on any registered offering price executed by the Company under \$1.00 per share or under a Company valuation of \$10,000,000 or less. In the event that the Company completes a registered offering above \$1.00 a Share or higher than \$10,000,000 the holder can convert their Preference at \$1.00 per Share or at a \$10,000,000 valuation into the Common Shares of the Company.

An investment in the Preferred Shares may be long term and illiquid. As discussed above, the offer and sale of the Preferred Shares will not be registered under the Securities Act or any foreign or state securities laws by reason of exemptions from such registration, which depends in part on the investment intent of the investors. Prospective investors will be required to represent in writing that they are purchasing the Preferred Shares for their own account for long-term investment and not with a view towards resale or distribution. Accordingly, purchasers of Preferred Shares must be willing and able to bear the economic risk of their investment for an indefinite period of time. It is likely that investors will not be able to liquidate their investment in the event of an emergency.

**R. No Current Market For Preferred Shares**

There is no current market for the Preferred Shares offered in this private Offering.

## **S. Compliance with Securities Laws**

The Preferred Shares are being offered for sale in reliance upon certain exemptions from the registration requirements of the Securities Act, applicable Nevada Securities Laws, and other applicable state securities laws. If the sale of Preferred Shares were to fail to qualify for these exemptions, purchasers may seek rescission of their purchases of Preferred Shares. If a number of purchasers were to obtain rescission, Healthcare Preference Group would face significant financial demands, which could adversely affect Healthcare Preference Group as a whole, as well as any non-rescinding purchasers.

## **T. Offering Price**

The price of the Preferred Shares offered has been arbitrarily established by Healthcare Preference Group, considering such matters as the state of the Company's business development and the general condition of the industry in which it operates. The Offering price bears little relationship to the assets, net worth, or any other objective criteria of value applicable to Healthcare Preference Group.

## **U. Lack of Firm Underwriter**

The Preferred Shares are offered on a "best efforts" basis by the Officers of Healthcare Preference Group without compensation and on a "best efforts" basis through certain FINRA registered broker-dealers, which enter into Participating Broker-Dealer Agreements with the Company. Accordingly, there is no assurance that the Company, or any FINRA broker-dealer, will sell the maximum Preferred Shares offered or any lesser amount.

## **V. Projections: Forward-looking Information**

Management has prepared projections regarding Healthcare Preference Group's anticipated financial performance. The Company's projections are hypothetical and based upon a presumed financial performance of the Company, the addition of a sophisticated and well-funded marketing plan, and other factors influencing the business of Healthcare Preference Group. The projections are based on Management's best estimate of the probable results of operations of the Company, based on present circumstances, and have not been reviewed by Healthcare Preference Group's independent accountants. These projections are based on several assumptions, set forth therein, which Management believes are reasonable. Some assumptions upon which the projections are based, however, invariably will not materialize due the inevitable occurrence of unanticipated events and circumstances beyond Management's control. Therefore, actual results of operations will vary from the projections,

and such variances may be material. Assumptions regarding future changes in sales and revenues are necessarily speculative in nature. In addition, projections do not and cannot take into account such factors as general economic conditions, unforeseen regulatory changes, the entry into Healthcare Preference Group's market of additional competitors, the terms and conditions of future capitalization, and other risks inherent to the Company's business. While Management believes that the projections accurately reflect possible future results of Healthcare Preference Group's operations, those results cannot be guaranteed.

## **W. General Economic Conditions**

The financial success of the Company may be sensitive to adverse changes in general economic conditions in the United States, such as recession, inflation, unemployment, and interest rates. Such changing conditions could reduce demand in the marketplace for the Company's products. Management believes that the impending growth of the market, mainstream market acceptance and the targeted product line of Healthcare Preference Group will insulate the Company from excessive reduced demand. Nevertheless, Healthcare Preference Group has no control over these changes.

## **VI. USE OF PROCEEDS**

The Company seeks to raise minimum gross proceeds of \$100,000 and maximum gross proceeds of \$500,000 from the sale of Preferred Shares in this Offering. The Company intends to apply these proceeds substantially as set forth herein, subject only to reallocation by Management in the best interests of the Company.

**A. Sale of Equity**

Category	Maximum Proceeds	Percentage of Total Proceeds	Minimum Proceeds	Percentage of Proceeds
Proceeds from Sale of Preferred Shares	\$500,000	100%	\$100,000	100%

**B. Offering Expenses & Commissions**

Category	Maximum Proceeds	Percentage of Total Proceeds	Minimum Proceeds	Percentage of Proceeds
Offering Expenses (1)	\$0.00	0%	\$0.00	0%
Brokerage Commissions(2)	\$25,000	5%	\$2,500	5%
Total Offering Fees	\$25,000	5%	\$2,500	5%

**C. Corporate Application of Proceeds**

Category	Maximum Proceeds	Percentage of Total Proceeds	Minimum Proceeds	Percentage of Proceeds
Exec. Comp	\$46,500	9.30%		
Admin. Comp	\$64,500	12.90%		
HIP Index Build	\$62,500	12.50%		
Healthcare Survey Poll	\$110,000	22.0%		
Marketing	\$137,500	27.50%		
Legal	\$40,000	8.0%		
Accounting	\$10,000	2.0%		
Operating Expenses	\$4,000	0.8%		
Total Use of Proceeds	\$475,000	95.00%		



**D. Total Use of Proceeds**

Category	Maximum Proceeds	Percentage of Total Proceeds	Minimum Proceeds	Percentage of Proceeds
Offering Expenses & Commissions	\$25,000	5%	\$2,500	5%
Corporate Application of Proceeds	\$475,000	95.0%	N/A	N/A
Total Proceeds	\$500,000	100.00%	N/A	N/A

Footnotes:

(1) Includes estimated memorandum preparation, filing, printing, legal, accounting and other fees and expenses related to the Offering.

(2) This Offering is being sold by the Board of Directors, Executives and Officers. No compensatory sales fees or related commissions will be paid to such officers. Registered broker or dealers who are members of the FINRA and who enter into a Participating Dealer Agreement with the Company may sell Preferred Shares. Such brokers or dealers may receive commissions up to five percent (5%) of the price of the Preferred Shares sold.

**VII. MANAGEMENT**

At the present time, the Board of Directors and Officers are involved in the start up and management of the Corporation.

The Directors and Officers are:

- Kenton Gray - President & Board Director
- John Redfearn CFP, ChFC, MRFC, CIC, CLU -Board Director
- Howard Lim - Brand Director
- James Iacabucci - Chief Technology Officer
- Jim Comstock CFP, ChFC, CSA - Board Director
- Aashu Virmani Ph.D. - Board Director
- Frank Rexach - Chief Global Strategist
- Dr. Adellcho (Adel) Nobel Hansen - Board Director

## **VIII. MANAGEMENT COMPENSATION**

There is no accrued compensation that is due any Director or Officer. Directors or Officers will be entitled to reimbursement of expenses incurred while conducting Company business. Each Director may also be an Officer and Executive in the Company and as such will receive a compensation salary from the Company.. The Board of Directors reserves the right to reasonably increase their salaries assuming the business is performing profitably, and Company revenues are growing on schedule. Any augmentation of these salaries will be subject to the profitability of the Business and the effect on the Business cash flows.

## **IX. BOARD OF ADVISORS**

The Company has established a Board of Advisors, which includes highly qualified business and Healthcare industry professionals. The Board of Advisors will advise and assist the Officers of the Company on key business decisions as well as represent the Company as an Ambassador through . The Board of Advisors will not be responsible for Company decisions and has no legal or fiduciary responsibility to the Company. Currently there are six members on the Board of Advisors:

- Patha Sen - CEO, Founder Fuzzy Logix
- Daniel Atwater - Co-founder Crowdex, Inc
- Modesto Rodriguez – Executive Director
- Dr. Adel Hansen, MD – Director
- Dr. Alfred Garbutt, DC – Professor
- Dr. William Lang, MD – Medical Director

## **X. DILUTION**

The purchasers of the Preferred Shares offered by this Memorandum will experience a future dilution of their investments. There are 100,000,000 authorized Common Shares and 10,000,000 authorized Preferred Shares of the Company of which 9,500,000 Common Shares are currently issued and outstanding and there are no issued and outstanding Preferred Shares. The net tangible book value per share of the Company's ownership was approximately \$1.00 per issued and outstanding shares as of May 1, 2020. Net tangible book value per unit of ownership is equal to the Company's total tangible assets less its total liabilities, divided by the

total number of outstanding Preferred Shares of ownership. Upon completion of this Offering, the net tangible book value for the Preferred Shares, which are now outstanding, will be increased with corresponding dilution through registered future offerings sold to investors.

#### Current Stockholders

The following table contains information as of May 1, 2020 as to the number of Preferred and Common Shares beneficially owned by (i) each person known by the Company to own beneficially more than 5% of the Company's Preferred and Common Shares, (ii) each person who is a Shareholder of the Company, (iii) all persons as a group who are Shareholders and/or Officers of the Company, and as to the percentage of the outstanding Preferred Shares held by them on such dates and as adjusted to give effect to this Offering.

Name	Position	Current %	Post Offering Max %
Veracor Group LLC	Founding Partner	95.00%	95.00%
Innovative Communication Network	Founding Partner	5.00%	5.00%

## XI. OPTION AGREEMENTS

The Company has not entered into an option agreement.

## XII. LITIGATION

The Company is not presently a party to any material litigation, nor to the knowledge of Management is any litigation threatened against the Company, which may materially affect the business of the Company or its assets.

## XIII. DESCRIPTION OF PREFERRED SHARES

The Company is offering a minimum of 10,000 and a maximum of 500,000 Preferred Shares at a price of \$1.00 per Share. Upon completion of the Preferred Share Offering there will be up to a maximum of 500,000 Preferred Shares and 9,500,000 Common Shares outstanding. The Preferred Shares of ownership are equal in all respects, and upon completion of the Offering, the Preferred Shares will comprise the only representation of Preferred ownership that the

Company will have issued and outstanding to date, upon close of the Offering will be fully paid and non-assessable.

The Purchaser is entitled, at its option, at anytime within 24 months, to convert all or any amount of their Preferred Shares into Common Shares of the company at a conversion value of a 25% discount based on any registered offering price executed by the Company under \$1.00 per share or under a Company valuation of \$10,000,000 or less. In the event that the Company completes a registered offering above \$1.00 a Share or higher than \$10,000,000 the holder can convert their Preference at \$1.00 per Share or at a \$10,000,000 valuation into the Common Shares of the Company.

A 10% dividend will be paid for 2 years (24 months). Dividends are cumulative and will be paid in Common Shares of the Company. Preferred Shares are convertible into Common Shares by the Purchaser at any time during the 24 month period from the time of the closing of the Preferred Convertible Series A Offering. Preferred Shares convert into Common Shares of the Company and expires in 24 months or upon the Company being listed on a major exchange (NASDAQ, NYSE), whichever is sooner. The Purchaser will receive preferential dividend rights for a period of 24 months or up until the Purchasers converts their Shares to Common Shares of the Company within 24 months. Any dividend distribution by the Company will preference the dividend to be distributed pro rata to all Preferred Series A Shareholders up to the full initial Share value invested by the Shareholder. In the event that all Preferred Shareholders receive through dividends their entire Share value invested, their Preferred Shares would automatically convert including their fixed 10% dividend up to the date and would be converted into Common Shares of the Company.

The Preferred and conversion to Common Shares underlying the Shares and dividends to be issued to the Purchaser will be subject to full- ratchet anti-dilution protection for a period of 24 months. Provided however that the Company may close a lower priced registered offering, the Purchasers will be entitled to convert at a 25% discount based on their Principal and fixed 10% dividend triggering the anti-dilution protection. Any Shares issued by the Company from treasury will be subject to anti-dilution protection rights for Purchasers. All dividends issued to Purchasers during the 24 month period is subject to anti-dilution protection rights. Purchasers will have a Right of Participation up to 20% on any future registered offering or financings for up to 24 months after the registered Regulation D Preferred Series A Offering closing.

In the event of the dissolution, liquidation or winding up of the Company, the assets then legally available for distribution to the Shareholders and will be distributed ratably among the Board of Directors in proportion to Preferred and Common Shares.

Shareholders are only entitled to dividend distributions proportionate to their Preferred Shares of ownership when and if declared by the Board of Directors out of funds legally available. The Company to date has not given any such dividend distributions. Future dividend distribution policies are subject to the discretion of the Board of Directors and will depend upon a number of factors, including among other things, the capital requirements and the financial condition of the Company.

#### **XIV. TRANSFER AGENT AND REGISTRAR**

The Company will act as its own transfer agent and registrar for its Preferred Shares of ownership.

#### **XV. PLAN OF PLACEMENT**

The Preferred Shares are offered directly by the Directors & Officers of the Company on the terms and conditions set forth in this Memorandum. FINRA brokers and dealers may also offer Preferred Shares. The Company is offering the Preferred Shares on a “best efforts” basis. The Company will use its best efforts to sell the Preferred Shares to investors. There can be no assurance that all or any of the Preferred Shares offered, will be sold.

##### **A. Escrow of Subscription Funds**

Commencing on the date of this Memorandum all funds received by the Company in full payment of purchases or Preferred Shares will be deposited in an escrow account. The Company has set a minimum offering proceeds figure of \$100,000 for this Offering. The Company has established an Escrow Account with Veracor Management LLC, into which the minimum offering proceeds will be placed. At least 100,000 Preferred Shares must be sold for \$100,000 before such proceeds will be released from the escrow account and utilized by the Company. After the minimum number of Preferred Shares are sold, all subsequent proceeds from the sale of Preferred Shares will be delivered directly to the Company and be available for its use. Purchases of Preferred Shares are subject to rejection by the Company at any time.

## **B. How to Buy for Preferred Shares**

A purchaser of Preferred Shares must complete, date, execute, and deliver to the Company the following documents, as applicable. All of which are included as part of the Investor Subscription Package:

- a) An Investor Suitability Questionnaire;
- b) An original signed copy of the appropriate Subscription Agreement;
- c) A Healthcare Preference Group, Inc. Shareholder Agreement; and
- d) A check payable to "Healthcare Preference Group, Inc." in the amount of \$1.00 per Share for each Share purchased as called for in the Subscription Agreement (minimum purchase of 5,000 Preferred Shares for \$5,000).

Purchasers of Preferred Shares will receive an Investor Subscription Package containing an Investor Suitability Questionnaire and two copies of the Subscription Agreement.

Purchasers may not withdraw subscriptions that are tendered to the Company (Florida, Georgia and Pennsylvania Residents See NASAA Legend in the front of this Memorandum for important information).

## **XVI. ADDITIONAL INFORMATION**

Each prospective investor may ask questions and receive answers concerning the terms and conditions of this offering and obtain any additional information which the Company possesses, or can acquire without unreasonable effort or expense, to verify the accuracy of the information provided in this Memorandum. The principal executive offices of the Company are located at 827 Fairways Court, Ste. 202, Stockbridge, GA 30281, (818)-858-5551

# EXHIBIT A

Healthcare Preference Group

Business Overview

# EXHIBIT B

Healthcare Preference Group, Inc.  
Shareholder Agreement



# EXHIBIT C

Healthcare Preference Group, Inc.  
Subscription Agreement

## Subscription Agreement

Healthcare Preference Group Inc.

827 Fairways Court Ste 202

Stockbridge, GA 30281

Gentlemen:

You have informed the undersigned (the “Purchaser”) that Healthcare Preference Group, a Georgia Inc., (the “Company”) wishes to raise a minimum of Fifty Thousand Dollars (\$100,000) and a maximum of Five Hundred Thousand (\$500,000) from various persons by selling up to 500,000 Preferred Shares of ownership, \$1.00 par value (the “Preferred Shares”), at a price of one dollar (\$1.00) per Share.

I have received, read, and understand the Limited Offering Memorandum dated May 8, 2020 (the “Memorandum”). I further understand that my rights and responsibilities as a Purchaser will be governed by the terms and conditions of this Subscription Agreement, the Memorandum and the Shareholder Agreement of Healthcare Preference Group Inc. I understand that you will rely on the following information to confirm that I am an “Accredited Investor”, as defined in Regulation D promulgated under the Securities Act of 1933, as amended (the “Securities Act”), or one of 35 Non-Accredited Investors that will be allowed to purchase Preferred Shares in this Offering (subject to Company approval), and that I am qualified to be a Purchaser.

This Subscription Agreement is one of a number of such purchases of Preferred Shares. By signing this Subscription Agreement, I offer to purchase and subscribe from the Company the number of Preferred Shares set forth below on the terms specified herein. The Company reserves the right, in its complete discretion, to reject any subscription offer or to reduce the number of Preferred Shares allotted to me. If this offer is accepted, the Company will execute a copy of this Subscription Agreement and return it to me. I understand that commencing on the date of this Memorandum all funds received by the Company in full payment of subscriptions for Preferred Shares will be deposited in an Investment Holding

Account. The Company has set a minimum offering proceeds figure of \$100,000 for this Offering. The Company has established an Escrow Account with Veracor Management LLC, into which the minimum offering proceeds will be placed. At least 50,000 Preferred Shares must be sold for \$100,000 before such proceeds will be released from the holding account and utilized by the Company. After the minimum number of Preferred Shares are sold, all proceeds from the sale of Preferred Shares will be delivered directly to the Company and be available for its use.

1. Accredited Investor. I am an Accredited Investor because I qualify within one of the following categories:

Please Check The Appropriate Category

\_\_\_\_\_ **\$1,000,000 Net Worth**. A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000 excluding the value of the primary residence of such natural person.

\_\_\_\_\_  
Purchaser's Initials

\_\_\_\_\_ **\$200,000/\$300,000 Income**. A natural person who had an individual income in excess of \$200,000 (including contributions to qualified employee benefit plans) or joint income with such person's spouse in excess of \$300,000 per year in each of the two most recent years and who reasonably expects to attain the same individual or joint levels of income (including such contributions) in the current year.

\_\_\_\_\_ **Director or Officer of Issuer**. Any director or executive officer of the Company

\_\_\_\_\_ **All Equity Owners In Entity Are Accredited**. An entity, (i.e. corporation, partnership, trust, IRA, etc.) in which all of the equity owners are Accredited Investors as defined herein.

\_\_\_\_\_ **Corporation**. A corporation not formed for the specific purpose of acquiring the Shares offered, with total assets in excess of \$5,000,000.

\_\_\_\_\_ **Other Accredited Investor**. Any natural person or entity which qualifies as an Accredited Investor pursuant to Rule 501(a) of Regulation D promulgated under the Act; specify basis for qualification:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ **One of 35 Non-Accredited Investors that may be allowed to invest in the offering**

2. Representations and Warranties. I represent and warrant to the Company that:

(A) I (i) have adequate means of providing for my current needs and possible contingencies and I have no need for liquidity of my investment in the Preferred Shares, (ii) can bear the economic risk of losing the entire amount of my investment in Preferred Shares, and (iii) have such knowledge and experience that I am capable of evaluating the relative risks and merits of this investment; (iv) the purchase of Preferred Shares is consistent, in both nature and amount, with my overall investment program and financial condition.

(B) The address set forth below is my true and correct residence, and I have no intention of becoming a resident of any other state or jurisdiction.

(C) I have not utilized the services of a "Purchaser Representative" (as defined in Regulation D promulgated under the Securities Act) because I am a sophisticated, experienced investor, capable of determining and understanding the risks and merits of this investment.

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Purchaser's Initials

(D) I have received and read, and am familiar with the Offering Documents, including the Memorandum, Subscription Agreement, and Shareholder Agreement of the Company. All documents, records and books pertaining to the Company and the Preferred Shares requested by me, including all pertinent records of the Company, financial and otherwise, have been made available or delivered to me.

(E) I have had the opportunity to ask questions of and receive answers from the Company's officers and representatives concerning the Company's affairs generally and the terms and conditions of my proposed investment in the Preferred Shares.

(F) I understand the risks implicit in the business of the Company. Among other things, I understand that there can be no assurance that the Company will be successful in obtaining the funds necessary for its success. If only a fraction of the maximum amount of the Offering is raised, the Company may not be able to expand as rapidly as anticipated, and proceeds from this Offering may not be sufficient for the Company's long-term needs.

(G) Other than as set forth in the Memorandum, no person or entity has made any representation or warranty whatsoever with respect to any matter or thing concerning the Company and this Offering, and I am purchasing the Preferred Shares based solely upon my own investigation and evaluation.

(H) I understand that no Preferred Shares have been registered under the Securities Act, nor have they been registered pursuant to the provisions of the securities or other laws of applicable jurisdictions.

(I) The Preferred Shares for which I subscribe are being acquired solely for my own account, for investment and are not being purchased with a view to or for their resale or distribution. In order to induce the Company to sell Preferred Shares to me, the Company will have no obligation to recognize the ownership, beneficial or otherwise, of the Preferred Shares by anyone but me.

(J) I am aware of the following:

(i) The Preferred Shares are a speculative investment which involves a high degree of risk; and

(ii) My investment in the Preferred Shares is not readily transferable; it may not be possible for me to liquidate my investment.

(iii) The financial statements of the Company have merely been compiled and have not been reviewed or audited.

(iv) There are substantial restrictions on the transferability of the Preferred Shares registered under the Securities Act; and

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Purchaser's Initials

(v) No federal or state agency has made any finding or determination as to the fairness of the Preferred Shares for public investment nor any recommendation or endorsement of the Preferred Shares;

(K) Except as set forth in the Memorandum, none of the following information has ever been represented, guaranteed, or warranted to me expressly or by implication, by any broker, the Company, or agents or employees of the foregoing, or by any other person:

(i) The appropriate or exact length of time that I will be required to hold the Preferred Shares;

(ii) The percentage of profit and/or amount or type of consideration, profit, or loss to be realized, if any, as a result of an investment in the Preferred Shares; or

(iii) That the past performance or experience of the Company, or associates, agents, affiliates, or employees of the Company or any other person, will in any way indicate or predict economic results in connection with the purchase of Preferred Shares;

(iv) The amount of dividends or distributions that the Company will make;

(L) I have not distributed the Memorandum to anyone, no other person has used the Memorandum, and I have made no copies of the Memorandum; and

(M) I hereby agree to indemnify and hold harmless the Company, its managers, directors, and representatives from and against any and all liability, damage, cost or expense, including reasonable attorney's fees, incurred on account of or arising out of:

(i) Any inaccuracy in the declarations, representations, and warranties set forth above;

(ii) The disposition of any of the Preferred Shares by me which is contrary to the foregoing declarations, representations, and warranties; and

(iii) Any action, suit or proceeding based upon (1) the claim that said declarations, representations, or warranties were inaccurate or misleading or otherwise cause for obtaining damages or redress from the Company; or (2) the disposition of any of the Preferred Shares.

(N) By entering into this Subscription Agreement, I acknowledge that the Company is relying on the truth and accuracy of my representations.

The foregoing representation and warranties are true and accurate as of the date hereof, shall be true and accurate as of the date of the delivery of the funds to the Company and shall survive such delivery. If, in any respect, such representations and warranties are not true and accurate prior to delivery of the funds, I will give written notice of the fact to the Company, specifying which representations and warranties are not true and accurate and the reasons therefor.

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Purchaser's Initials

3. Transferability. I understand that I may sell or otherwise transfer my Preferred Shares only if registered under the Securities Act or I provide the Company with an opinion of counsel acceptable to the Company to the effect that such sale or other transfer may be made in absence of registration under the Securities Act. I have no right to cause the Company to register the Preferred Shares. Any certificates or other documents representing my Preferred Shares will contain a restrictive legend reflecting this restriction and stop transfer instructions will apply to my Preferred Shares.

4. Indemnification. I understand the meaning and legal consequences of the representations and warranties contained in Paragraph 2 hereof, and I will indemnify and hold harmless the Company, its officers, directors, and representatives involved in the offer or sale of the Preferred Shares to me, as well as each of the managers and representatives, employees and agents and other controlling persons of each of them, from and against any and all loss, damage or liability due to or arising out of a breach of any representation or warranty of mine contained in this Subscription Agreement.

5. Revocation. I will not cancel, terminate or revoke this Subscription Agreement or any agreement made by me hereunder and this Subscription Agreement shall survive my death or disability.

6. Termination of Agreement. If this subscription is rejected by the Company, then this Subscription Agreement shall be null and void and of no further force and effect, no party shall have any rights against any other party hereunder, and the Company shall promptly return to me the funds delivered with this Subscription Agreement.

7. Miscellaneous.

(a) This Subscription Agreement shall be governed by and construed in accordance with the substantive law of the State of Nevada.

(b) This Subscription Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and may be amended only in writing and executed by all parties.

(c) By Purchasing the Preferred Shares in Healthcare Preference Group, INC. I hereby agree to the terms and provisions of the Shareholder Agreement of the INC. – as included in this Memorandum as Exhibit B. I have hereby read and understand the Shareholder Agreement and understand how an INC. functions as a corporate entity.

8. Ownership Information. Please print here the total number of Preferred Shares to be purchased, and the exact name(s) in which the Preferred Shares will be registered.

Total Preferred Shares:\_\_\_\_\_

Name(s):\_\_\_\_\_

- \_\_\_\_\_ Single Person
- \_\_\_\_\_ Husband and Wife, as community property
- \_\_\_\_\_ Joint Tenants (with right of survivorship)
- \_\_\_\_\_ Tenants in Common
- \_\_\_\_\_ A Married Person as separate property
- \_\_\_\_\_ Corporation or other organization

\_\_\_\_\_  
Purchaser's Initials

- \_\_\_\_\_ A Partnership
- \_\_\_\_\_ Trust
- \_\_\_\_\_ IRA
- \_\_\_\_\_ Tax-Qualified Retirement Plan

(i) Trustee(s)/ Custodian\_\_\_\_\_

(ii) Trust Date\_\_\_\_\_

(iii) Name of Trust\_\_\_\_\_

(iv) For the Benefit of\_\_\_\_\_

\_\_\_\_\_ Other:\_\_\_\_\_

(please explain)

Social Security or Tax I.D.#:\_\_\_\_\_



Residence Address:

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City State Zip

Mailing Address (complete if different)

\_\_\_\_\_  
Street Address (If P.O.Box, include address)

\_\_\_\_\_  
City State Zip

Phone Numbers

Home: (\_\_\_\_) \_\_\_\_\_

Business: (\_\_\_\_) \_\_\_\_\_

Fax: (\_\_\_\_) \_\_\_\_\_

\_\_\_\_\_  
Purchaser's Initials

9. Date and Signatures.

Dated \_\_\_\_\_, 2021.

Signatures

Purchaser Name (Print)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(Each co-owner or joint owner must sign - Names must be signed exactly as listed under "Purchaser Name")

ACCEPTED:

Healthcare Preference Group

By: \_\_\_\_\_

Dated: \_\_\_\_\_, 2021

Kenton Gray,  
President

\_\_\_\_\_  
Purchaser's Initials

# EXHIBIT D

Healthcare Preference Group, Inc.

Investor Suitability Questionnaire

## Investor Suitability Questionnaire

To: Prospective purchasers of Preferred Shares offered by Healthcare Preference Group Inc. (the "Company").

The Purpose of this Questionnaire is to solicit certain information regarding your financial status to determine whether you are an "Accredited Investor," as defined under applicable federal and state securities laws, and otherwise meet the suitability criteria established by the Company for purchasing Preferred Shares. *This questionnaire is not an offer to sell securities.*

Your answers will be kept as confidential as possible. You agree, however, that this Questionnaire may be shown to such persons as the Company deems appropriate to determine your eligibility as an Accredited Investor or to ascertain your general suitability for investing in the Preferred Shares.

*Please answer all questions completely and execute the signature page*

### A. Personal

1. Name:\_\_\_\_\_

2. Address of Principal Residence:\_\_\_\_\_

\_\_\_\_\_ County:\_\_\_\_\_

3. Residence Telephone: (\_\_\_\_\_)\_\_\_\_\_

4. Where are you registered to vote?\_\_\_\_\_

5. Your driver's license is issued by the following state:\_\_\_\_\_

6. Other Residences or Contacts: Please identify any other state where you own a residence, are registered to vote, pay income taxes, hold a driver's license or have any other contacts, and describe your connection with such state:

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7. Please send all correspondence to:

(1)\_\_\_\_\_ Residence Address (as set forth in item A-2)

(2)\_\_\_\_\_ Business Address (as set forth in item B-1)

8. Date of Birth:\_\_\_\_\_

9. Citizenship:\_\_\_\_\_

10. Social Security or Tax I.D. #:\_\_\_\_\_

## B. Occupations and Income

1. Occupation:\_\_\_\_\_

(a) Business Address:\_\_\_\_\_

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(b) Business Telephone Number: (\_\_\_\_)\_\_\_\_\_

2. Gross income during each of the last two years exceeded:

(1)\_\_\_\_\$25,000                      (2)\_\_\_\_\$100,000

(3)\_\_\_\_\$100,000                      (4)\_\_\_\_\$200,000

3. Joint gross income with spouse during each of the last two years exceeded \$300,000

(1)\_\_\_\_Yes                      (2)\_\_\_\_No

4. Estimated gross income during current year exceeds:

(1)\_\_\_\_\$25,000                      (2)\_\_\_\_\$100,000

(3)\_\_\_\_\$100,000                      (4)\_\_\_\_\$200,000

5. Estimated joint gross income with spouse during current year exceeds \$300,000

(1)\_\_\_\_Yes                      (2)\_\_\_\_No

### C. Net Worth

1. Current net worth or joint net worth with spouse (note that “net worth” includes all of the assets owned by you and your spouse in excess of total liabilities, excluding the value of your primary residence.)

(1)\_\_\_\_\$50,000-\$100,000 (2)\_\_\_\_\$100,000-\$250,000 (3)\_\_\_\_\$250,000-\$500,000

(4)\_\_\_\_\$500,000-\$750,000 (5)\_\_\_\_\$750,000-\$1,000,000 (6)\_\_\_\_over \$1,000,000

2. Current value of liquid assets (cash, freely marketable securities, cash surrender value of life insurance policies, and other items easily convertible into cash) is sufficient to provide for current needs and possible personal contingencies:

(1)\_\_\_\_Yes

(2)\_\_\_\_No

#### D. Affiliation with the Company

Are you a director or executive officer of the Company?

(1)\_\_\_\_Yes

(2)\_\_\_\_No

#### E. Investment Percentage of Net Worth

If you expect to invest at least \$150,000 in Preferred Shares, does your total purchase price exceed 10% of your net worth at the time of sale, or joint net worth with your spouse.

(1)\_\_\_\_Yes

(2)\_\_\_\_No

## F. Consistent Investment Strategy

Is this investment consistent with your overall investment strategy?

(1)\_\_\_\_\_Yes

(2)\_\_\_\_\_No

## G. Prospective Investor's Representations

The information contained in this Questionnaire is true and complete, and the undersigned understands that the Company and its counsel will rely on such information for the purpose of complying with all applicable securities laws as discussed above. The undersigned agrees to notify the Company promptly of any change in the foregoing information which may occur prior to any purchase by the undersigned of securities from the Company.

Prospective Investor:

\_\_\_\_\_ Date:\_\_\_\_\_, 2021

Signature

\_\_\_\_\_

Signature (of joint purchase if purchase is to be  
made as joint tenants or as tenants in common)

# EXHIBIT E

Healthcare Preference Group, Inc.

Financials

See Business Overview