

Genmed Holding Corp
Form 10-Q
May 20, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2009

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

Commission File Number: 000-26607

GENMED HOLDING CORP.

Exact name of registrant as specified in its charter

NEVADA
(State or other jurisdiction of
incorporation or organization)

88-0390828
I.R.S. Employer
Identification No.

Rontgenlaan 27, 2719 DX
Zoetermeer, The Netherlands

(Address of principal executive offices)

011-31-793-630-129

Registrant's telephone number, including area code

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the 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 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 ☒

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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

Check whether the registrant filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after 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: 123,211,739 shares of common stock as of May 20, 2009.

GENMED HOLDING CORP.

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PART I: FINANCIAL INFORMATION

Item 1. Financial Statements

GENMED HOLDING CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	March 31, 2009 (Unaudited)	December 31, 2008
ASSETS		
CURRENT ASSETS		
Cash	\$ 3,216	\$ 1,764
VAT receivable	10,744	8,777
Total Current Assets	13,960	10,541
EQUIPMENT, net accumulated depreciation of \$5,023 and \$2,206	14,156	16,002
MEDICAL REGISTRATION RIGHTS, net accumulated amortization of \$1,101,000 and \$736,000	13,504,000	13,864,000
Total Assets	\$ 13,532,116	\$ 13,890,543
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 172,114	\$ 169,096
Accrued salaries and related expenses	337,129	331,420
Accrued expenses	652,733	516,074
Loans payable to related parties	971,216	848,416
Total Current Liabilities	2,133,192	1,865,006
STOCKHOLDERS' EQUITY		
Class A Convertible Preferred Stock, par value \$0.001; authorized 500,000,000 shares; issued and outstanding- 0 at March 31, 2009 and December 31, 2008, respectively.	-	-
Common stock, par value \$0.001; authorized 500,000,000 shares; issued and outstanding- 125,611,739 shares at March 31, 2009 and December 31, 2008, respectively	125,612	125,612
Additional paid-in capital	65,665,066	65,563,066
Accumulated deficit	(54,403,062)	(53,671,911)
Accumulated other comprehensive income	11,308	8,770
Total Stockholders' Equity	11,398,924	12,025,537
Total Liabilities and Stockholders' Equity	\$ 13,532,116	\$ 13,890,543

See accompanying notes to consolidated financial statements

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GENMED HOLDING CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS

(UNAUDITED)

	For the Three Months Ended March 31,	
	2009	2008
COST AND EXPENSES		
Selling, general and administrative	\$ 314,358	\$ 69,866
Depreciation and amortization	360,829	-
Research & development	32,861	-
Total Costs and Expenses	708,048	69,866
NET OPERATING LOSS	(708,048)	(69,866)
OTHER EXPENSE		
Loss on foreign exchange	(6,421)	(11,641)
Interest expense	(16,682)	-
Total Other Expenses	(23,103)	(11,641)
NET LOSS	\$ (731,151)	\$ (81,507)
NET LOSS PER COMMON SHARE (BASIC AND DILUTED)	\$ (0.01)	\$ (0.38)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	125,611,739	211,739

See accompanying notes to consolidated financial statements

GENMED HOLDING CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

(UNAUDITED)

	For the three months ended March 31	
	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (731,151)	\$ (81,507)
Adjustments to reconcile net income (loss) to cash flows used in operating activities:		
Depreciation and amortization	360,829	-
Stock Based Compensation	102,000	-
Changes in operating assets and liabilities:		
Accounts receivable	(1,967)	-
Accounts payable	3,018	1,015
Accrued salaries and related expenses	5,709	50,641
Accrued expenses	136,659	11,640
Net Cash Used in Operating Activities	(124,903)	(18,211)
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances from notes payable to related parties	122,800	18,178
Net Cash Provided by Investing Activities	122,800	18,178
EFFECT OF EXCHANGE RATE	3,555	-
INCREASE (DECREASE) IN CASH	1,452	(33)
CASH, BEGINNING OF PERIOD	1,764	976
CASH, END OF PERIOD	\$ 3,216	\$ 943
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Non cash activities		
Conversion of related party debt to preferred stock	-	600,000

See accompanying notes to consolidated financial statements

GENMED HOLDING CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2009

NOTE 1 – BASIS OF PRESENTATION

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary in order to make the financial statements not misleading have been included. Results for the three months ended March 31, 2009 are not necessarily indicative of the results that may be expected for the year ending December 31, 2009. For further information, refer to the financial statements and footnotes thereto included in the Genmed Holding Corp. and Subsidiaries annual report on Form 10-K for the year ended December 31, 2008.

NOTE 2 – GOING CONCERN

As shown in the accompanying financial statements, the Company has incurred an accumulated deficit of \$54,403,062 and has negative working capital of \$2,119,232. Management's plans include the raising of capital through the equity markets to fund future operations and the generating of revenue through its business. Failure to raise adequate capital and generate adequate sales revenues could result in the Company having to curtail or cease operations. Additionally, even if the Company does raise sufficient capital to support its operating expenses and generate adequate revenues, there can be no assurance that the revenue will be sufficient to enable it to develop business to a level where it will generate profits and cash flows from operations. These matters raise substantial doubt about the Company's ability to continue as a going concern. However, the accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. These financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern.

NOTE 3 – GENERAL

General Release and Settlement Agreement

On April 17, 2008, the Company entered into a General Release and Settlement Agreement (the "General Release Agreement") with Total Look, B.V. ("Total Look"), London Finance Group, Ltd., a California corporation ("LFG"), Dojo Enterprises, LLC, a Nevada limited liability company ("Dojo"), Hyperion Fund, L.P., a Colorado limited partnership ("Hyperion"), The Palisades Capital, LLC 401(k) Profit Sharing Trust ("Palisades"), The Morpheus 2005 Trust dated December 1, 2005 ("Morpheus"), Burton Partners, LLC ("Burton"), Picasso, LLC ("Picasso") and Glacier, LLC ("Glacier," and, together with Total Look, LFG, Dojo, Hyperion, Palisades, Morpheus, Burton and Picasso, the "Preferred Shareholders") to settle all accounts and disputes between the parties and to avoid the expense and delay of litigation.

Pursuant to the General Release Agreement, the Company issued 39,000,000 warrants to the Preferred Shareholders, which were subsequently cancelled, to purchase shares of common stock of the Company.

The Preferred Shareholders collectively own 2,179,533 shares of Class A Convertible Preferred Stock of the Company, which equals 100% of the outstanding preferred shares of stock of the Company. Pursuant to the General Release Agreement, all of the outstanding preferred shares of the Company were cancelled upon the issue of the

common stock to the Preferred Shareholders.

Subsequent to December 31, 2008, on or around April 11, 2009, the Preferred Shareholders entered into a Release and Settlement Agreement in which the parties agreed to the cancellation of all the warrants and to the cancellation and re-issuing of certain shares of Common Stock that were issued pursuant to the General Release and Settlement Agreement of April 17, 2008.

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GENMED HOLDING CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2009

Pursuant to the Release and Settlement Agreement of April 11, 2009, such shares of common stock of the Company are now issued as follows:

Shareholder	Common Stock
Total Look B.V.	62,678,826 shares
Dojo Enterprises, Ltd.	1,120,107 shares
Hyperion Fund, L.P.	1,760,428 shares
Diane Breitman, as Trustee of The Morpheus 2005 Trust	2,720,000 shares
Burton Partners, LLC	2,240,213 shares
Picasso, LLC	2,240,213 shares
Glacier, LLC	2,240,213 shares
TOTAL	75,000,000 shares

Stock Exchange Agreement

On April 17, 2008, Genmed Holding Corp. ("Genmed," or the "Company") entered into a Stock Exchange Agreement (the "Stock Exchange Agreement") with Joost de Metz ("de Metz"), Willem Blijleven ("Blijleven"), Erwin R. Bouwens ("Bouwens") and Medical Network Holding BV ("MNH," and collectively with de Metz, Blijlevens and Bouwens, the "Shareholders"). The Shareholders were holders of 100% of the outstanding capital stock of Genmed BV ("GMBV"), a company organized in The Netherlands.

Pursuant to the Stock Exchange Agreement, Genmed agreed to purchase from the Shareholders 18,000 restricted shares of the registered and outstanding capital stock of GMBV (the "GMBV Shares"), representing 100% of its outstanding capital stock, for a purchase price equal to 48,000,000 shares of restricted common stock of Genmed and the issuance of 24,000,000 warrants at \$0.10 per share.

Subsequent to December 31, 2008, on or around April 11, 2009, the 'Shareholders' entered into a Release and Settlement Agreement in which the parties agreed to the cancellation of all the warrants that were issued pursuant to the Stock Exchange Agreement of April 17, 2008.

The fair value of the assets acquired is as follows:

Cash	\$ 4,993
Receivables	17,513
Fair Value of Medical Registration Rights	14,600,000
Liabilities Assumed	(6,153)
	14,616,353
Fair value of 48,000,000 shares @ \$0.51 per share and 24,000,000 warrants valued at 9,881,923	34,361,923
Impairment of Goodwill	\$ 19,745,570

GENMED HOLDING CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2009

The Medical Registration Rights represent a distribution agreement with Atabay Group to distribute generic drugs in various European Union and other countries outside the European Union as well as the registration rights to Paracetamol (acetaminophen), a generic form of Tylenol, in the European Union. These rights are being amortized over their estimated useful life of 10 years. Amortization expenses for the year ended December 31, 2008 was \$736,000. Estimated future amortization for the next five years is as follows:

2009	\$ 1,460,000
2010	1,460,000
2011	1,460,000
2012	1,460,000
2013	1,460,000

Subsequent to the acquisition of Genmed BV, the Company tested the business unit for impairment. As a result, the Company determined that the Goodwill was impaired and wrote of the entire balance of \$19,745,570.

Reverse Split

On October 22, 2007, the Company's board of directors and majority of its shareholders approved a 1-for-2000 reverse stock split of the Company's issued and outstanding common stock, par value \$.001 per share, pursuant to which each two thousand shares of the Company's issued and outstanding Common Stock would be combined and consolidated into one share of common stock and authorized the board of directors of the Company to amend its Articles of Incorporation by issuing, without further shareholder action, one or more series of preferred stock from its authorized 5,000,000 shares of preferred stock. On January 28, 2008, the reverse stock split of the Company became effective. The consolidated financial statements reflect the effect of this stock split for all periods presented.

Change of Name

On December 12, 2007, the Company's board of directors and majority of its shareholders approved the change of the Company's corporate name from Satellite Newspapers Corp. to Genmed Holding Corp. by filing an amendment to its Articles of Incorporation with the Secretary of State of the State of Nevada.

Change in Management

Mr. Roy Piceni resigned from his position as Chief Executive Officer and director of Genmed Holding Corp. (the "Company") on April 17, 2008.

The Board of Directors appointed Mr. Erwin R. Bouwens as the Chief Executive Officer, President, and director of the Company on April 17, 2008. Mr. Randy Hibma, who has served as the Company's Chief Financial Officer since 2004, remained as the Company's Chief Financial Officer and was appointed to also serve as Vice President and Secretary of the Company on April 17, 2008.

Consulting Agreements

On April 17, 2008, the Company, entered into a Consulting Agreement with London Finance Group, Ltd. ("London"). Pursuant to such Consulting Agreement, London will consult with the Company on achieving Company objectives including merging with other businesses, disposing of businesses or assets, entering into strategic relationships, entering into investment banking relationships, and securing valuable management consulting to assist the Company in its operations, strategy and in its negotiations with vendors, customers and strategic partners. The Consulting agreement commenced on April 17, 2008 and will terminate no earlier than April 17, 2011. London was to receive an initial payment of \$65,000 upon execution of the Consulting Agreement, \$20,000 per month for the length of the Consulting Agreement, 2,400,000 shares of restricted common stock and 2,400,000 warrants to purchase the Company's common stock as compensation for its consulting services.

Also on April 17, 2008, the Company entered into a Consulting Agreement with Total Look B.V. ("Total Look"), a company organized in The Netherlands. Pursuant to such Consulting Agreement, Total Look will consult with the Company on finding, analyzing, structuring and negotiating sales and marketing agreements, alliances and other desirable projects with regard to the Company's sales of its generic pharmaceutical products. The Consulting agreement commenced on April 17, 2008 and will terminate no earlier than April 17, 2011. Total Look will receive an initial payment of \$40,000 upon execution of the Consulting Agreement, \$20,000 per month for the length of the Consulting Agreement, and two and one-half percent (2.5%) of the total revenues from all sales and other revenues actually received by the Company, until such time as Total Look has received a total of \$3,000,000, as compensation for its consulting services.

GENMED HOLDING CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2009

Subsequent to December 31, 2008, on or around April 11, 2009, the Company and London Finance Group entered into a Release and Settlement Agreement in which the parties agreed to rescind the Consultancy Agreement entered into by the Company and the London Finance Group on April 17, 2008 and to cancel the shares and warrants that have been issued pursuant to the Consulting Agreement as well as to waive all monies owed by the Company to the London Finance Group as part of the same Consulting Agreement.

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Item 2. Management's Discussion and Analysis of Financial Condition or Results of Operations

Forward-looking Information

This Form 10-Q quarterly report includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. All statements other than statements of historical facts, included in this Form 10-Q that address activities, events, or developments that we expect or anticipate will or may occur in the future, including such things as future capital expenditures (including the amount and nature thereof), business strategy and measures to implement strategy, competitive strength, goals, expansion and growth of our business and operations, plans, references to future success, reference to intentions as to future matters, and other such matters are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” or “continue,” or the negative of such terms or other comparable terminology. These statements are only predictions. Actual events or results may differ materially. These statements are based up on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments as well as other factors that we believe are appropriate in the circumstances. However, whether actual results and developments will conform to our expectations and predictions is subject to a number of risks, uncertainties, and other factors, many of which are beyond our control.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. Moreover, we do not assume responsibility for the accuracy and completeness of such forward-looking statements. We are under no duty to update any of the forward-looking statements after the date of this report to conform such statements to actual results.

General

The following discussion and analysis summarizes the results of operations of Genmed Holding Corp. (“Genmed,” the “Company,” or “we”), formerly called Satellite Newspapers Corp., for the three-month period ended March 31, 2009.

During the three-month period ended March 31, 2009, the Company continued developing its business, and entered into negotiations with distributors in Venezuela, Nigeria, and Morocco to sell a number of products. The Company hopes that these negotiations will finally result in sales orders, though the Company anticipates that actual sales will take some time to develop due to the registration requirements in such countries. The Company believes that the registration process in such countries is less costly and less time consuming than the registration process for countries within the European Union, and hopes to be able to start selling its products in a reasonable time.

On April 17, 2008, the Company entered into a Stock Exchange Agreement (the “Stock Exchange Agreement”) with Genmed BV resulting in Genmed BV becoming a wholly owned subsidiary of the Company. Also on April 17, 2008, the Company entered into a General Release and Settlement Agreement (the “General Release and Settlement Agreement”) and a consulting agreement with London Finance Group. See Exhibits 10.1, 10.2, and 10.3 incorporated by reference hereto.

Subsequent to March 31, 2009, in April 2009, the parties to the Stock Exchange Agreement, the General Release and Settlement Agreement and the consulting agreement described above, agreed and formalized by written agreement, to the cancellation of all of the warrants issued pursuant to such agreements, to the cancellation and re-issuing of certain shares issued pursuant to such agreements, and agreed to the cancellation of the consulting agreement with the London Finance Group, including the cancellation of the shares and warrants that have been issued to the London Finance Group as part of such consulting agreement. See Exhibit 10.4 hereto, Release and Settlement Agreement

between the Company, Joost de Metz , Willem Blijleven, E.R. Bouwens Beheermaatschappij B.V., Medical Network Holding BV, Total Look, BV, London Finance Group, Ltd., Dojo Enterprises, LLC, Hyperion Fund, L.P., The Palisades Capital, LLC 401(k) Profit Sharing Trust, The Morpheus 2005 Trust dated December 1, 2005, Burton Partners, LLC, Picasso, LLC, and Glacier, LLC.

Risks

The Company is currently in the development stage of its generic drug distribution business and is attempting to develop and maintain relationships with generic drug manufacturers, retail entities, and government regulatory authorities. If the Company is unable to develop and maintain such relationships or unable to secure and maintain contractual relationships with generic drug manufacturers, retail entities, and government regulatory and licensing authorities the Company may not be able to fulfill its business plan and would likely be unable to continue its operations.

Similarly, if the Company is unable to obtain regulatory licensing to distribute, market, and sell its generic drugs, the Company would likely be unable to continue its operations. The Company is seeking to distribute and sell its generic drugs throughout Europe and in other countries. The Company will be subject to certain regulatory requirements which may cause the Company to incur additional expenses and resources maintaining compliance with such regulations, and may slow or stop the Company's ability to distribute and sell generic drugs.

The distribution of pharmaceuticals and related healthcare solutions is highly competitive. The Company competes with national wholesale distributors of pharmaceuticals; regional and local distributors of pharmaceuticals; chain drugstores that warehouse their own pharmaceuticals; specialty distributors; and other healthcare providers. As a development stage Company, the Company is competing against more experienced and more developed competitors with greater resources, and established relationships, contracts, and products.

As shown in the accompanying financial statements, the Company has incurred an accumulated deficit of \$54,403,062 and has negative working capital of \$2,199,232. The Company is reliant upon its officers and directors for capital and intends to raise capital through equity markets to fund future operations and to generate revenue through its business operations. Failure to raise adequate capital and to generate adequate sales revenues could result in the Company being unable to effectuate its business plan. Additionally, even if the Company does raise sufficient capital to support its operating expenses and generate adequate revenues, there can be no assurance that such revenue will be sufficient to enable it to develop business to a level where it will generate profits and cash flow from operations. These matters have raised substantial doubt about the Company's ability to continue as a going concern.

Results of Operations

Comparison of the three months ended March 31, 2009 and 2008

Selling, General, and Administrative expenses. Selling, general, and administrative expenses increased 449% to \$314,358 during the three month period ended March 31, 2009 as compared to \$69,866 for the comparable period in 2008. Such increase is due primarily to the continuing efforts of the Company in developing its business.

Depreciation and Amortization. The Company incurred \$360,829 in depreciation and amortization during the three month period ended March 31, 2009, compared to no such impairment during the three month period ended March 31, 2008. Such new depreciation and amortization expenses are primarily due to the depreciation on the Medical Registration Rights, an asset that was acquired through the purchase of Genmed B.V., our Dutch subsidiary.

Research and Development. The Company incurred \$32,861 in research and development expenses during the three month period ended March 31, 2009, as compared to no such comparable expenses during the three month period ended March 31, 2008. Such increase is due to the effect of the development of the Company's business of the sale and distribution of generic drugs.

Net Operating Loss. As a result of the Company's selling, general, and administrative expenses, the Company incurred a net operating loss of \$708,048 for the period ended March 31, 2009, as compared with \$69,866 for the period ended March 31, 2008.

Loss on Foreign Exchange and Interest Expense. The Company incurred a loss on foreign exchange of \$6,421 during the period ended March 31, 2009, compared to a loss on foreign exchange of \$11,641 during the period ended March 31, 2008. The Company incurred interest expenses of \$16,682 during the period ended March 31, 2009, as compared to no such interest expense during the comparable period in 2008.

Net Gain (Loss). The Company incurred a net loss of \$731,151 during the period ended March 31, 2009, as compared with a net loss of \$81,507 for the period ended March 31, 2008. The increase in net loss was due primarily to the Company's increased expenses, new depreciation and amortization and research and development expenses.

Liquidity and Capital Resources

At March 31, 2009, the Company had \$13,532,116 of total net assets. Total assets consisted of \$3,216 in cash, \$10,744 in VAT receivables, \$14,156 in equipment (net with accumulated depreciation of \$5,023), and \$13,504,000 in medical registration rights (net with accumulated amortization of \$1,101,000).

The Company's stockholders' equity was \$12,025,537 at December 31, 2008, compared to a stockholders' equity of \$11,398,924 at March 31, 2009.

As of March 31, 2009, the Company was relying on its corporate officers, directors, and outside investors for the funding needed for the implementation of its business plan. The Company's management is currently looking for the capital needed to complete its corporate objectives. The Company cannot predict the extent to which its liquidity and capital resources will be available prior to execute its business plan or whether it will have sufficient capital to fund typical operating expenses.

If the Company is unable to obtain financing from any of one of these aforementioned sources, the Company would not be able to complete the financial requirements regarding the development of its generic drug distribution business or to continue as a going concern.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Smaller reporting companies are not required to provide the information required by this item.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

As of the end of the period covered by this quarterly report, the Company, through its Chief Executive Officer and Chief Financial Officer carried out an evaluation of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective to enable us to record, process, summarize and report information required to be included in our reports that we file or submit under the Exchange Act within the time periods required.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) during the quarter ended March 31, 2009 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The Company has been named as a defendant in a lawsuit filed in the Circuit Court of the 11th Judicial Circuit in Miami-Dade County, Florida, Case No. 08-79227CA25. The Company's former Chief Executive Officer, Jerri Palmer, has instigated the lawsuit against the Company alleging Breach of Contract and Unjust Enrichment. Ms. Palmer is claiming damages in excess of \$15,000. Ms. Palmer was the Company's Chief Executive Officer from December 5,

2005, until her resignation on May 19, 2006. The Company believes that Ms. Palmer's claims are without merit and intends to vigorously defend itself. The Company has alleged counter claims against Ms. Palmer for breach of contract and breach of fiduciary duty.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Subsequent to March 31, 2009, in April 2009, the parties to the Stock Exchange Agreement, the General Release and Settlement Agreement, and the consulting agreement with London Finance Group, agreed and formalized by written agreement, to the cancellation of all of the warrants issued to such agreements, to the cancellation and re-issuing of certain shares issued pursuant to such agreements, and agreed to the cancellation of the consulting agreement with London Finance Group, including the cancellation of the shares and warrants that were issued to London Finance Group as part of such agreement. See Exhibit 10.4 hereto.

Pursuant to the Release and Settlement Agreement of April 11, 2009, such shares of common stock of the Company are now issued as follows:

Shareholder	Common Stock
Total Look B.V.	62,678,826 shares
Dojo Enterprises, Ltd.	1,120,107 shares
Hyperion Fund, L.P.	1,760,428 shares
Diane Breitman, as Trustee of The Morpheus 2005 Trust	2,720,000 shares
Burton Partners, LLC	2,240,213 shares
Picasso, LLC	2,240,213 shares
Glacier, LLC	2,240,213 shares
TOTAL	75,000,000 shares

Item 3. Defaults Upon Senior Securities

N/A

Item 4. Submission of Matters to a Vote of Security Holders

N/A

Item 5. Other Information

See Part II, Item 2., Unregistered Sales of Equity Securities and Use of Proceeds, above.

Item 6. Exhibits

Exhibit 10.1 Stock Exchange Agreement between the Company and Joost de Metz (“de Metz”), WillemBlijleven (“Blijleven”), Erwin R. Bouwens (“Bouwens”) and Medical Network Holding BV dated April 17, 2008, incorporated herein by reference to Exhibit 9.2 to the Form 8-K current report of the Company filed on May 2, 2008.

Exhibit 10.2 General Release and Settlement Agreement, incorporated herein by reference to Exhibit 9.1 to the Form 8-K current report of the Company filed on May 2, 2008.

Exhibit 10.3 Consulting Agreement between the Company and London Finance Group, Ltd., incorporated herein by reference to Exhibit 9.1 to the Form 8-K current report of the Company filed on May 2, 2008.

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Exhibit 10.4 Release and Settlement Agreement between the Company, Joost de Metz , WillemBlijleven, E.R. Bouwens Beheermaatschappij B.V., Medical Network Holding BV , TotalLook, BV , London Finance Group, Ltd., Dojo Enterprises, LLC, Hyperion Fund, L.P., The Palisades Capital, LLC 401(k) Profit Sharing Trust , The Morpheus 2005 Trust dated December 1, 2005 , Burton Partners, LLC , Picasso, LLC and Glacier, LLC, incorporated herein by reference to Exhibit 10.2 to the Form 10-K annual report of the Company filed on May 15, 2009.

- Exhibit 31.1 Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- Exhibit 31.2 Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- Exhibit 32 Certification of the Chief Executive Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: May 20, 2009

Genmed Holding Corp.

By: /s/ Randy Hibma

Randy Hibma, Chief Financial Officer, Vice President,
and Secretary