

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, 2014

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 Accelerated filer
Non-accelerated filer Smaller reporting company
(Do not check if a 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 15, 2014, there were 35,438,379 shares of common stock, \$0.00001 par value, issued and outstanding.

TRANSBIOTEC, INC.

TABLE OF CONTENTS

	<u>PAGE</u>
PART I - FINANCIAL INFORMATION	3
Item 1. Financial Statements	3
Item 2. Management's Discussion and Analysis of Financial Condition And Results of Operations	23
Item 3. Quantitative and Qualitative Disclosures About Market Risk	27
Items 4. Controls and Procedures	27
PART II - OTHER INFORMATION	28
Item 1. Legal Proceedings	28
Item 1A. Risk Factors	28
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	28
Item 3. Defaults Upon Senior Securities	28
Item 4. Mine Safety Disclosures	28
Item 5. Other Information	28
Item 6. Exhibits	29

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, 2014 and 2013 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)
CONDENSED CONSOLIDATED BALANCE SHEETS

	<u>Mar. 31, 2014</u> <u>(unaudited)</u>	<u>Dec. 31, 2013</u>
ASSETS		
Current assets		
Cash	\$ -	\$ -
Total current assets	<u>-</u>	<u>-</u>
Fixed assets - net	1,036	1,230
Total Assets	<u>\$ 1,036</u>	<u>\$ 1,230</u>
LIABILITIES & STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable	\$ 498,611	\$ 421,597
Accrued interest payable	300,361	268,950
Notes payable - current - related parties	573,516	573,516
Notes payable - current, net	636,099	612,342
Derivative liability	143,450	150,067
Stock subscription payable - current	26,000	26,000
Related party payables	220,765	190,765
Other payables	238,085	238,085
Total current liabilities	<u>2,636,887</u>	<u>2,481,322</u>
Notes payable - related parties	167,007	167,007
Total Liabilities	<u>2,803,894</u>	<u>2,648,329</u>
Stockholders' Deficit		
Common stock, \$.00001 par value; 100,000,000 shares authorized; 35,438,379 and 34,146,712 shares issued and outstanding at March 31, 2014 and December 31, 2013 respectively	355	342
Additional paid in capital	12,461,256	12,415,639
Deficit accumulated during the development stage	(15,232,855)	(15,032,660)
Total Transbiotech, Inc. stockholders' deficit	(2,771,244)	(2,616,679)
Noncontrolling interest	(31,614)	(30,420)
Total Stockholders' Deficit	<u>(2,802,858)</u>	<u>(2,647,099)</u>
Total Liabilities and Stockholders' Deficit	<u>\$ 1,036</u>	<u>\$ 1,230</u>

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

TransBiotec, Inc.
(A Development Stage Company)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For Three Months Ended March 31,		Period From July 19, 2004 (Inception) To
	2014	2013	Mar. 31, 2014
Revenues	\$ -	\$ -	\$ -
Operating expenses:			
Amortization & depreciation	194	194	77,320
General and administrative	138,626	233,641	13,490,423
	<u>138,820</u>	<u>233,835</u>	<u>13,567,743</u>
Gain (loss) from operations	<u>(138,820)</u>	<u>(233,835)</u>	<u>(13,567,743)</u>
Other income (expense):			
Loss on fair value adjustment - derivatives	(10,051)	(95,613)	(271,986)
Gain on debt reversal	-	5,571	99,805
Gain on sale of fixed asset	-	-	4,790
Interest expense	(41,854)	(40,400)	(1,305,274)
Interest expense - beneficial conversion feature	(10,664)	(77,103)	(286,889)
	<u>(62,569)</u>	<u>(207,545)</u>	<u>(1,759,554)</u>
Loss before provision for income taxes	<u>(201,389)</u>	<u>(441,380)</u>	<u>(15,327,297)</u>
Provision for income tax	<u>-</u>	<u>-</u>	<u>-</u>
Net loss	<u>(201,389)</u>	<u>(441,380)</u>	<u>(15,327,297)</u>
Less: Net loss attributable to noncontrolling interest	<u>1,194</u>	<u>2,905</u>	<u>94,442</u>
Net loss attributable to TransBioTec, Inc.	<u>\$ (200,195)</u>	<u>\$ (438,475)</u>	<u>\$ (15,232,855)</u>
Net loss per share (TransBiotec, Inc.) (Basic and fully diluted)	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	
Weighted average number of common shares outstanding	<u>35,007,823</u>	<u>31,164,488</u>	

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

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

	For Three Months Ended		Period From
	March 31,		July 19, 2004
	2014	2013	(Inception) To
			Mar. 31, 2014
Operating Activities:			
Net loss	\$ (200,195)	\$ (438,475)	\$ (15,232,855)
Adjustments to reconcile net loss to net cash provided by (used for) operating activities:			
Amortization & depreciation	194	194	77,320
Compensatory equity issuances	-	112,502	8,857,847
Asset write offs	-	-	37,513
Gain on sale of fixed asset	-	-	(4,790)
Gain on debt reversal	-	(5,571)	(99,805)
Change in fair value of derivative liability	10,051	95,613	271,986
Note payable beneficial conversion expense	10,664	77,103	286,889
Original issue discount - interest expense	-	8,334	124,505
Other	(1,194)	-	(5,693)
Changes in assets and liabilities:			
Accounts payable	162,737	14,757	2,782,081
Net cash used for operating activities	(17,743)	(135,543)	(2,905,002)
Investing Activities:			
Fixed asset purchases	-	(511)	(77,334)
Fixed asset sales	-	-	1,250
Net cash used for investing activities	-	(511)	(76,084)

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

TransBiotec, Inc.
(A Development Stage Company)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Continued From Previous Page)

	For Three Months Ended		Period From
	March 31,		July 19, 2004
	2014	2013	(Inception) To
			Mar. 31, 2014
Financing Activities:			
Notes & loans payable - borrowings	42,743	167,272	1,591,312
Notes & loans payable - payments	(25,000)	(32,000)	(145,726)
Repurchase of equity	-	-	(250,000)
Stock subscription payable	-	-	10,000
Equity issuances	-	-	1,775,500
Net cash provided by financing activities	17,743	135,272	2,981,086
Net Decrease In Cash	-	(782)	-
Cash At The Beginning Of The Period	-	782	-
Cash At The End Of The Period	\$ -	\$ -	\$ -
Schedule Of Non-Cash Investing And Financing Activities			
Debt converted to capital	\$ 4,650	\$ 22,500	\$ 1,658,995
Note to stock subscription payable	\$ -	\$ -	\$ 16,000
Supplemental Disclosure			
Cash paid for interest	\$ 3,750	\$ -	\$ 31,540
Cash paid for income taxes	\$ -	\$ -	\$ -

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

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

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 condensed consolidated 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 unaudited condensed 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 consolidated 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 UNAUDITED CONDENSED 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 March 31, 2014, and December 31, 2013 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 during the three months ended March 31, 2014 or 2013.

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 UNAUDITED CONDENSED 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 UNAUDITED CONDENSED 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, 2014. 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

As of March 31, 2014 and December 31, 2013, the Company had payables due to officers, shareholders and former management for accrued compensation and services of \$220,765 and \$190,765 respectively.

NOTE 3. FIXED ASSETS

Fixed asset values recorded at cost are as follows:

	March 31, 2014 (unaudited)	December 31, 2013
Automobile	\$ -	\$ -
Office and Lab Equipment	32,127	32,127
Furniture and fixtures	<u>11,556</u>	<u>11,556</u>
	43,683	43,683
Less accumulated depreciation	(42,647)	(42,453)
Total	<u>\$ 1,036</u>	<u>\$ 1,230</u>

Depreciation expense for the three months ended March 31, 2014 and 2013 was \$194.

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

NOTE 4. NOTES PAYABLE

	December 31, 2013	(unaudited) March 31, 2014
Note payable to related party, unsecured, due 8/3/2012, interest rate 0%	\$ 1,950	\$ 1,950
Notes payable to related party, unsecured, due 12/31/2012, interest rate 0%	\$ 11,810	\$ 11,810
Note payable, unsecured, due 2/8/12, quarterly interest due, convertible at holder's option at \$0.3235688 per IMLE share, interest rate 30%	\$ 10,000	\$ 10,000
Note payable, unsecured, due 2/8/12, quarterly interest due, convertible at holder's option at \$0.3235688 per IMLE share, interest rate 30%	\$ 25,000	\$ 25,000
Note payable, unsecured, due 2/17/12, quarterly interest due, convertible at holder's option at \$0.3235688 per IMLE share, interest rate 30%	\$ 25,000	\$ 25,000
Note payable, unsecured, due 2/18/12, quarterly interest due, convertible at holder's option at \$0.3235688 per IMLE share, interest rate 30%	\$ 10,000	\$ 10,000
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%	\$	-	\$	-
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%	\$	19,250	\$	14,600
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

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%	\$	52,500	\$	52,500
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)	\$	-	\$	-
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	\$	25,000	\$	-
Note payable to non-related party, unsecured, due 01/07/2014, interest rate 7%, default interest 10%, stock option	\$	15,000	\$	15,000
Note payable to non-related party, unsecured, due 01/15/2014, interest rate 7%, default interest 10%, stock option	\$	5,000	\$	5,000
Note payable to non-related party, unsecured, due 01/20/2014, interest rate 7%, default interest 10%, stock option	\$	65,272	\$	65,272

Note payable to non-related party, unsecured, due 03/28/2013, \$13,000 in interest (1 month)	\$	32,000	\$	32,000
Note payable to non-related party, unsecured, due 01/23/2014, interest rate 9%,	\$	50,000	\$	50,000
Note payable to non-related party, unsecured, due 04/28/2014, interest rate 7%, default interest 10%, stock option	\$	9,440	\$	9,440
Note payable to non-related party, unsecured, due 05/05/2014, interest rate 7%, default interest 10%, stock option	\$	50,060	\$	50,060
Note payable to non-related party, unsecured, due 07/02/2014, interest rate 9%,	\$	15,000	\$	15,000
Note payable to non-related party, unsecured, due 10/25/2013, interest rate 18%,	\$	2,000	\$	2,000
Note payable to non-related party, unsecured, due 07/29/2014, interest rate 7%, default interest 10%, stock option	\$	1,900	\$	1,900
Note payable to non-related party, unsecured, due 09/19/2014, interest rate 7%, default interest 10%, stock option	\$	10,000	\$	10,000
Note payable to non-related party, unsecured, due 09/19/2014, interest rate 7%, default interest 10%, stock option	\$	65,000	\$	65,000
Note payable to non-related party, unsecured, due 09/29/2014, interest rate 7%, default interest 10%, stock option	\$	20,000	\$	20,000
Note payable to non-related party, unsecured, due 12/27/2013, interest rate 9%	\$	15,000	\$	15,000

Note payable to non-related party, unsecured, due 10/28/2014, interest rate 7%, default interest 10%, stock option	\$	2,500	\$	2,500
Note payable to non-related party, unsecured, due 10/29/2014, interest rate 7%, default interest 10%, stock option	\$	10,000	\$	10,000
Note payable to non-related party, unsecured, due 11/10/2014, interest rate 7%, default interest 10%, stock option	\$	5,000	\$	5,000
Note payable to non-related party, unsecured, due 11/12/2014, interest rate 9%, convertible up to the due date	\$	11,000	\$	11,000
Note payable to non-related party, unsecured, due 11/20/2014, interest rate 7%, default interest 10%, stock option	\$	20,000	\$	20,000
Note payable to non-related party, unsecured, due 12/02/2014, interest rate 7%, default interest 10%, stock option	\$	5,000	\$	5,000
Note payable to non-related party, unsecured, due 1/27/2014, simple interest 10%	\$	5,000	\$	5,000
Note payable to non-related party, unsecured, due 1/07/2015, interest rate 7%, default interest 10%, stock option	\$	-	\$	25,000
Note payable to non-related party, unsecured, due 1/28/2015, interest rate 7%, default interest 10%, stock option	\$	-	\$	1,253

Note payable to non-related party, unsecured, due 1/29/2015, interest rate 7%, default interest 10%, stock option	\$	-	\$	3,500
Note payable to non-related party, unsecured, due 2/10/2015, interest rate 7%, default interest 10%, stock option	\$	-	\$	990
Note payable to non-related party, unsecured, due 2/17/2015, interest rate 7%, default interest 10%, stock option	\$	-	\$	4,500
Note payable to non-related party, unsecured, due 2/20/2015, interest rate 7%, default interest 10%, stock option	\$	-	\$	5,000
Note payable to non-related party, unsecured, due 3/10/2015, interest rate 7%, default interest 10%, stock option	\$	-	\$	2,500
	\$	1,375,861	\$	1,388,954
Less Note Discounts		22,996		12,332
Less current portion		(1,185,858)		(1,209,615)
Long-term portion	\$	<u>167,007</u>	\$	<u>167,007</u>

Required principal payments from December 31, 2013 forward are as follows:

2014	\$	1,221,947
2015	\$	123,709
2016	\$	43,298
2017	\$	-
2018	\$	-
	\$	<u>1,388,954</u>

Interest expense under notes payable for the three months ended March 31, 2014 and March 31, 2013 was \$41,854 and \$40,400, respectively.

During the three months ended March 31, 2014 and March 31, 2013 the Company recognized a beneficial conversion feature expense on borrowing from convertible notes of \$10,664 and \$77,103, respectively. During the three months ended March 31, 2014 and March 31, 2013 the unamortized note discount from the beneficial conversion feature was \$12,332 and \$22,996, respectively.

In 2012 the company borrowed \$110,000 under convertible notes with a variable conversion price based on a percentage of market price. Notes converted at December 31, 2012 and December 31, 2013 were \$27,000 and \$47,500, respectively. The Company determined that these notes have an embedded derivative and are therefore accounted for at fair value. The Company recorded fair market value adjustments for the three months ended March 31, 2014 and March 31, 2013 of \$10,051 and \$95,613, respectively. The fair market value adjustments were based on the Black-Scholes method using the following assumptions: risk free rate of 0.08%, dividend yield of 0%, expected life of 1 year, volatility of 172% - 197%. The fair value derivative liability under the notes as of March 31 2014 and December 31, 2013 was \$143,450 and \$150,067, respectively.

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 2012, the Company had 22,500 options outstanding for shares in Transbiotec – CA. During the year ended December 31, 2012 no options were exercised or expired, leaving a December 31, 2012 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, 2013 no options were exercised or expired, leaving a December 31, 2013 outstanding balance of 22,500 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 Transbiotec - 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 Transbiotec – DE. The Company incurred and recorded compensation expense under these stock option grants of \$4,042 in 2012.

During 2013 the Company granted 5,321,735 stock options for shares in Transbiotec - 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 rates between 7% - 14%, dividend yield of 0%, expected life of five years, volatility between 179% - 186%. No options were exercised or expired, leaving a December 31, 2013 outstanding balance of 5,351,413 options for Transbiotec – DE. The Company incurred and recorded compensation expense under these stock option grants of \$145,997 in 2013.

During the three months ended March 31, 2014 the Company granted 2,182,296 stock options for shares in Transbiotec - 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 1.65%, dividend yield of 0%, expected life of five years, a volatility range of 183% - 185%. No options were exercised or expired, leaving a March 31, 2014 outstanding balance of 7,533,709 options for Transbiotec - DE. The Company incurred and recorded compensation expense under these stock option grants of \$24,312 during the three months ended March 31, 2014.

A summary of stock option activity for California is as follows:

	<u>Number of Shares</u>	<u>Weighted Average Exercise Price</u>
Outstanding at December 31, 2013	22,500	\$.35
Granted	-	-
Exercised	-	-
Forfeited	-	-
Outstanding at March 31, 2014	<u>22,500</u>	<u>\$.35</u>

Following is a summary of the status of options for California outstanding at March 31, 2014:

<u>Exercise Price</u>	<u>Number of Shares</u>	<u>Weighted Average Contractual Life</u>	<u>Weighted Average Exercise Price</u>	<u>Exercised at March 31, 2013</u>
\$ 0.15	20,000	5 years	\$ 0.15	-
\$ 0.10	1,500	5 years	0.10	-
\$ 0.10	1,000	5 years	0.10	-
Total	<u>22,500</u>		<u>\$ 0.35</u>	<u>-</u>

A summary of stock option activity for Delaware is as follows:

	<u>Number of Shares</u>	<u>Weighted Average Exercise Price</u>
Outstanding at December 31, 2013	5,321,735	\$.09
Granted	2,182,296	.04
Exercised	-	-
Forfeited	-	-
Outstanding at March 31, 2014	<u>7,533,709</u>	<u>\$.13</u>

Following is a summary of the status of options for Delaware outstanding at March 31, 2014:

Exercise Price	Number of Shares	Weighted Average Contractual Life	Weighted Average Exercise Price	Exercised at March 31, 2014
\$ 0.09	29,678	5 years	\$ 0.09	-
\$ 0.17	83,333	5 years	0.17	-
\$ 0.17	27,778	5 years	0.17	-
\$ 0.17	362,624	5 years	0.17	-
\$ 0.13	80,914	5 years	0.13	-
\$ 0.13	429,086	5 years	0.13	-
\$ 0.06	38,000	5 years	0.06	-
\$ 0.04	250,000	5 years	0.04	-
\$ 0.04	1,625,000	5 years	0.04	-
\$ 0.05	400,000	5 years	0.05	-
\$ 0.04	75,000	5 years	0.04	-
\$ 0.04	300,000	5 years	0.04	-
\$ 0.02	300,000	5 years	0.02	-
\$ 0.02	1,200,000	5 years	0.02	-
\$ 0.04	150,000	5 years	0.04	-
\$ 0.02	1,500,000	5 years	0.04	-
\$ 0.04	37,603	5 years	0.04	-
\$ 0.02	105,000	5 years	0.02	-
\$ 0.04	29,693	5 years	0.04	-
\$ 0.02	135,000	5 years	0.04	-
\$ 0.04	300,000	5 years	0.04	-
\$ 0.04	75,000	5 years	0.04	-
Total	7,533,709		\$ 0.13	-

Employee stock options

The parent company had no outstanding employee stock options.

Stock subscriptions payable

At March 31, 2014 and December 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.

NOTE 8. OTHER MATTERS

In 2012 the Company filed an action in the Superior Court of California, Orange County against a shareholder group for business interference and breach of contract. The shareholder group had alleged various accusations of malfeasance toward the Company and filed an involuntary bankruptcy action against the Company in US Bankruptcy Court, Santa Ana Division. In January 2013 the parties reached a settlement whereby the Company agreed to pay various judgments held by the shareholder group of approximately \$65,000 in exchange for the shareholder group surrendering its shares in the Company.

NOTE 9. COMMON STOCK

During 2012, the Company exchanged 32,500 of TBT-CA shares for 251,105 TBT-Publico shares at an exchange rate of \$7.7263 per share.

During 2012, the Company raised \$122,000 and issued 326,667 shares of its common stock.

During 2012, the Company entered into an agreement with an unrelated third-party consultant. As payment for the consultant's services, the Company issued 3,805,950 shares of its common stock valued at \$2,321,957.

On June 18, 2012, the Company converted a note payable of \$43,000 into 172,000 shares of its common stock, with a purchase price \$0.25 per share.

On October 18, 2012, the Company converted a note payable of \$12,000 into 88,692 shares of its common stock, with a purchase price \$0.1353 per share.

On November 20, 2012, the Company converted a note payable of \$15,000 into 199,468 shares of its common stock, with a purchase price \$0.0752 per share.

On February 1, 2013, the Company converted a note payable of \$12,000 into 291,262 shares of its common stock, with a purchase price \$0.0412 per share.

On February 6, 2013, the Company entered into an agreement with an unrelated third-party consultant. As payment for the consultant's services, the Company issued 150,000 shares of its common stock on said date valued at \$22,500 with a purchase price of \$0.15 per share.

On February 26, 2013, the Company entered into an agreement with an unrelated third-party consultant. As payment for the consultant's services, the Company issued 450,000 shares of its common stock on said date valued at \$30,600 with a purchase price of \$0.068 per share.

On February 27, 2013, the Company entered into an agreement with an unrelated third-party consultant. As payment for the consultant's services, the Company issued 50,000 shares of its common stock on said date valued at \$16,000 with a purchase price of \$0.32 per share.

On February 27, 2013, the Company entered into an agreement with an unrelated third-party consultant. As payment for the consultant's services, the Company issued 33,333 shares of its common stock on said date valued at \$2,333 with a purchase price of \$0.07 per share.

On May 9, 2013, the Company converted a note payable of \$12,000 into 759,494 shares of its common stock, with a purchase price \$0.0158 per share.

On July 8, 2013, the Company entered into an agreement with an unrelated third-party consultant. As payment for the consultant's services, the Company issued 150,000 shares of its common stock on said date valued at \$6,000 with a purchase price of \$0.04 per share.

On July 12, 2013, the Company converted a note payable of \$10,000 into 775,194 shares of its common stock, with a purchase price \$0.0129 per share.

On August 12, 2013, the Company converted a note payable of \$15,000 into 1,171,875 shares of its common stock, with a purchase price \$0.0128 per share.

On February 10, 2014, the Company converted a note payable of \$4,650 into 1,291,667 shares of its common stock, with a purchase price \$0.0036 per share.

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 that has developed 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 analyzes our financial condition and the results of our operations for the three months ended March 31, 2014.

This discussion and analysis should be read in conjunction with TBT's financial statements included as part of this Quarterly Report on Form 10-Q, as well as TBT's financial statements included in its Annual Report on Form 10-K for the year ended December 31, 2013.

Results of Operations for Three Months Ended March 31, 2014 Compared to Three Months Ended March 31, 2013

Summary of Results of Operations

	Three Months Ended		Period from
	March 31,		July 19, 2004
	2014	2013	(Inception) to
	\$	\$	March 31, 2014
Revenue	-	-	-
Operating expenses:			
General and administrative	138,626	233,641	13,490,423
Amortization and Depreciation	194	194	77,320
Total operating expenses	<u>138,820</u>	<u>233,835</u>	<u>13,567,743</u>
Operating loss	(138,820)	(233,835)	(13,567,743)
Interest expense	(41,854)	(40,400)	(1,305,274)
Interest expense – beneficial conversion feature	(10,664)	(77,103)	(286,889)
Loss on fair value adjustment – derivatives	(10,051)	(95,613)	(271,986)
Gain on sale of fixed asset	-	-	4,790
Gain on debt reversal	-	5,571	99,805
Net income (loss)	<u>\$ (200,195)</u>	<u>\$ (438,475)</u>	<u>\$ (15,232,855)</u>

Operating Loss: Net Income (Loss)

Our net income/(loss) changed by \$238,280, from (\$438,475) to (\$200,195), from the three months ended March 31, 2013 compared to March 31, 2014. Our operating loss decreased by \$95,015, from (\$233,835) to (\$138,820) for the same period. The change in our net income/(loss) for the three months ended March 31, 2014, compared to the prior year period is primarily a result of a decrease in our general and administrative expenses, a decrease in the loss on fair value adjustment – derivatives as a result of the impact of our increased stock price on certain convertible instruments, as well as a decrease 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. 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 second or third quarter of 2014, but we must successfully raise money in order to execute on our business plan.

General and Administrative Expenses

General and administrative expenses decreased by \$95,015, from \$233,641 for the three months ended March 31, 2013 to \$138,626 for the three months ended March 31, 2014, primarily due to a decrease in consulting and legal fees.

Interest Expense.

Interest expense increased slightly from \$40,400 for the three months ended March 31, 2013 to \$41,854 for the three months ended March 31, 2014. For both periods these amounts are largely due to the interest we owe on outstanding debt.

Interest Expense – Beneficial Conversion Feature

In the three months ended March 31, 2014 our interest expense includes a beneficial conversion feature of \$10,664, compared to \$77,103 for the three months ended March 31, 2013, both related to a convertible debenture. This expense is amortized over time therefore the significant decrease in the expense was due to less required amortization.

Loss on Fair Value Adjustment - Derivatives

During the three months ended March 31, 2014, we had loss on fair value adjustment – derivatives of \$10,051 primarily due to the impact of a decrease in our stock price on certain convertible instruments we have outstanding. Our loss on fair value adjustment – derivatives for the three months ended March 31, 2013 was \$95,613, primarily due decreases in our stock price.

Liquidity and Capital Resources for Three Months Ended March 31, 2014 Compared to Three Months Ended March 31, 2013

Introduction

During the three months ended March 31, 2014 and 2013, because of our operating losses, we did not generate positive operating cash flows. Our cash on hand as of March 31, 2014 was \$0 and our monthly cash flow burn rate is approximately \$25,000. 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, 2014 and as of December 31, 2013, respectively, are as follows:

	March 31, 2014	December 31, 2013	Change
Cash	\$ 0	\$ 0	\$ 0
Total Current Assets	0	0	0
Total Assets	1,036	1,230	194
Total Current Liabilities	2,636,887	2,481,322	155,565
Total Liabilities	\$ 2,803,894	\$ 2,648,329	\$ 155,565

Our current assets remained the same as of March 31, 2014 as compared to December 31, 2013. The decrease in our total assets between the two periods was attributed to a slight decrease in the value of our fixed assets during the three months ended March 31, 2014.

Our current liabilities increased by \$155,565, as of March 31, 2014 as compared to December 31, 2013. This increase was due to an increase in our accounts payable of \$77,014, an increase in our accrued interest payable of \$31,411, an increase in our related party payables of \$30,000 as a result of owing money to related parties that pay for goods and services on our behalf, and an increase in our notes payable current, net of \$23,757 as a result of borrowing additional money from non-related parties.

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 no cash available as of March 31, 2014 and December 31, 2012. Based on our revenues, cash on hand and current monthly burn rate, around \$25,000, 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 (\$17,743) for the three months ended March 31, 2014, as compared to (\$135,543) for the three months ended March 31, 2013. For the period in 2014, the net cash used in operating activities consisted primarily of our net income (loss) of (\$200,195), offset by change in fair value of derivative liability of \$10,051 and note payable beneficial conversion expense of \$10,664. For the period in 2013, the net cash used in operating activities consisted primarily of our net income (loss) of (\$438,475) and gain on debt reversal of (\$5,571), offset by compensatory equity issuances of \$112,502, change in fair value of derivative liability of \$95,613, note payable beneficial conversion expense of \$77,103, and original issue discount – interest expense of \$8,334.

Investments

We had no cash provided (used) by investing activities in the three months ended March 31, 2014, compared to net cash provided (used) by investing activities of (\$511) for the three months ended March 31, 2013, which related fixed asset purchases of \$511.

Financing

Our net cash provided (used) by financing activities for the three months ended March 31, 2014 was \$17,743, compared to \$135,272 for the three months ended March 31, 2013. For the period in 2014, our financing activities related to notes and loans payable – borrowings of \$42,743 offset by notes and loans payables – payments of (\$25,000). 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).

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, 2014, 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 to the same extent as reported in our Annual Report on Form 10-K for the year ended December 31, 2013.

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 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. In mid-2013 we learned the Plaintiff's perfected the judgment against us, but we have not heard from the Plaintiffs for a long period time.

We currently have one outstanding judgment against us involving a past employee of the company. The matter is under the purview of the State of California, Franchise Tax Board, Industrial Health and Safety Collections. We currently owe approximately \$28,277, plus accrued interest, to our ex-employee for unpaid wages under these Orders and are working to get this amount paid off.

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

During the three months ended March 31, 2014, we issued the following unregistered securities:

During the three months ended March 31, 2014, we issued an aggregate of 1,291,667 shares of our common stock, restricted in accordance with Rule 144, to Asher Enterprises, Inc., upon the conversion by Asher of \$4,650 of debt we owe to them under a Convertible Promissory Note, currently in default. Based on the representations of the investor in the Convertible Promissory Note and the Notice of Conversion, the issuance of the shares was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933. The investor was accredited and sophisticated, familiar with our operations, and there was no solicitation.

During the three months ended March 31, 2014, we issued stock options to purchase an aggregate of 2,182,296 shares of our common stock pursuant to the terms of non-convertible promissory notes issued to a non-affiliate third party. The stock options have an exercise price of \$0.01 or \$0.02 and expire five (5) years from the date of grant. The issuance of the stock options was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933. The investor was accredited and sophisticated, familiar with our operations, and there was no solicitation.

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

Item No.	Description
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
10.7 (4)	Settlement Agreement by and between TransBiotech, Inc., et al and Bowman & Co., et al dated March 13, 2013
10.8 (4)	Settlement Agreement by and between TransBiotech, Inc., and Scott Painter dated May 14, 2013
10.9 (4)	Amendment No. 1 to Settlement Agreement by and between TransBiotech, Inc., et al and Bowman & Co., et al dated August 29, 2013
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

** 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.

- (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.
- (4) Incorporated by reference from our Quarterly Report on Form 10-Q for the period ended September 30, 2013, filed with the Commission on November 14, 2013.

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 19, 2014

By: /s/ Charles Bennington
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 19, 2014

By: /s/ Charles Bennington
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 19, 2014

By: /s/ Charles Bennington

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 TransBiotech, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2014, 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 19, 2014

By: /s/ Charles Bennington

Charles Bennington
President

A signed original of this written statement required by Section 906 has been provided to TransBiotech, Inc. and will be retained by TransBiotech, 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, 2014, 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 19, 2014

By: /s/ Charles Bennington
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.