

HEALTHBLOKS, LLC

BUSINESS PLAN

I. EXECUTIVE SUMMARY

healthbloks, LLC, (hereinafter "Business") is intended to be formed as a Texas Limited Liability Company located at 610 Elm Street, Suite 700, McKinney, Texas 75069, poised for rapid growth in the Healthcare Startup industry. The Business seeks funding to take advantage of a window of opportunity for introducing a new Healthbloks Care Manager service, which has the potential to dominate the market.

Business Description. The Business is to be organized as a Limited Liability Company formed and authorized under the laws of the state of Texas, and will be led by Chris Hockenberry and Brian Hartman, who will serve as the Business' Co-Founders.

Chris brings with him 25 years experience in software development, and a passion for healthcare and technology, hoping to see his work make a difference in peoples day to day lives. Chris has experience in various industries, ranging from Financial to Imaging, from game development to defense contracting, including such companies as Microsoft, Getty Images, Ensemble Studios, and eventually Jack Henry & Associates where he met and worked closely with Brian Hartman..

Brian founded VoiceTelligence where he had worked with small to mid-sized companies to implement affordable yet cutting-edge voice responsive customer service systems. Brian also worked as a Product Manager at Jack Henry & Associates where he coordinated with financial services firms across the country to implement customer facing document and account management systems. Rich experience in customer support, data manipulation and sales.

New Service. The Business has developed a Healthbloks Care Manager service which has the following specifications:

Healthbloks Care Manager allows patients to store, access, manage and disseminate the information, appointments, and other pertinent healthcare information for not just a single family member, but for family members in their care group, for not just a single doctor, but for all the medical providers in their network or access group.

The Business has a window of opportunity to introduce its services and gain a significant piece of the market share.

Funding Request. The total funding request is for a \$375,000.00 capital investment in return for a 20% equity ownership interest in the Business and a corresponding percentage of seats on the Board of Directors. The funding proceeds will be used as follows:

\$25,000.00 for Marketing

This amount is earmarked for effectively marketing the services as described below in the Marketing Summary section of the Business Plan.

\$275,000.00 for Staffing

This portion of funding is intended for hiring employees to produce the services and assist marketing and sales efforts.

\$75,000.00 for Support and Operations

Offices, Supplies, Computer Hardware, and Servers

The Business is looking for equity funding. Financial projections forecast a break-even point in less than 24 Months after product introduction.

II. BUSINESS SUMMARY

The business is a start-up business, providing clients with Healthbloks Care Manager. Healthbloks Care Manager allows patients to store, access, manage and disseminate the information, appointments, and other pertinent healthcare information for not just a single family member, but for family members in their care group, for not just a single doctor, but for all the medical providers in their network or access group.

Industry Overview. The Healthcare Startup industry in the United States currently generates \$30,000,000,000.00 in annual sales. Annual revenue for the regional market where the business is located is estimated at \$1,790,000,000.00 annually, along with an estimated \$200,000,000.00 invested in startups and early stage healthcare companies since 2012.

Seasonal Factors. The Business would only be influenced by the seasonal factors that affect our customers. Since the demand for our services crosses many different businesses and industries, seasonal fluctuations are expected to be limited to the typical down turn in the dull period months are not affected by the annual holiday schedules.

Position in the Industry. Healthbloks has several strategic partnerships lined up in the healthcare industry, and is currently executing on its soft launch, allowing us to seek out early adopters. Our initial target will be the DFW small to mid sized privately held healthcare practices for our provider push, while targeting care managers needing assistance managing dependents in their care. Based on our 2+ years of experience in this field, we will utilize our already established close relationships to penetrate this market quickly, as well as the established strategic partnerships we are already in the process of leveraging to drive initial market penetration.

Legal Issues. The promoters have secured the required patents and trademarks for the services and processes of the business in accordance with the statutory requirements.

Location. healthbloks is currently located in McKinney, Texas, where it utilizes a co-working space called The Werx, to carry out its initial launch and collaborate with other startups. As its operations begin to expand, healthbloks has begun to investigate office space in a variety of executive suites and office parks in McKinney to expand into.

III. MARKETING SUMMARY

Target Markets. The main target markets for the business include:

Parents of Minor Children
Adult Children of Elderly Adults
Adults That Provide or Manage the Care of Any Other Adult
Any Adult Wanting to Have More Control Over Their Healthcare and Healthcare Related Data

It is estimated that there are 331,000 potential customers within the Business preliminary defined trading area of the DFW Metroplex that are estimated to spend \$6.00 per month for the service. To seek the most profitable market segments in the target markets overall, the Business will focus on the following areas within the target market:

- Health care providers and companies will be charged to access the portal
- Free web offering for patients to drive adoption and create traction
- Premium service offerings to further generate revenue
- The free web offering is in the center of the healthbloks ecosystem. It convinces users in the service quality and converts them to ambassadors. It, in turn, stimulates providers to adopt the solution on top of their existing EMR systems

Competition. Customer choice of services in this industry is based on Healthbloks bringing a different perspective to the problem, and thereby the solution. Unlike other companies tackling this problem, such as Rising Medical Solutions and Mana Systems, healthbloks is not focusing on the provider's experience, but instead focusing on the patient's experience, and specifically, not just a single patient, but the entire care group the patient is a part of. This includes not only the, but their elderly parents, their minor dependents, their spouse, their sibling, any immediate family members, as well as anyone else that has delegated access and care to the care manager. While the providers will be the ones footing the bill, it is the patient experience that drives our system. This unorthodox approach allows us to reconstruct the experience that is known by the patients and draw a broader picture, beyond the limited information conveyed through a single portal or a single patient by a single provider or set of providers. The access to such precise information across such a broad scope allows both providers and patients to better understand their health and wellness, predict potential ailments or healthcare needs and possibly uncover underlying causes to help lead to a more rapid, favorable, and predictable outcome.

Services. The Business intends to provide exceptional, personalized service, which will be the crucial factor in building and protecting the Business's brand within the community. The Business intends to handle customer concerns and issues with a customer oriented focus with the intent of providing timely resolution and preventing the loss of customers.

IV. STRATEGY AND IMPLEMENTATION SUMMARY

The Business plans the following tactics as part of sales promotion:

- Develop a list of businesses and families in the market area and send brochures by direct mail to the list.
- Advertising through press releases to industry publications and local newspapers.
- Internet marketing
- Direct sales
- Posting signage and flyers about the new business on bulletin boards in stores and public places.

In addition, the Business will also engage in the following marketing campaigns:

- Direct Partnerships with strategically aligned services and service providers offering a subset of the Care Manager to its users.

Exit Strategy. The Company anticipates exiting its operations through one of the following ways:

- Sale of Equity
- Public Offering
- Strategic Sale/Merger with other similar enterprise

V. FINANCIAL PLAN

The Funding Request in this Business Plan outline the major start-up costs associated with this business. The project has been self funded to date, with the co-founders not expecting to be reimbursed directly, but rather through the sale or acquisition of the company during a successful exit in three (3) to five (5) years and/or through the sale of owned stock or equity.

Other costs

include repair and maintenance, sales and production expenses. Regular monthly expenses are estimated at \$27,000.00 for paying the employee salaries and other regular business expenses. The Business is expected to generate \$575,000.00 in the first year and gross profit is expected to be \$200,000.00.