

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Form 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2013

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission file number: 000-53316

**TRANSBIOTEC, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**26-0731818**

(I.R.S. Employer  
Identification No.)

**194 Marina Drive, Suite 202  
Long Beach, CA**

(Address of principal executive offices)

**90803**

(Zip Code)

**(562) 280-0483**

Registrant's telephone number, including area code

(Former address, if changed since last report)

(Former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

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

Large accelerated filer

Non-accelerated filer

(Do not check if a smaller reporting company)

Accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

**Applicable only to issuers involved in bankruptcy proceedings during the preceding five years:**

Indicate by check mark whether the registrant filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes  No

**Applicable only to corporate issuers:**

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. As of May 17, 2013, there were 31,290,149 shares of common stock, \$0.00001 par value, issued and outstanding.

**TRANSBIOTEC, INC.**

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## PART I – FINANCIAL INFORMATION

This Quarterly Report includes forward-looking statements within the meaning of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These statements are based on management’s beliefs and assumptions, and on information currently available to management. Forward-looking statements include the information concerning our possible or assumed future results of operations set forth under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” Forward-looking statements also include statements in which words such as “expect,” “anticipate,” “intend,” “plan,” “believe,” “estimate,” “consider,” or similar expressions are used.

Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties, and assumptions. Our future results and shareholder values may differ materially from those expressed in these forward-looking statements. Readers are cautioned not to put undue reliance on any forward-looking statements.

**ITEM 1 Financial Statements**

The unaudited consolidated financial statements of registrant for the three months ended March 31, 2013 and 2012 follow. The consolidated financial statements reflect all adjustments which are, in the opinion of management, necessary to a fair statement of the results for the interim periods presented. All such adjustments are of a normal and recurring nature.

**TransBiotech, Inc.**  
**(A Development Stage Company)**  
**CONSOLIDATED BALANCE SHEETS**

	<u>Mar. 31, 2013</u> (unaudited)	<u>Dec. 31, 2012</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ -	\$ 782
Due from Triumph Capital	-	-
Prepaid expenses	-	-
<b>Total current assets</b>	<u>-</u>	<u>782</u>
Fixed assets - net	1,813	1,496
Patents & Trademarks	<u>1,000</u>	<u>-</u>
<b>Total Assets</b>	<u>\$ 2,813</u>	<u>\$ 2,278</u>
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 333,497	\$ 298,994
Accrued interest payable	179,455	159,355
Notes payable - current - related parties	390,915	390,915
Notes payable - current	634,789	225,136
Note discount	(51,804)	(38,072)
Notes payable - equity obligation payable	555,796	463,037
Stock subscription payable - current	26,000	26,000
Related party payables	303,632	351,310
Other payables	<u>83,006</u>	<u>158,006</u>
<b>Total current liabilities</b>	<u>2,455,286</u>	<u>2,034,681</u>
Notes payable - related parties	<u>167,007</u>	<u>363,888</u>
<b>Total Liabilities</b>	<u>2,622,293</u>	<u>2,398,569</u>
<b>Stockholders' Equity</b>		
Common stock, \$.00001 par value; 100,000,000 shares authorized; 31,290,149 and 30,315,554 shares issued and outstanding at March 31, 2013 and December 31, 2012 respectively	313	303
Additional paid in capital	12,120,770	11,903,279
Deficit accumulated during the development stage	<u>(14,712,719)</u>	<u>(14,274,244)</u>
Total Transbiotech, Inc. stockholders' equity	<u>(2,591,636)</u>	<u>(2,370,662)</u>
Noncontrolling interest	<u>(27,844)</u>	<u>(25,629)</u>
<b>Total Stockholders' Equity</b>	<u>(2,619,480)</u>	<u>(2,396,291)</u>
<b>Total Liabilities and Stockholders' Equity</b>	<u>\$ 2,813</u>	<u>\$ 2,278</u>

The accompanying notes are an integral part of the consolidated financial statements.

**TransBiotech, Inc.**  
**(A Development Stage Company)**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	<b>For Three Months Ended</b>		<b>Period From</b>
	<b>March 31,</b>		<b>July 19, 2004</b>
	<b>2013</b>	<b>2012</b>	<b>(Inception) To</b>
	<b>2013</b>	<b>2012</b>	<b>Mar. 31, 2013</b>
Revenues	\$ -	\$ -	\$ -
Operating expenses:			
Amortization & depreciation	194	152	76,543
General and administrative	233,641	2,031,147	12,801,590
	<u>233,835</u>	<u>2,031,299</u>	<u>12,878,133</u>
Gain (loss) from operations	<u>(233,835)</u>	<u>(2,031,299)</u>	<u>(12,878,133)</u>
Other income (expense):			
Loss on fair value adjustment - derivatives	(95,613)	-	(543,750)
Gain on debt reversal	5,571	-	5,571
Gain on sale of fixed asset	-	4,790	4,790
Interest expense	(40,400)	(35,212)	(1,133,392)
Interest expense - beneficial conversion feature	(77,103)	(20,136)	(259,167)
	<u>(207,545)</u>	<u>(50,558)</u>	<u>(1,925,948)</u>
Income (loss) before provision for income taxes	(441,380)	(2,081,857)	(14,804,081)
Provision for income tax	-	-	-
<b>Net income (loss)</b>	(441,380)	(2,081,857)	(14,804,081)
Less: Net (income) loss attributable to noncontrolling interest	2,905	3,246	91,362
<b>Net income (loss) attributable to TranBioTec, Inc.</b>	<u>\$ (438,475)</u>	<u>\$ (2,078,611)</u>	<u>\$ (14,712,719)</u>
<b>Net income (loss) per share (TransBiotech, Inc.)</b>			
(Basic and fully diluted)	<u>\$ (0.01)</u>	<u>\$ (0.08)</u>	
Weighted average number of common shares outstanding	<u>31,164,488</u>	<u>25,496,925</u>	

The accompanying notes are an integral part of the consolidated financial statements.

**TransBiotec, Inc.**  
**(A Development Stage Company)**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>For Three Months Ended</b>		<b>Period From</b>
	<b>March 31,</b>		<b>July 19, 2004</b>
	<b>2013</b>	<b>2012</b>	<b>(Inception) To</b>
			<b>Mar. 31, 2013</b>
<b>Cash Flows From Operating Activities:</b>			
Net income (loss)	\$ (438,475)	\$ (2,078,611)	\$ (14,801,176)
Adjustments to reconcile net loss to net cash provided by (used for) operating activities:			
Amortization & depreciation	194	152	76,543
Compensatory equity issuances	112,502	1,888,871	8,777,818
Asset write offs	-	850	37,513
Accrued payables	14,757	17,293	2,264,968
Gain on sale of fixed asset	-	(4,790)	(4,790)
Gain on debt reversal	(5,571)	-	(5,571)
Fair value adjustments - equity obligation	95,613	-	543,750
Note pay. beneficial conversion expense	77,103	20,136	462,731
Original issue discount - interest expense	8,334	-	69,835
Other	-	-	292
<b>Net cash provided by (used for) operating activities</b>	<b>(135,543)</b>	<b>(156,099)</b>	<b>(2,578,087)</b>
<b>Cash Flows From Investing Activities:</b>			
Fixed asset purchases	(511)	(970)	(78,356)
Fixed asset sales	-	4,790	1,250
<b>Net cash provided by (used for) investing activities</b>	<b>(511)</b>	<b>3,820</b>	<b>(77,106)</b>

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The accompanying notes are an integral part of the consolidated financial statements.

**TransBiotech, Inc.**  
**(A Development Stage Company)**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Continued From Previous Page)

	<b>For Three Months Ended</b>		<b>Period From</b>
	<b>March 31,</b>		<b>July 19, 2004</b>
	<b>2013</b>	<b>2012</b>	<b>(Inception) To</b>
			<b>Mar. 31, 2013</b>
<b>Cash Flows From Financing Activities:</b>			
Notes & loans payable - borrowings	167,272	19,386	1,190,419
Notes & loans payable - payments	(32,000)	-	(70,726)
Repurchase of equity	-	-	(250,000)
Stock subscription payable	-	-	10,000
Equity issuances	-	25,000	1,775,500
<b>Net cash provided by (used for) financing activities</b>	<b>135,272</b>	<b>44,386</b>	<b>2,655,193</b>
<b>Net Increase (Decrease) In Cash</b>	<b>(782)</b>	<b>(107,893)</b>	<b>-</b>
<b>Cash At The Beginning Of The Period</b>	<b>782</b>	<b>108,019</b>	<b>-</b>
<b>Cash At The End Of The Period</b>	<b>\$ -</b>	<b>\$ 126</b>	<b>\$ -</b>
<b>Schedule Of Non-Cash Investing And Financing Activities</b>			
Compensatory equity issuances	\$ 112,502	\$ 1,888,871	\$ 8,777,818
Debt converted to capital	\$ 22,500	\$ -	\$ 1,580,375
Note to stock subscription payable	\$ -	\$ -	\$ 16,000
<b>Supplemental Disclosure</b>			
Cash paid for interest	\$ -	\$ 4,500	\$ 14,394
Cash paid for income taxes	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the consolidated financial statements.



**TransBiotech, Inc.**  
**(A Development Stage Company)**  
**Notes to Consolidated Financial Statements**  
**March 31, 2013**  
**(Unaudited)**

**NOTE 1. ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

TransBiotech, Inc. ("TransBiotech – DE"), formerly Imagine Media LTD., was incorporated August, 2007 in the State of Delaware. A corporation also named TransBiotech, Inc. ("TransBiotech – CA") was formed in the state of California July 4, 2004. Effective September 19, 2011 TransBiotech - DE was acquired by TransBiotech - CA in a transaction classified as a reverse acquisition as the shareholders of TransBiotech - CA retained the majority of the outstanding common stock of TransBiotech - DE after the share exchange. The financial statements represent the activity of TransBiotech - CA from July 4 2004 forward, and the consolidated activity of TransBiotech - DE and TransBiotech - CA from September 19, 2011 forward. TransBiotech - DE and TransBiotech - CA are hereinafter referred to collectively as the "Company". The Company has developed and plans to market and sell a non-invasive alcohol sensing system which includes an ignition interlock. The Company is currently considered to be in the development stage, and has not generated revenues from its activities.

Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with the instructions to Form 10-Q and do not include all of the information and disclosures required by generally accepted accounting principles for complete financial statements. All adjustments which are, in the opinion of management, necessary for a fair presentation of the results of operations for the interim periods have been made and are of a recurring nature unless otherwise disclosed herein. The results of operations for such interim periods are not necessarily indicative of operations for a full year.

Principles of consolidation

The accompanying consolidated financial statements include the amounts of the Company and its majority owned subsidiary. All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

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

**TransBiotech, Inc.**  
**(A Development Stage Company)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1. ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

Cash and cash equivalents

The Company considers all highly liquid investments with an original maturity of three months or less as cash equivalents.

Accounts receivable

The Company reviews accounts receivable periodically for collectability and establishes an allowance for doubtful accounts and records bad debt expense when deemed necessary. At December 31, 2011, and December 31, 2012 the Company had no balance in accounts receivable or the allowance for doubtful accounts.

Property and equipment

Property and equipment are recorded at cost and depreciated under straight line methods over each item's estimated useful life.

Revenue recognition

Revenue is recognized on an accrual basis as earned under contract terms. The Company has had no revenues to date

Advertising costs

Advertising costs are expensed as incurred. The Company recorded no material advertising costs in 2011 or 2012.

Income tax

The Company accounts for income taxes pursuant to ASC 740. Under ASC 740 deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss carry forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

**TransBiotech, Inc.**  
**(A Development Stage Company)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1. ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

Net income (loss) per share

The net income (loss) per share is computed by dividing the net income (loss) by the weighted average number of shares of common outstanding. Warrants, stock options, and common stock issuable upon the conversion of the Company's preferred stock (if any), are not included in the computation if the effect would be anti-dilutive and would increase the earnings or decrease loss per share.

Financial Instruments

The carrying value of the Company's financial instruments, as reported in the accompanying balance sheets, approximates fair value.

Long-Lived Assets

In accordance with ASC 350, the Company regularly reviews the carrying value of intangible and other long-lived assets for the existence of facts or circumstances, both internally and externally, that may suggest impairment. If impairment testing indicates a lack of recoverability, an impairment loss is recognized by the Company if the carrying amount of a long-lived asset exceeds its fair value.

Products and services, geographic areas and major customers

The Company is currently in the developmental stage and has no revenue.

Stock based compensation

The Company accounts for employee and non-employee stock awards under ASC 718, whereby equity instruments issued to employees for services are recorded based on the fair value of the instrument issued and those issued to non-employees are recorded based on the fair value of the consideration received or the fair value of the equity instrument, whichever is more reliably measurable.

**TransBiotech, Inc.**  
**(A Development Stage Company)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1. ORGANIZATION, OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

Minority interest (Noncontrolling interest)

A subsidiary of the Company has minority members, representing ownership interests of 1.38% at March 31, 2013. The Company accounts for these minority, or noncontrolling interests pursuant to ASC 810-10-65 whereby gains and losses in a subsidiary with a noncontrolling interest are allocated to the noncontrolling interest based on the ownership percentage of the noncontrolling interest, even if that allocation results in a deficit noncontrolling interest balance.

**NOTE 2. RELATED PARTY TRANSACTIONS**

During the three months ended March 31, 2013 and March 31, 2012, the Company had payables due to officers, shareholders and former management for accrued compensation and services of \$303,632 and \$218,790 respectively.

During the year ended December 31, 2011 related party shareholders converted \$829,164 in note principal and interest and \$135,000 in compensation into 2,408,977 common shares.

**NOTE 3. FIXED ASSETS**

Fixed asset values recorded at cost are as follows:

	<u>December 31,</u>		<u>(Unaudited)</u>
	<u>2011</u>	<u>2012</u>	<u>March 31, 2013</u>
Automobile	\$ 33,383	\$ -	\$ -
Office and Lab Equipment	31,896	31,616	32,127
Furniture & fixtures	11,596	11,556	11,556
	<u>76,875</u>	<u>43,172</u>	<u>43,683</u>
Less accumulated depreciation	<u>(75,743)</u>	<u>(41,676)</u>	<u>(41,870)</u>
Total	<u>\$ 1,132</u>	<u>\$ 1,496</u>	<u>\$ 1,813</u>

Depreciation expense for the three months ended March 31, 2013 and March 31, 2012 was \$194 and \$152 respectively.

**TransBiotech, Inc.**  
**(A Development Stage Company)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 4. NOTES PAYABLE**

	<u>December 31,</u> <u>2011</u>	<u>December 31,</u> <u>2012</u>	<u>(Unaudited)</u> <u>March 31, 2013</u>
Note payable to related party, unsecured, due 8/3/2012, interest rate 0%	\$ 1,950	\$ 1,950	\$ 1,950
Notes payable to related parties, unsecured, due 12/31/2012, interest rate 0%	\$ 11,810	\$ 11,810	\$ 11,810
Note payable to non-related party, unsecured, due 09/15/2012, convertible at holder's option at \$2.50 per TBT - CA share.	\$ 16,000	-	-
Note payable to non-related party, unsecured, due 2/8/12, quarterly interest due, convertible at holder's option at \$0.3235688 per TBT - DE share, interest rate 30%	\$ 10,000	\$ 10,000	\$ 10,000
Note payable to non-related party, unsecured, due 2/8/12, quarterly interest due, convertible at holder's option at \$0.3235688 per TBT - DE share, interest rate 30%	\$ 25,000	\$ 25,000	\$ 25,000
Note payable to non-related party, unsecured, due 2/17/12, quarterly interest due, convertible at holder's option at \$0.3235688 per TBT - DE share, interest rate 30%	\$ 25,000	\$ 25,000	\$ 25,000
Note payable to non-related party, unsecured, due 2/18/12, quarterly interest due, convertible at holder's option at \$0.3235688 per TBT - DE share, interest rate 30%	\$ 10,000	\$ 10,000	\$ 10,000

**TransBiotech, Inc.**  
**(A Development Stage Company)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 4. NOTES PAYABLE (Cont'd)**

Note payable, unsecured, due 2/18/13, annually Interest due, convertible at holder's option at \$0.3235688 per IMLE share, interest rate 18%	\$	-	\$	750	\$	750
Note payable, unsecured, due 2/18/13, annually Interest due, convertible at holder's option at \$0.3235688 per IMLE share, interest rate 18%	\$	-	\$	6,875	\$	6,875
Note payable, unsecured, due 2/15/13, annually Interest due, convertible at holder's option at \$0.3235688 per IMLE share, interest rate 12%	\$	-	\$	2,500	\$	2,500
Note payable, unsecured, due 2/20/13, annually Interest due, convertible at holder's option at \$0.3235688 per IMLE share, interest rate 12%	\$	-	\$	3,750	\$	3,750
Note payable, unsecured, due 2/21/13, annually Interest due, convertible at holder's option at \$0.3235688 per IMLE share, interest rate 12%	\$	-	\$	2,625	\$	2,625
Note payable, unsecured, due 3/20/13, annually Interest due, convertible at holder's option at \$0.3235688 per IMLE share, interest rate 12%	\$	-	\$	5,433	\$	5,433
Note payable, unsecured, due 3/22/13, annually Interest due, convertible at holder's option at \$0.3235688 per IMLE share, interest rate 12%	\$	-	\$	3,203	\$	3,203
Note payable, unsecured, due 1/05/13, annually Interest due, convertible at holder's option at 51% of market as defined, interest rate 8% Conversion limited to total beneficial ownership of 4.99%	\$	-	\$	10,500	\$	-

**TransBiotech, Inc.**  
**(A Development Stage Company)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 4. NOTES PAYABLE (Cont'd)**

Note payable, unsecured, due 2/25/13, annually Interest due, convertible at holder's option at 51% of market as defined, interest rate 8% Conversion limited to total beneficial ownership of 4.99%	\$	-	\$	37,500	\$	37,500
Note payable to related party, unsecured, lien against company assets, \$731,763, 5-years at 0% simple interest, due 7/1/2016, payment amounts vary each month.	\$	726,763	\$	726,763	\$	726,763
Note payable to related party, lien against company assets, unsecured, due 4/19/2013, annual interest due, convertible at holders' option at 51% of market as defined, interest rate 8%, conversion limited to total beneficial ownership of 4.99%	\$	-	\$	35,000	\$	35,000
Note payable to non-related party, unsecured, due 8/29/2013, simple interest 8% convertible at holders' option at \$.249 per TransBiotech share	\$	-	\$	15,000	\$	15,000
Note payable to non-related party, unsecured, due 03/01/2013, simple interest 9%	\$	-	\$	5,000	\$	5,000
Note payable to non-related party, unsecured, due 01/31/2013, \$12,000 in interest (2 months)	\$	-	\$	32,000	\$	-
Note payable to non-related party, unsecured, due 12/13/2013, interest rate 7%	\$	-	\$	5,342	\$	5,342
Note payable to non-related party, unsecured, due 01/31/2013, interest rate 18%	\$	-	\$	3,938	\$	3,938
Note payable to non-related party, unsecured, interest rate 7%, due on demand, convertible at anytime into common stock at 65% of market closing price on previous day	\$	-	\$	-	\$	75,000

**TransBiotech, Inc.**  
**(A Development Stage Company)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 4. NOTES PAYABLE (Cont'd)**

Note payable to non-related party, unsecured, due 01/07/2014, interest rate 7%, default interest 10%, stock option	\$	-	\$	-	\$	15,000
Note payable to non-related party, unsecured, due 01/15/2014, interest rate 7%, default interest 10%, stock option	\$	-	\$	-	\$	5,000
Note payable to non-related party, unsecured, due 01/20/2014, interest rate 7%, default interest 10%, stock option	\$	-	\$	-	\$	65,272
Note payable to non-related party, unsecured, due 03/28/2013, \$13,000 in interest (1 month)	\$	-	\$	-	\$	45,000
Note payable to non-related party, unsecured, due 01/23/2014, interest rate 9%,	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>50,000</u>
	\$	826,523	\$	979,939	\$	1,192,711
Less Note Discounts		-		-		-
Less current portion		<u>(277,260)</u>		<u>(616,051)</u>		<u>(1,025,704)</u>
Long-term portion	<u>\$</u>	<u>549,263</u>	<u>\$</u>	<u>363,888</u>	<u>\$</u>	<u>167,007</u>

Required principal payments from December 31, 2012 forward are as follows:

2013	\$	828,823
2014	\$	196,881
2015	\$	123,709
2016	\$	43,298
2017	<u>\$</u>	<u>-</u>
	<u>\$</u>	<u>1,192,711</u>

Interest expense under notes payable for the three months ended March 31, 2013 and March 31, 2012 was \$38,095 and \$23,960, respectively.



**TransBiotec, Inc.**  
**(A Development Stage Company)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 4. NOTES PAYABLE (Cont'd)**

During the three months ended March 31, 2013 and March 31, 2012 the Company recognized a beneficial conversion feature expense on borrowing from convertible notes of \$77,103 and \$20,136, respectively. At March 31, 2013 the unamortized note discount from the beneficial conversion feature was \$51,804.

In 2012 the Company borrowed \$110,000 under convertible notes with a variable conversion price based on a percentage of market price. \$27,000 of the notes were converted in 2012. The Company determined that these notes have an embedded derivative and are therefore accounted for at fair value. The Company recorded an expense of \$448,137 in 2012 for fair value adjustments based on the Black-Scholes method using the following assumptions: risk free interest rate of 0.08%, dividend yield of 0%, expected life of 2-4 months, volatility of 172% - 197%. During the three months ended March 31, 2013 the Company borrowed \$75,000 under a convertible note with a variable conversion price based on a percentage of market price. The note was not converted as of March 31, 2013. The Company determined that this note has an embedded derivative and are therefore accounted for at fair value. The Company recorded an expense of \$95,613 during the three months ended March 31, 2013 for fair value adjustments based on the Black-Scholes method using the following assumptions: risk free interest rate of 0.08%, dividend yield of 0%, expected life of 2-4 months, volatility of 172% - 197%. The fair equity obligation liability under the notes at March 31, 2013 was \$555,796.

	<b>December 31,</b>		<b>(Unaudited)</b>
	<b>2011</b>	<b>2012</b>	<b>March 31, 2013</b>
Convertible debenture payable to unrelated party, unsecured, due 04/1/2009, convertible at holder's option at \$.25 per share, interest rate 8% Default interest rate 12%	\$ 30,000	\$ -	\$ -

**TransBiotech, Inc.**  
**(A Development Stage Company)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 5. INCOME TAXES**

Deferred income taxes arise from the temporary differences between financial statement and income tax recognition of net operating losses. These loss carryovers are limited under the Internal Revenue Code should a significant change in ownership occur.

**NOTE 6. STOCK OPTIONS AND SUBSCRIPTIONS PAYABLE**

The Company accounts for employee and non-employee stock options under ASC 718, whereby option costs are recorded based on the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. Unless otherwise provided for, the Company covers option exercises by issuing new shares.

The Company's stock option activity is described below.

Non-employee stock options

At the beginning of 2011, the Company had 22,500 options outstanding for shares in TransBiotech – CA. During the year ended December 31, 2011 no options were exercised or expired, leaving a December 31, 2011 outstanding balance of 22,500 non-employee stock options, exercisable at prices from \$0.10 - \$0.15 per share with the option terms expiring from January 2012 through January 2015. All of these options are for the stock of TransBiotech - CA. During the year ended December 31, 2012 no options were exercised, and 20,000 options expired, leaving a December 31, 2012 outstanding balance of 2,500 non-employee stock options, exercisable at \$0.10 per share with the option terms expiring in January 2015. All of these options are for the stock of TransBiotech - CA.

During 2012 the Company granted 29,678 stock options for shares in TransBiotech - DE. The fair value of the option grants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: risk free interest rate of 0.8%, dividend yield of 0%, expected life of five years, volatility of 189%. No options were exercised or expired, leaving a December 31, 2012 outstanding balance of 29,678 options for TransBiotech – DE. The Company incurred and recorded compensation expense under these stock option grants of \$4,042 in 2012.

**TransBiotech, Inc.**  
**(A Development Stage Company)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 6. STOCK OPTIONS AND SUBSCRIPTIONS PAYABLE (Cont'd)**

During the three months ended March 31, 2013 the Company granted 473,733 stock options for shares in TransBiotech - DE. The fair value of the option grants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: risk free interest rate of 0.8%, dividend yield of 0%, expected life of five years, volatility of 186%. No options were exercised or expired, leaving a March 31, 2013 outstanding balance of 503,411 options for TransBiotech – DE. The Company incurred and recorded compensation expense under these stock option grants of \$41,069 during the three months ended March 31, 2013.

Employee stock options

The parent company had no outstanding employee stock options.

Stock subscriptions payable

At March 31, 2013 the Company had stock subscriptions payable of \$26,000 for 80,696 common shares to be issued.

**NOTE 7. GOING CONCERN**

The Company has suffered recurring losses from operations and has a working capital deficit and stockholders' deficit, and in all likelihood will be required to make significant future expenditures in connection with continuing marketing efforts along with general administrative expenses. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

The Company may raise additional capital through the sale of its equity securities, through an offering of debt securities, or through borrowings from financial institutions or others. By doing so, the Company hopes to generate revenues from sales of its alcohol sensing and ignition lock systems. Management believes that actions presently being taken to obtain additional funding provide the opportunity for the Company to continue as a going concern.

**TransBiotech, Inc.**  
**(A Development Stage Company)**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 8. OTHER MATTERS**

In 2012 the Company filed an action in the Superior Court of California, Orange County against former independent contractors and their company who previously engaged in equity fund raising efforts for the Company. The civil complaint alleged, among other claims, that the three individual defendants and their suspended business entity were engaging in business torts and breach of contract activities to the harm and detriment of the Company. One of the defendants in the case also had certain other employment-related judgments against the Company assigned to them. In early 2013, that defendant, Mr. Bill Bowman, filed an involuntary bankruptcy proceeding against the Company. Following discussions in January 2013 and culminating in a written Settlement Agreement and Mutual General Release dated March 13, 2013, the parties reached a settlement whereby the Company agreed to pay and satisfy the two-employment related judgments and a vendor judgment assigned to Mr. Bill Bowman. In exchange for the settlement agreement and payments, Mr. Bowman, as the sole holder of the assigned judgments, agreed to dismiss the involuntary bankruptcy petition pursuant to an order to dismiss filed April 2, 2013, which is pending with the Court, and the three individual defendants agreed to surrender their stock holdings (totaling 1,200 shares) in TransBioTec, Inc., a California corporation, and cease any and all pending judgment collection efforts through the end of 2013 to allow the Company time to perform on its agreement to satisfy the balance of the remaining two judgments that were partially satisfied with the initial settlement agreement terms.

## ITEM 2 Management's Discussion and Analysis of Financial Condition and Results of Operations

### Disclaimer Regarding Forward Looking Statements

Our Management's Discussion and Analysis or Plan of Operations contains not only statements that are historical facts, but also statements that are forward-looking. Forward-looking statements are, by their very nature, uncertain and risky. These risks and uncertainties include international, national and local general economic and market conditions; demographic changes; our ability to sustain, manage, or forecast growth; our ability to successfully make and integrate acquisitions; raw material costs and availability; new product development and introduction; existing government regulations and changes in, or the failure to comply with, government regulations; adverse publicity; competition; the loss of significant customers or suppliers; fluctuations and difficulty in forecasting operating results; changes in business strategy or development plans; business disruptions; the ability to attract and retain qualified personnel; the ability to protect technology; and other risks that might be detailed from time to time in our filings with the Securities and Exchange Commission.

Although the forward-looking statements in this Quarterly Report reflect the good faith judgment of our management, such statements can only be based on facts and factors currently known by them. Consequently, and because forward-looking statements are inherently subject to risks and uncertainties, the actual results and outcomes may differ materially from the results and outcomes discussed in the forward-looking statements. You are urged to carefully review and consider the various disclosures made by us in this report and in our other reports as we attempt to advise interested parties of the risks and factors that may affect our business, financial condition, and results of operations and prospects.

### Overview

We are a development stage company in the process of developing an alcohol detection device called "SOBR". The device is a patented system for use in detecting alcohol in a person's system by measuring the ethanol content in their perspiration. Once SOBR is developed and tested, we plan to market the device to four primary business segments: (i) as an aftermarket-installed device to companies and institutions that employ or contract with vehicle drivers, such as trucking companies, limousine companies, and taxi cab companies, where the system will be marketed as a preventative drunk driving detection system, with a possible ignition locking device, (ii) the original equipment manufacturing (OEM) market, where the device would be installed in new vehicles during the original building of a vehicle, (iii) companies and institutions that have an interest in monitoring their employees' or contractors' alcohol level due to their job responsibilities, such as surgeons prior to entering surgery, pilots prior to flying aircraft, mineworkers prior to entering a mine, or the military for personnel returning to a military base from off-base leave or prior to leaving for a mission, and (iv) companies that would want to provide knowledge to their customers of their current alcohol level, such as lounge and bar owners, or customers attending a golfing event. We believe SOBR offers a unique solution to the national alcohol abuse problem.

We have developed a marketing plan that our management believes will gain market recognition for the SOBR device, primarily through trade shows, industry publications, general solicitation, social media, and public relations, as well as hopefully generating the demand for the SOBR device through the use of selling groups, such as channel sales, distributors, and independent sales contractors. We believe the primary market for the in-vehicle SOBR device initially is the commercial vehicle market, such as trucking companies, taxi cab companies, limousine companies, and bus companies. Many of these companies have a significant financial interest in eliminating drunk drivers from their operations. Secondly, individuals may desire to monitor a family member's vehicle, such as an automobile operated by a minor or a family member with a past alcohol issue.

We believe the primarily market for the portable SOBR device is its use by companies and institutions that have an interest in monitoring their employees' or contractors' alcohol level due to their job responsibilities, such as surgeons prior to entering surgery, pilots prior to flying aircraft, mineworkers prior to entering a mine, or the military for personnel returning to a military base from off-base leave.

We are currently performing beta testing of SOBR.

### **Corporate Overview**

We were formed in August 2007 to publish and distribute Image Magazine, a monthly guide and entertainment source for the Denver, Colorado area. We generated only limited revenue and essentially abandoned its business plan in January 2009. On September 19, 2011 we acquired approximately 52% of the outstanding shares of TBT from TBT's directors, in exchange for 12,416,462 shares of our common stock.

On January 31, 2012, we acquired approximately 45% of the remaining outstanding shares of TBT in exchange for 10,973,678 shares of our common stock.

Between the acquisitions in September 2011 and January 2012 we own approximately 97% of the outstanding shares of TBT.

As a result of the acquisition, TBT's business is our business, and, unless otherwise indicated, any references to we or us, include the business and operations of TBT.

TBT as the accounting acquirer in the transaction recorded the acquisition as the issuance of stock for our net monetary assets accompanied by a recapitalization. This accounting for the transaction was identical to that resulting from a reverse acquisition, except that no goodwill or other intangible assets were recorded.

We have developed and patented a high technology, state-of-the-art transdermal sensing system that detects blood alcohol levels through a person's skin.

The following discussion:

- o summarizes our plan of operation; and
- o analyzes our financial condition and the results of our operations for the year ended December 31, 2011.

This discussion and analysis should be read in conjunction with TBT's financial statements included as part of this Quarterly Report.

Results of Operations for Three Months ended March 31, 2013 compared to Three Months ended March 31, 2012

Summary of Results of Operations

	Three Months Ended March 31,		Period from
	2013	2012	July 19, 2004 (Inception) to March 31, 2013
Revenue	\$ -	\$ -	-
Operating expenses:			
General and administrative	233,641	2,031,147	12,801,590
Amortization and Depreciation	194	152	76,543
Total expenses	233,835	2,031,299	12,878,133
Operating loss	(233,835)	(2,031,299)	(12,878,133)
Interest expense	(40,400)	(35,212)	(1,133,392)
Interest expense – beneficial conversion feature	(77,103)	(20,136)	(259,167)
Loss on fair value adjustment – derivatives	(95,613)	-	(543,750)
Gain on sale of fixed asset	-	4,790	4,790
Gain on debt reversal	(5,571)	-	5,571
Net loss	\$ (441,380)	\$ (2,081,857)	(14,804,081)

Operating Loss: Net Loss

Our net loss decreased by \$1,640,477, from (\$2,081,857) to (\$441,380), from the three months ended March 31, 2012 compared to March 31, 2013. Our operating loss decreased by \$1,797,464, from (\$2,031,299) to (\$233,835) for the same period. The significant decrease in operating loss and net loss compared to the prior year period is primarily a result of the decrease in general and administrative expenses, offset partially in our net loss by a loss on fair value adjustment – derivatives as a result of the impact of our decreased stock price on certain convertible instruments, as well as an increase in interest expense due to a beneficial conversion feature in certain of our convertible instruments. These changes are detailed below.

### Revenue.

We have not had any revenues since our inception. Prior to September 2011 we were a company involved in publishing and distributing Image Magazine. Since September 2011, we have been involved in the development, testing and marketing SOBR, our unique alcohol sensor technology. Although we have not had any sales to date, we believe we are close to our first sales and revenue, possibly during our fiscal year ended December 31, 2013.

### General and Administrative Expenses

General and administrative expenses decreased by \$1,797,506, from \$2,031,299 for the three months ended March 31, 2012 to \$233,641 for the three months ended March 31, 2013, primarily due to the fact we compensated certain service providers and consultants with shares of our common stock in the three months ended March 31, 2012 and did not do the same during the three months ended March 31, 2013. When we compensate service providers and/or consultants with shares our common stock the fair market value of those shares appears as a general and administrative expense and can cause our expenses to appear much higher than they actually are in terms of cost to us for the services provided.

### Interest Income/Expense: Net.

Interest expense, net increased from \$35,212 for the three months ended March 31, 2012 to \$40,400 for the three months ended March 31, 2013. For both periods these amounts are largely due to the interest we own on outstanding debt.

### Interest Expense – Beneficial Conversion Feature

In the three months ended March 31, 2013 our interest expenses includes a beneficial conversion feature of \$77,103, compared to \$20,136 for the three months ended March 31, 2012, both related to a convertible debenture.

### Loss on Fair Value Adjustment - Derivatives

During the three months ended March 31, 2013, we incurred loss on fair value adjustment – derivatives of (\$95,613) primarily due to the impact of a decline in our stock price on certain convertible instruments we have outstanding. We did not have a corresponding loss for the three months ended March 31, 2012.

### ***Liquidity and Capital Resources for Three Months ended March 31, 2013 compared to Three Months ended March 31, 2012***

#### **Introduction**

During the three months ended March 31, 2013 and 2012, because of our operating losses, we did not generate positive operating cash flows. Our cash on hand as of March 31, 2013 was \$0 and our monthly cash flow burn rate is approximately \$20,000. As a result, we have significant short term cash needs. These needs are being satisfied through proceeds from the sales of our securities and loans from both related parties and third parties. We currently do not believe we will be able to satisfy our cash needs from our revenues for some time.



Our cash, current assets, total assets, current liabilities, and total liabilities as of March 31, 2013 and 2012, respectively, are as follows:

	<u>March 31,</u> <u>2013</u>	<u>December 31,</u> <u>2012</u>	<u>Change</u>
Cash	\$ 0	\$ 782	\$ (782)
Total Current Assets	0	782	(782)
Total Assets	2,813	2,278	535
Total Current Liabilities	2,455,286	2,034,681	420,605
Total Liabilities	\$ 2,622,293	\$ 2,398,569	\$ 223,724

Our current assets decreased by \$782 as of March 31, 2013 as compared to December 31, 2012. The decrease in our total assets between the two periods was attributed to a decrease in our cash on hand of \$782, since we did not have any current assets other than cash for the two periods presented.

Our current liabilities increased by \$420,605, as of March 31, 2013 as compared to December 31, 2012. A large portion of this increase was due to our notes payable – current increasing by \$409,653, as a result of borrowing additional money. Our accounts payable also increased by approximately \$35,000 and our accrued interest payable by \$20,100.

In order to repay our obligations in full or in part when due, we will be required to raise significant capital from other sources. There is no assurance, however, that we will be successful in these efforts.

#### Cash Requirements

We had cash available as of March 31, 2013 of \$0 and \$782 on December 31, 2012. Based on our revenues, cash on hand and current monthly burn rate, around \$20,000, we will need to continue borrowing from our shareholders and other related parties, and/or raise money from the sales of our securities, to fund operations.

#### Sources and Uses of Cash

##### *Operations*

We had net cash provided (used) by operating activities of (\$135,543) for the three months ended March 31, 2013, as compared to (\$156,099) for the three months ended March 31, 2012. For the period in 2013, the net cash used in operating activities consisted primarily of our net income (loss) of (\$438,475), offset by compensatory equity issuances of \$112,502, accrued payables of \$14,757, fair value adjustments – equity obligations of \$95,613, and note payable beneficial conversion expense of \$77,103. For the period in 2012, the net cash provided by operating activities consisted primarily of our net income (loss) of (\$2,078,611), partially offset by compensatory equity issuances of \$1,888,871, accrued payables of \$17,293, and note payable beneficial conversion expense of \$20,136.

### *Investments*

We had net cash provided (used) by investing activities of (\$511) for the three months ended March 31, 2013 compared to \$3,820 for the three months ended March 31, 2012. In the three months ended March 31, 2013 the net cash provided (used) by investing activities related fixed asset purchases of \$511. In the three months ended March 31, 2012 the net cash provided (used) by investing activities related to proceeds received from the sale of a fixed asset of \$4,790, and fixed asset purchases of \$970.

### *Financing*

Our net cash provided (used) by financing activities for the three months ended March 31, 2013 was \$135,272, compared to \$44,386 for the three months ended March 31, 2012. For the period in 2013, our financing activities related to notes and loans payable – borrowings of \$167,272, offset by notes and loans payables – payments of (\$32,000). For the period in 2012, our financing activities consisted of equity issuances of \$25,000 and notes and loans payable – borrowings of \$19,386.

### **Off Balance Sheet Arrangements**

We have no off balance sheet arrangements.

### **ITEM 3 Quantitative and Qualitative Disclosures About Market Risk**

As a smaller reporting company, we are not required to provide the information required by this Item.

### **ITEM 4 Controls and Procedures**

#### **(a) Evaluation of Disclosure Controls Procedures**

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms. Disclosure and control procedures are also designed to ensure that such information is accumulated and communicated to management, including the chief executive officer and chief financial officer, to allow timely decisions regarding required disclosures.

As of March 31, 2013, we carried out an evaluation, under the supervision and with the participation of management, including our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures. In designing and evaluating the disclosure controls and procedures, management recognizes that there are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their desired control objectives. Additionally, in evaluating and implementing possible controls and procedures, management is required to apply its reasonable judgment. We also do not have an audit committee. Based on the evaluation described above, and as a result, in part, of not having an audit committee and having one individual serve as our chief executive officer and chief financial officer has concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were not effective.

As funds become available to us, we expect to implement additional measures to improve disclosure controls and procedures.

**(b) Changes in internal controls over financial reporting**

There was no change in our internal controls over financial reporting that occurred during the period covered by this report, which has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

**(c) Officer's Certifications**

Appearing as an exhibit to this quarterly report on Form 10-Q are "Certifications" of our Chief Executive and Financial Officer. The Certifications are required pursuant to Sections 302 of the Sarbanes-Oxley Act of 2002 (the "Section 302 Certifications"). This section of the quarterly report on Form 10-Q contains information concerning the Controls Evaluation referred to in the Section 302 Certifications. This information should be read in conjunction with the Section 302 Certifications for a more complete understanding of the topics presented.

## PART II – OTHER INFORMATION

### ITEM 1 Legal Proceedings

On December 21, 2012, we were mail served with a legal action entitled, Involuntary Petition, Chapter 7, pursuant to which petitioning creditor Bill Bowman filed an involuntary bankruptcy proceeding with the stated purpose of putting TransBiotech, Inc., a California corporation and our wholly-owned subsidiary, into a bankruptcy (the "Involuntary Petition"). Subsequently we entered into a Settlement Agreement with Mr. Bowman (the "Bowman Settlement") and on April 2, 2013 Mr. Bowman filed a Motion to Dismiss with the Court to have this matter dismissed with prejudice. Since that time, neither Mr. Bowman nor the court have taken any further action in this proceeding and we expect the Involuntary Petition to be dismissed at or after the next status hearing set for May 30, 2013.

On December 6, 2006, Orange County Valet and Security Patrol, Inc. filed a lawsuit against us in Orange County California State Superior Court for Breach of Contract in the amount of \$9,720.00. A default judgment was taken against us in this matter. However, the judgment had not been entered for a long period time, but we recently learned the Plaintiff's have perfected the judgment against us, but we have not heard from the Plaintiffs for a long period time.

On May 11, 2012, we sued William Cooper, Travis Cooper and William Bowman, and KULA Management, Inc., an unknown entity in a case entitled, *TransBiotech, Inc. v. William Cooper, Travis Cooper, William Bowman*, Superior Court of California, County of Orange, Case No. 30-2012-00568440-CU-BC- CJC for breach of contract, intentional interference, with contractual relations, intentional interference with prospective economic relations, defamation, and unfair business practices. According to the Complaint the lawsuit was based on false and misleading claims made by the Defendants, as well as tortious interference with our business and contacts. The Complaint sought unspecified damages to be determined by the Court or trier of fact. William Cooper, Travis Cooper and William Bowman all filed timely Answers. Kula Management, Inc. did not file an Answer and we received a default judgment against Kula Management, Inc. Travis Cooper and William Cooper filed cross-complaints alleging breach of contract. William Cooper's cross-complaint was disallowed due to failure to file timely. As part of the Bowman Settlement mentioned above, this lawsuit was dismissed by all parties, effective March 22, 2013.

We currently have three judgments against us involving past employees of the company. These matters are under the purview of the State of California, Franchise Tax Board, Industrial Health and Safety Collections. We currently owe approximately \$46,727.57, plus accrued interest, to our ex-employees for unpaid wages under these Orders and are working to get these amounts paid off.

On November 16, 2006, a judgment was entered against TBT in favor of Cummins & White, LLP, in the amount of \$5,342. On or about December 17, 2012, we paid Cummins & White, LLP \$5,342 in full satisfaction of the judgment and the amounts owed.

On November 14, 2005, Fashion Furniture Rental, Inc. filed a lawsuit against TBT in the Orange County California State Superior Court for breach of contract. In 2012 Fashion Furniture Rental obtained a judgment against the Company in the approximate amount of \$61,000. This judgment was subsequently assigned to Mr. Bowman, who asserted it in the aforementioned Involuntary Petition. This judgment has been partially satisfied in conjunction with the Bowman Settlement after paying \$14,535.72 on the amount due. Per the terms of the Bowman Settlement, the remaining amount (\$84,703.04 as of March 31, 2013) is to be fully satisfied by the end of this year. We are currently working on satisfying the remainder due under this judgment.

On December 5, 2007, a judgment in favor of Vitaly Telishevsky in the amount of \$29,791.43 was entered against TBT. This judgment was entered pursuant to an "Order, Decision or Award of the Labor Commissioner." The judgment was later assigned to Mr. Bowman, who asserted it in the Involuntary Petition. This judgment has been partially satisfied in conjunction with the Bowman Settlement after paying \$14,089.87 on the amount due. Per the terms of the Bowman Settlement, the remaining amount (\$31,144.22 as of March 31, 2013) it is to be fully satisfied by the end of this year. We are currently working on satisfying the remainder due under this judgment.

On June 30, 2006, a judgment in favor of Dai Vu in the amount of \$22,065.44 was entered against TBT. This judgment was entered pursuant to an "Order, Decision or Award of the Labor Commissioner." The judgment was later assigned to Mr. Bowman, who asserted it in the Involuntary Petition. This judgment has been fully satisfied in conjunction with the Bowman Settlement.

In the ordinary course of business, we are from time to time involved in various pending or threatened legal actions. The litigation process is inherently uncertain and it is possible that the resolution of such matters might have a material adverse effect upon our financial condition and/or results of operations. However, in the opinion of our management, other than as set forth herein, matters currently pending or threatened against us are not expected to have a material adverse effect on our financial position or results of operations.

**ITEM 1A Risk Factors**

As a smaller reporting company, we are not required to provide the information required by this Item.

**ITEM 2 Unregistered Sales of Equity Securities and Use of Proceeds**

There have been no events which are required to be reported under this Item for the three months ended March 31, 2013.

**ITEM 3 Defaults Upon Senior Securities**

There have been no events which are required to be reported under this Item.

**ITEM 4 Mine Safety Disclosures**

There have been no events which are required to be reported under this Item.

**ITEM 5 Other Information**

There have been no events which are required to be reported under this Item.

**ITEM 6 Exhibits**

<b>Item No.</b>	<b>Description</b>
3.1 (1)	Articles of Incorporation of Imagine Media, Ltd.
3.2 (3)	Articles of Amendment to Articles of Incorporation to TransBiotech, Inc.
3.3 (1)	Bylaws of Imagine Media, Ltd.
10.1 (1)	Spin-of Trust Agreement by and between Gregory A. Bloom and Imagine Holding Corp. dated August 10, 2007
10.2 (1)	Form of Work For Hire Agreement
10.3 (1)	Assignment and Assumption Agreement by and between Imagine Holding Corp. and Imagine Media, Ltd. dated August 23, 2007
10.4 (2)	Investment Agreement by and between TransBiotech, Inc. and Kodiak Capital Group, LLC dated August 15, 2012
10.5 (3)	Amendment No. 1 to Investment Agreement by and between TransBiotech, Inc. and Kodiak Capital Group, LLC dated October 18, 2012
10.6 (2)	Registration Rights Agreement by and between TransBiotech, Inc. and Kodiak Capital Group, LLC dated August 15, 2012
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer (filed herewith).
31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Accounting Officer (filed herewith).
32.1	Section 1350 Certification of Chief Executive Officer (filed herewith).
32.2	Section 1350 Certification of Chief Accounting Officer (filed herewith).

101.INS **	XBRL Instance Document
101.SCH **	XBRL Taxonomy Extension Schema Document
101.CAL **	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF **	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB **	XBRL Taxonomy Extension Label Linkbase Document
101.PRE **	XBRL Taxonomy Extension Presentation Linkbase Document

- (1) Incorporated by reference from our Registration Statement on Form SB-2, filed with the Commission on January 31, 2008.
- (2) Incorporated by reference from our Current Report on Form 8-K, filed with the Commission on September 11, 2012.
- (3) Incorporated by reference from our Registration Statement on Form S-1, filed with the Commission on November 6, 2012.
- \*\* XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**TransBiotech, Inc.**

Dated: May 17, 2013

/s/ Charles Bennington

By: Charles Bennington  
President



**Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer**

I, Charles Bennington, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of TransBiotech, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exhibit Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 17, 2013

*/s/ Charles Bennington*  
By: Charles Bennington  
President

**Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer**

I, Charles Bennington, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of TransBiotech, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exhibit Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 17, 2013

*/s/ Charles Bennington*  
By: \_\_\_\_\_  
Charles Bennington  
Chief Financial Officer and Chief Accounting Officer

**CERTIFICATION PURSUANT TO 18 USC, SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of TransBiotec, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2013, as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), I, Charles Bennington, President of the Company, certify, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) Information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 17, 2013

*/s/ Charles Bennington*  
\_\_\_\_\_  
By: Charles Bennington  
President

A signed original of this written statement required by Section 906 has been provided to TransBiotec, Inc. and will be retained by TransBiotec, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO 18 USC, SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of TransBiotec, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2013, as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), I, Charles Bennington, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) Information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 17, 2013

*/s/ Charles Bennington*  
\_\_\_\_\_  
By: Charles Bennington  
Chief Financial Officer and Chief Accounting Officer

A signed original of this written statement required by Section 906 has been provided to TransBiotec, Inc. and will be retained by TransBiotec, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.