

OptimizeRx Corp
Form S-3
November 13, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-3

**REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

OPTIMIZERX CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Nevada (State or Other Jurisdiction of Incorporation or Organization)	7389 (Primary Standard Industrial Classification Code Number)	26-1265381 (I.R.S. Employer Identification Number)
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400 Water Street, Suite 200

Rochester, MI 48307

(248) 651-6568

(Address, Including Zip Code,
and Telephone Number,
Including Area Code, of
Registrant's Principal Executive
Offices)

Spring Valley Solutions, LLC

4955 S. Durango Rd. Ste. 165.

Las Vegas, NV 89113

(702) 982-5686

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

Copies to:

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The Doney Law Firm

4955 S. Durango Rd. Ste 165

Las Vegas, NV 89113

Telephone: (702) 982-5686

Approximate date of commencement of proposed sale to the public: From time to time after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

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If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company)	Smaller reporting company
	Emerging growth company

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

CALCULATION OF REGISTRATION FEE

Title Of Each Class Of Securities To Be Registered	Amount to be Registered (1)	Proposed Maximum Offering Price Per Share (1)(2)	Proposed Maximum Aggregate Offering Price (1)(2)	Amount of Registration Fee
Primary Offering:				
Common Shares, par value \$0.001 per share	—	—	—	—
Preferred Shares, par value \$0.001 per share	—	—	—	—
Debt Securities (3)	—	—	—	—
Warrants (4)	—	—	—	—
Units	—	—	—	—
Total Primary Offering			\$40,000,000 (5)	\$4,848.00 (6)
Secondary Offering:				
Common Shares, par value \$0.001 per share	2,103,702	(7)	\$34,795,231.08(8)	—
Total Secondary Offering	2,103,702	(7)	\$34,795,231.08(8)	\$4,217.18
Total Primary and Secondary Offering	—	—	\$74,795,231.08	\$9,065.18 (9)

An indeterminate number and amount of the securities of each identified class to be offered at indeterminate prices (1) is being registered pursuant to this registration statement with a maximum aggregate offering price not to exceed approximately \$40,000,000.

Includes such indeterminate amount of securities as may be issued upon exercise, conversion or exchange of, (2) pursuant to anti-dilution adjustments, or pursuant to a stock dividend, stock split or similar transaction with respect to securities that provide for such issuance, exercise, conversion, exchange, adjustment, stock split or similar transaction. Separate consideration may or may not be received for any of these securities.

Debt securities may be issued at an original issue discount or at a premium. If any debt securities are issued at an (3) original issue discount, then the offering price of such debt securities shall be in such greater principal amount as shall result in an aggregate initial offering price not to exceed approximately \$40,000,000, less the aggregate dollar amount of all securities previously issued hereunder

(4) The warrants covered by this registration statement may be debt warrants or equity warrants.

(5) The proposed maximum aggregate offering price has been estimated solely for purposes of determining the registration fee pursuant to Rule 457(o) under the Securities Act.

(6) Pursuant to Rule 457(o), the registration fee is calculated based on the maximum aggregate offering price of all securities listed.

With respect to the Secondary Offering, the proposed maximum offering price per common share will be (7) determined from time to time in connection with, and at the time of, sale by the holders of such securities named in the registration statement.

Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(c) under the (8) Securities Act based on an average of the high and low reported sales prices of the Registrant's Common Shares, par value \$0.001 per share, as reported on the Nasdaq Capital Market on November 9, 2018, of \$16.98 and \$16.10.

(9) Calculated in accordance with Rule 457(o) under the Securities Act.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities, and we are not soliciting offers to buy these securities in any jurisdiction where such offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED NOVEMBER 13, 2018

PROSPECTUS

OptimizeRx Corporation

\$40,000,000

Common Shares

Preferred Shares

Debt Securities

Warrants

Units

and

2,103,702 Common Shares Offered by the Selling Shareholder

We may offer and sell from time to time common shares, preferred shares, debt securities, warrants or units. We may offer and sell these securities to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis. Specific amounts and terms of these securities will be provided in supplements to this prospectus. The aggregate initial offering price of all securities sold by us will not exceed \$40,000,000.

In addition, the selling shareholder named in this prospectus (the “selling shareholder”) may from time to time offer and sell up to 2,103,702 of our common shares. The selling shareholder may offer and sell our common shares in public or private transactions, or both. These sales may occur at fixed prices, at market prices prevailing at the time of sale, at prices related to prevailing market prices, or at negotiated prices. See “Plan of Distribution” for more information on how the selling shareholder may conduct sales of our common shares. We will not receive any proceeds from any sale of these common shares by the selling shareholders.

Each time we or the selling shareholder offer and sell securities, we will provide a supplement to this prospectus that contains specific information about the offering and the amounts, prices and terms of the securities. The supplement may also add, update or change information contained in this prospectus with respect to that offering. You should carefully read this prospectus and the applicable prospectus supplement before you invest in any of our securities.

Investing in our securities involves risks. See “Risk Factors” on page 3 of this prospectus and any similar section contained in the applicable prospectus supplement concerning factors you should consider before investing in our securities.

Our common shares are listed on the Nasdaq Capital Market under the symbol “OPRX.” On November 9, 2018, the last reported sale price of our common shares on the Nasdaq Capital Market was \$16.96 per share.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is November 13, 2018

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Neither we nor the selling shareholders have authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. Neither we nor the selling shareholders are making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus or any prospectus supplement or in any such free writing prospectus is accurate as of any date other than their respective dates.

Unless otherwise indicated or the context otherwise requires, all references in this prospectus to “OptimizeRx Corporation” or the “Company,” “Registrant,” “we,” “our,” “ours,” “us” or similar terms refer to OptimizeRx Corporation, together with its subsidiaries, and, where the context requires, our predecessor entities.

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OptimizeRx Corporation

We are a leading provider of digital health messaging via electronic health records (EHRs), providing a direct channel for pharmaceutical companies to communicate with healthcare providers. Our cloud-based solution supports patient adherence to medications by providing real-time access to financial assistance, prior authorization, education and critical clinical information. Our network is comprised of leading EHR platforms and provides more than half a million healthcare providers access to these benefits within their workflow at the point of care.

Our address 400 Water Street, Suite 200 Rochester, MI 48307. Our telephone number at this address is (248) 651-6568. Our principal website is <https://optimizerrx.com/>. The information contained on, or that can be accessed through, our website is not a part of this prospectus.

About This Prospectus

This prospectus is part of a registration statement that we filed with the U.S. Securities and Exchange Commission, or the SEC, using a “shelf” registration process. By using a shelf registration statement, we may sell securities from time to time and in one or more offerings up to a total dollar amount of \$40,000,000 as described in this prospectus. In addition, under this shelf registration statement, the selling shareholder named in this prospectus may sell, from time to time, up to 2,103,702 of our common shares. Each time that we or the selling shareholders offer and sell securities, we will provide a prospectus supplement to this prospectus that contains specific information about the securities being offered and sold and the specific terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus with respect to that offering. If there is any inconsistency between the information in this prospectus and the applicable prospectus supplement, you should rely on the prospectus supplement. Before purchasing any securities, you should carefully read both this prospectus and the applicable prospectus supplement, together with the additional information described under the headings “Where You Can Find More Information” and “Incorporation by Reference.”

Forward-Looking Statements

This prospectus, any prospectus supplement and the documents incorporated by reference herein or therein contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such statements contained in this prospectus or any prospectus supplement or incorporated by reference herein or therein are based upon current expectations that involve risks and uncertainties. Any statements contained in this prospectus or any prospectus supplement or incorporated by reference herein or therein that are not statements of historical fact

may be deemed to be forward-looking statements. For example, the words “believes,” “anticipates,” “plans,” “expects,” “intends” and similar expressions are intended to identify forward-looking statements. Our actual results and the timing of certain events may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such a discrepancy include, but are not limited to, those discussed in the “Risk Factors” section, in addition to the other information set forth in this prospectus or any prospectus supplement or incorporated by reference herein or therein. We claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 for all forward-looking statements. All forward-looking statements contained in this prospectus or any prospectus supplement or incorporated by reference herein or therein are based on information available to us as of their respective dates and we assume no obligation to update any such forward-looking statements. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including, but not limited to, those set forth under “Risk Factors” in this prospectus, our Annual Report on Form 10-K for the year ended December 31, 2017 and our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2018, June 30, 2018 and September 30, 2018. You should carefully consider the risks described in the “Risk Factors” section, in addition to the other information set forth in this prospectus or any prospectus supplement or incorporated by reference herein or therein, before making an investment decision.

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Where You Can Find More Information

We are subject to the informational requirements of the Exchange Act. Accordingly, we are required to file reports and other information with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. You may inspect and copy reports and other information filed with the SEC at the Public Reference Room at 100 F Street, N.E., Washington, DC 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov. We also maintain a website at ir.smartm.com, at which you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. The information contained on, or that can be accessed through, our website is not a part of this prospectus. Investors should not rely on any such information in deciding whether to purchase our common shares. We have included our website address in this prospectus solely as an inactive textual reference.

Incorporation By Reference

The SEC allows us to “incorporate by reference” the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and all documents subsequently filed with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act of 1934, as amended, prior to the termination of the offering under this prospectus:

Our Annual Report on Form 10-K for the fiscal year ended December 31, 2017, filed with the SEC on March 8, 2018;
Our Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2018, June 30, 2018 and September 30, 2018, filed with the SEC on May 2, 2018, August 7, 2018 and November 5, 2018, respectively;
Current Reports on Form 8-K filed with the SEC on October 17, 2018, September 14, 2018, March 27, 2018 and February 2, 2018; and
The description of our common stock in our Registration Statement on Form 8-A, filed with the SEC on June 19, 2018, including any amendment or reports filed for the purpose of updating such description.

We are not, however, incorporating by reference any documents or portions thereof, whether specifically listed above or filed in the future, that are not deemed “filed” with the SEC, including any information furnished pursuant to Items 2.02, 7.01 or 8.01 of Form 8-K or certain exhibits furnished pursuant to Item 9.01 of Form 8-K.

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You may request, and we will provide you with, a copy of these filings, at no cost, by calling us at (248) 651-6568 or by writing to us at the following address:

OptimizeRx Corporation
400 Water Street, Suite 200

Rochester, MI 48307

Exhibits to the filings will not be sent, however, unless those exhibits have specifically been incorporated by reference in this prospectus or any accompanying prospectus supplement.

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Risk Factors

An investment in our securities involves significant risks. Before purchasing any securities, you should carefully consider and evaluate all of the information included and incorporated by reference or deemed to be incorporated by reference in this prospectus or the applicable prospectus supplement, including the risk factors incorporated by reference herein from our Annual Report on Form 10-K for the year ended December 31, 2017, as updated by annual, quarterly and other reports and documents we file with the SEC after the date of this prospectus and that are incorporated by reference herein or in the applicable prospectus supplement. Our business, results of operations or financial condition could be adversely affected by any of these risks or by additional risks and uncertainties not currently known to us or that we currently consider immaterial.

Use of Proceeds

Unless otherwise indicated in a prospectus supplement, the net proceeds from the sale of the securities will be used for general corporate purposes, including working capital, acquisitions, retirement of debt and other business opportunities. We will not receive any proceeds from any shares sold by the selling shareholder.

Selling Shareholder

We have prepared this prospectus to allow the selling shareholder or its transferees to sell or otherwise dispose of, from time to time, up to 2,103,702 common shares. On or about September 24, 2015, the selling shareholder, through a subsidiary company, made a strategic investment in our company and presently owns approximately 18% of the common shares in our company.

At the time of the investment, we entered into an Investor Rights Agreement, which provides, among other things, demand registration rights for its securities, inspection rights over our books and records, observer rights to attend and observe our director meetings, a seat on our board of directors, budget review of our financial plans, right of first refusal in the event we issue new securities and special board approval for certain matters.

WPP has not demanded registration; we have chosen to register these shares on behalf of the selling shareholder.

Also at the time of the investment, we amended and restated an existing Co-Marketing Agreement with Grey Healthcare Group, LLC (“GHG”) an affiliate of WPP. This agreement was amended to give the GHG the option to

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receive all or part of the compensation due under the agreement in our common shares. In March of 2018, we issued 100,000 shares of our common stock to a subsidiary of WPP related to the finalization and termination of the agreement.

The following table sets forth the activity between us and WPP in 2017 and 2016.

	2017	2016
Total billings to WPP Agencies	\$3,554,168	\$2,613,942
Revenue recognized from WPP Agencies	\$3,696,214	\$1,542,411
Accounts receivable from WPP Agencies	\$1,173,614	\$1,108,585
Rebates given to WPP Agencies	\$33,249	\$24,519
Marketing services purchased from WPP Agencies	\$54,762	\$190,686
Accounts payable to WPP Agencies	\$-	\$12,600
Revenue share expense recorded to WPP Agencies	\$401,596	\$177,372
Revenue share expenses owed to WPP Agencies	\$447,670	\$127,458

The table below presents information regarding the selling shareholder and the common shares that they may sell or otherwise dispose of from time to time under this prospectus. Percentages of beneficial ownership are based upon 12,013,682 common shares issued and outstanding as of October 31, 2018. Beneficial ownership is determined under Section 13(d) of the Exchange Act and generally includes voting or investment power with respect to securities and including any securities that grant the selling shareholder the right to acquire common shares within 60 days of October 31, 2018. Unless otherwise noted, each person or group identified possesses sole voting and investment power with respect to the shares, subject to community property laws where applicable.

We do not know when or in what amounts the selling shareholder may sell or otherwise dispose of the shares covered hereby. We currently have no agreements, arrangements or understandings with the selling shareholder regarding the sale or other disposition of any of the shares by them other than the registration rights agreement described above. The selling shareholder might not sell any or all of the shares covered by this prospectus or may sell or dispose of some or all of the shares other than pursuant to this prospectus. Because the selling shareholder may not sell or otherwise dispose of some or all of the shares covered by this prospectus and because there are currently no agreements, arrangements or understandings with respect to the sale or other disposition of any of the shares, we cannot estimate the number of the shares that will be held by the selling shareholder after completion of the offering. For purposes of determining the beneficial ownership of the selling shareholder after this offering, we have assumed that all of the shares covered hereby have been sold pursuant to the registration statement of which this prospectus forms a part.

Name of Selling Shareholder	Common Shares Beneficially Owned Prior to Offering	Maximum Number of Shares to be Sold Pursuant to this Prospectus	Number of Common Shares Owned After Offering	Percentage of Common Shares Owned After Offering

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WPP Luxembourg Gamma Three S.a r.l.	2,103,702	2,103,702	—	—
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Description of SHARE CAPITAL

General

Our authorized capital stock consists of 166,666,667 shares of common stock and 10,000,000 shares of preferred stock, par value \$0.001 per share. As of October 31, 2018, there were 12,013,682 shares of our common stock issued and outstanding and 0 shares of our preferred stock issued and outstanding. Our Board of Directors approved a one for three reverse stock split that became effective May 14, 2018. The effects of this reverse split have been retroactively reflected in this registration statement.

Common Stock

Our common stock is entitled to one vote per share on all matters submitted to a vote of the stockholders, including the election of directors. Except as otherwise required by law or provided in any resolution adopted by our board of directors with respect to any series of preferred stock, the holders of our common stock will possess all voting power. Generally, all matters to be voted on by stockholders must be approved by a majority (or, in the case of election of directors, by a plurality) of the votes entitled to be cast by all shares of our common stock that are present in person or represented by proxy, subject to any voting rights granted to holders of any preferred stock. Holders of our common stock representing fifty percent (50%) of our capital stock issued, outstanding and entitled to vote, represented in person or by proxy, are necessary to constitute a quorum at any meeting of our stockholders. A vote by the holders of a majority of our outstanding shares is required to effectuate certain fundamental corporate changes such as liquidation, merger or an amendment to our Articles of Incorporation. Our Articles of Incorporation do not provide for cumulative voting in the election of directors.

Subject to any preferential rights of any outstanding series of preferred stock created by our board of directors from time to time, the holders of shares of our common stock will be entitled to such cash dividends as may be declared from time to time by our board of directors from funds available therefore.

Subject to any preferential rights of any outstanding series of preferred stock created from time to time by our board of directors, upon liquidation, dissolution or winding up, the holders of shares of our common stock will be entitled to receive pro rata all assets available for distribution to such holders.

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In the event of any merger or consolidation with or into another company in connection with which shares of our common stock are converted into or exchangeable for shares of stock, other securities or property (including cash), all holders of our common stock will be entitled to receive the same kind and amount of shares of stock and other securities and property (including cash). Holders of our common stock have no pre-emptive rights, no conversion rights and there are no redemption provisions applicable to our common stock.

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Preferred Stock

Our board of directors may become authorized to authorize preferred shares of stock and to divide the authorized shares of our preferred stock into one or more series, each of which must be so designated as to distinguish the shares of each series of preferred stock from the shares of all other series and classes. Our board of directors is authorized, within any limitations prescribed by law and our articles of incorporation, to fix and determine the designations, rights, qualifications, preferences, limitations and terms of the shares of any series of preferred stock including, but not limited to, the following:

- (1) The number of shares constituting that series and the distinctive designation of that series, which may be by distinguishing number, letter or title;
- (2) The dividend rate on the shares of that series, whether dividends will be cumulative, and if so, from which date(s), and the relative rights of priority, if any, of payment of dividends on shares of that series;
- (3) Whether that series will have voting rights, in addition to the voting rights provided by law, and, if so, the terms of such voting rights;
- (4) Whether that series will have conversion privileges, and, if so, the terms and conditions of such conversion, including provision for adjustment of the conversion rate in such events as the Board of Directors determines;
 - (5) Whether or not the shares of that series will be redeemable, and, if so, the terms and conditions of such redemption, including the date or date upon or after which they are redeemable, and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;
- (6) Whether that series will have a sinking fund for the redemption or purchase of shares of that series, and, if so, the terms and amount of such sinking fund;
- (7) The rights of the shares of that series in the event of voluntary or involuntary liquidation, dissolution or winding up of the corporation, and the relative rights of priority, if any, of payment of shares of that series; and
- (8) Any other relative rights, preferences and limitations of that series.

Registration Rights

On May 2, 2018, we entered into a registration rights agreement with certain investors pursuant to which we agreed to register for resale the 1,666,669 shares of common stock (the “Registrable Securities”) acquired by the investors in an offering that closed on May 4, 2018. Pursuant to the Registration Rights Agreement, we agreed to use our reasonable best efforts to file a registration statement (the “Registration Statement”) with the Securities and Exchange Commission (the “SEC”) for the resale of the Registrable Securities within 30 days following the close of the offering and to use its reasonable best efforts to cause the Registration Statement to be declared effective as soon as practicable after the filing thereof, but in any event no later than 90 days following the close of the offering.