UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended: **March 31, 2013**

Or

¨ **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: 000-53574

MMAX Media, Inc.

(Exact name of registrant as specified in its charter)

Nevada	**20-4959207**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

2400 E. Commercial Blvd., Suite 612, Ft. Lauderdale, FL 33308

(Address of Principal Executive Office) (Zip Code)

(800) 991-4534

(Registrant s telephone number, including area code)

511 N.E. 3rd Avenue, 1st Floor, Fort Lauderdale, Florida 33301

(Former Name, Former Address and 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.

þ 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).

þ 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.

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

¨ Yes þ No

Indicate the number of shares outstanding of each of the issuer s classes of common stock, as of the latest practicable date.

Class	**Shares Outstanding as of May 13, 2013**
Common Stock, $0.001 Par Value Per Share	375,852,636

MMAX Media, Inc. and Subsidiaries

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PART I. FINANCIAL INFORMATION

ITEM 1.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

MMAX MEDIA, INC AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

		March 31, 2013 (Unaudited)		December 31, 2012
ASSETS				
CURRENT ASSETS				
Cash	$	36,834	$	20,711
TOTAL CURRENT ASSETS		36,834		20,711
COMPUTER EQUIPMENT AND WEBSITE COSTS, NET		9,468		11,837
OTHER ASSETS				
Deposits		4,290		4,290
TOTAL OTHER ASSETS		4,290		4,290
TOTAL ASSETS	$	50,592	$	36,838
LIABILITIES AND STOCKHOLDERS' DEFICIT				
CURRENT LIABILITIES				
Accounts Payable	$	59,798	$	45,519
Accrued expenses		268,799		230,482
Deferred revenue		1,313		5,080
Due to related parties		4,300		4,300
Note payable		2,000		2,000
Notes Payable related party- convertible (net of discount of $264,239 and $163,686, respectively)		196,261		26,814
TOTAL CURRENT LIABILITIES		532,471		314,195
COMMITMENTS AND CONTINGENCIES (SEE NOTE 6)				

STOCKHOLDERS DEFICIT				
Preferred stock, $0.001 par value, 5,000,000 shares authorized, none issued and outstanding, respectively				
Common stock, $0.001 par value, 1,000,000,000 shares authorized, 75,852,636 and 75,852,636 shares issued and outstanding, respectively		75,852		75,852
Additional paid in capital		3,349,326		3,123,075
Accumulated deficit		(3,907,057)		(3,476,284)
TOTAL STOCKHOLDERS'S DEFICIT		(481,879)		(277,357)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$	50,592	$	36,838

See accompanying notes to unaudited condensed consolidated financial statements.

MMAX MEIDA INC AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

(UNAUDITED)

	For the Three Months Ended March 31, 2013		For the Three Months Ended March 31, 2012	
Revenue				
Service Revenue, net	$	5,885	$	6,653
OPERATING EXPENSES				
Professional fees		46,940		30,896
Web development and hosting		9,002		1,047
Payroll and payroll taxes		206,694		99,221
Consulting		76,251		380,064
Travel and entertainment		7,185		4,067
General and administrative		35,839		38,580
Total Operating Expenses		381,911		553,875
NET LOSS FROM OPERATIONS		(376,026)		(547,222)
OTHER EXPENSES				
Interest expense		54,747		2,026
Total other expenses		54,747		2,026
Net loss before provision for income taxes		(430,773)		(549,248)
Provision for Income Taxes				
NET LOSS	$	(430,773)	$	(549,248)
Net loss per share - basic and diluted	$	(0.01)	$	(0.01)
Weighted average number of shares outstanding during the period - basic and diluted		75,852,636		44,768,517

See accompanying notes to unaudited condensed consolidated financial statements.

MMAX MEDIA, INC AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(UNAUDITED)

	For the Three Months Ended March 31,	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (430,773)	$ (549,248)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	2,369	2,370
Amortization of debt discount	49,447	
Warrants issued for services	76,251	353,814
Common stock issued for services		21,000
Changes in operating assets and liabilities:		
Decrease in prepaid expenses		1,500
Increase in accounts payable and accrued expenses	52,596	58,295
(Decrease) / increase in deferred revenue	(3,767)	19,261
Net Cash Used In Operating Activities	(253,877)	(93,008)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes payable related party - convertible	270,000	120,000
Net Cash Provided By Financing Activities	270,000	120,000
NET INCREASE IN CASH	16,123	26,992
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	20,711	6,328
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 36,834	$ 33,320
Supplemental disclosure of non cash investing & financing activities:		
Cash paid for income taxes	$	$
Cash paid for interest expense	$	$

During the three months ended March 31, 2013, the Company received $270,000 from a related party in exchange for convertible notes payable of $270,000 with the beneficial conversion feature valued at $150,000.

See accompanying notes to unaudited condensed consolidated financial statements.

MMAX MEDIA, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2013

(UNAUDITED)

NOTE 1 ORGANIZATION, NATURE OF BUSINESS AND GOING CONCERN

(A) Organization

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in The United States of America and the rules and regulations of the Securities and Exchange Commission for interim financial information. Accordingly, they do not include all of the information necessary for a comprehensive presentation of financial position and results of operations. The interim results for the period ended March 31, 2013 are not necessarily indicative of results for the full fiscal year. It is management s opinion, however that all material adjustments (consisting of normal recurring adjustments) have been made which are necessary for a fair financial statements presentation.

On March 16, 2011 (the Closing Date) MMAX Media, Inc. (MMAX) completed its agreement and plan of merger (the Merger Agreement) to acquire Hyperlocal Marketing, LLC, a Florida limited liability company (Hyperlocal), pursuant to which Hyperlocal merged with and into HLM Paymeon, Inc., a Florida corporation and wholly owned subsidiary of MMAX. Under the terms of the Merger Agreement, the Hyperlocal members received 20,789,395 shares of MMAX common stock, which equal approximately 50.1% of the total shares of MMAX issued and outstanding following the merger on a fully diluted basis. In accordance with ASC Topic 360-10-45-15, the transaction is accounted for as a reverse acquisition and Hyperlocal is considered the accounting acquirer and the acquiree is MMAX since the members of Hyperlocal obtained voting and management control of MMAX and the transaction has been accounted as a reverse merger and recapitalization.

Hyperlocal Marketing, LLC was originally organized in the State of Florida on January 22, 2010. The Company has focused its efforts on organizational activities, raising capital, software development and evaluating operational opportunities.

Hyperlocal is a company that owns and operates products aimed at the location-based marketing industry. Hyperlocal develops and markets products that provide merchants and consumers with mobile marketing services and offers, including but not limited to, mobile coupons, mobile business cards, mobile websites, use of SMS short codes and contest management. Hyperlocal has nominal revenues since its inception. Hyperlocal has also developed PayMeOn , a product designed to offer its customers income potential through the purchase and referral of coupon-style deals through its mobile and web interfaces.

MMAX Media, Inc. and its wholly owned subsidiaries are herein referred to as the Company .

During the year ended December 31, 2012 the Company emerged from Development Stage Status.

(B) Principles of Consolidation

The accompanying consolidated financial statements include the accounts of MMAX Media, Inc. from the acquisition date of March 16, 2011 and its wholly owned subsidiaries, Hyperlocal Marketing, LLC and HLM Paymeon, Inc. All intercompany accounts have been eliminated in the consolidation.

(C) Going Concern

Since inception, the Company has incurred net operating losses and used cash in operations. As of March 31, 2013, the Company has an accumulated deficit of $3,907,057, a working capital deficiency of $495,637, and used cash in operations of $253,877. Losses have principally occurred as a result of the substantial resources required for research and development and marketing of the Company s products which included the general and administrative expenses associated with its organization and product development.

MMAX MEDIA, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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(UNAUDITED)

These conditions raise substantial doubt about the Company s ability to continue as a going concern. These financial statements do not include any adjustments to reflect the possible future effect on the recoverability and classification of assets or the amounts and classifications of liabilities that may result from the outcome of these uncertainties. Management believes that the actions presently being taken to obtain additional funding and implement its strategic plan provides the opportunity for the Company to continue as a going concern (see note 11).

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) Cash and Cash Equivalents

The Company considers investments that have original maturities of three months or less when purchased to be cash equivalents.

(B) Use of Estimates in Financial Statements

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the 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. Significant estimates during the period covered by these financial statements include the valuation of website costs, valuation of deferred tax asset, stock based compensation and any beneficial conversion features on convertible debt.

(C) Fair value measurements and Fair value of Financial Instruments

The Company adopted ASC Topic 820, Fair Value Measurements. ASC Topic 820 clarifies the definition of fair value, prescribes methods for measuring fair value, and establishes a fair value hierarchy to classify the inputs used in measuring fair value as follows:

Level 1-Inputs are unadjusted quoted prices in active markets for identical assets or liabilities available at the measurement date.

Level 2-Inputs are unadjusted quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.

Level 3-Inputs are unobservable inputs which reflect the reporting entity s own assumptions on what assumptions the market participants would use in pricing the asset or liability based on the best available information.

The Company did not identify any assets or liabilities that are required to be presented on the balance sheets at fair value in accordance with ASC Topic 820.

Due to the short-term nature of all financial assets and liabilities, their carrying value approximates their fair value as of the balance sheet date.

(D) Property and Equipment and Website Costs

Computer Equipment and Website Costs are capitalized at cost, net of accumulated depreciation. Depreciation is calculated by using the straight-line method over the estimated useful lives of the assets, which is three to five years for all categories. Repairs and maintenance are charged to expense as incurred. Expenditures for betterments and renewals are capitalized. The cost of computer equipment and the related accumulated depreciation are removed from the accounts upon retirement or disposal with any resulting gain or loss being recorded in operations.

MMAX MEDIA, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2013

(UNAUDITED)

Software maintenance costs are charged to expense as incurred. Expenditures for enhanced functionality are capitalized.

The Company has adopted the provisions of ASC 350-50-15, Accounting for Web Site Development Costs. Costs incurred in the planning stage of a website are expensed as research and development while costs incurred in the development stage are capitalized and amortized over the life of the asset, estimated to be three years.

Asset Category	**Depreciation/ Amortization Period**
Furniture and fixtures	5 Years
Computer equipment	3 Years

Property and equipment and website costs consisted of the following:

		March 31, 2013		**December 31, 2012**
Computers and equipment	$	5,408	$	5,408
Website development		24,775		24,775
Total		30,183		30,183
Accumulated depreciation		(20,715)		(18,346)
Balance	$	9,468	$	11,837

Depreciation expense for the three months ended March 31, 2013 and 2012 was $2,369, and $2,370, respectively.

(E) Impairment of Long-Lived Assets

The Company evaluates its long-lived assets for impairment whenever events or a change in circumstances indicate that the carrying amount of such assets may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the asset to the future net undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is the excess of the carrying amount over the fair value of the asset.

(F) Revenue Recognition

The Company recognizes revenue on arrangements in accordance with FASB ASC No. 605, Revenue Recognition . In all cases, revenue is recognized only when the price is fixed and determinable, persuasive evidence of an arrangement exists, the service is performed and collectability of the resulting receivable is reasonably assured.

The Company recognizes sales of deals and texts when revenue is recognized only when the price is fixed and determinable, persuasive evidence of an arrangement exists, the service is performed and collectability of the resulting receivable is reasonably assured.

The Company recognizes revenue from the sale of keywords over the period the keywords are purchased for exclusive use, usually one year.

MMAX MEDIA, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2013

(UNAUDITED)

The Company recognizes revenue from setup fees in accordance with Topic 13, which requires the fees to be deferred and amortized over the term of the agreements. Revenue from the sale of bulk text messages sales and packages are recognized over twelve months. Revenue from monthly membership fees are recorded during the month the membership is earned.

(G) Segments

The Company operates in one segment and therefore segment information is not presented.

(H) Loss Per Share

The basic loss per share is calculated by dividing the Company's net loss available to common shareholders by the weighted average number of common shares during the year. The diluted loss per share is calculated by dividing the Company's net loss available to common shareholders by the diluted weighted average number of shares outstanding during the period. The diluted weighted average number of shares outstanding is the basic weighted number of shares adjusted for any potentially dilutive debt or equity. The Company has 15,400,000 and 15,900,000 shares issuable upon the exercise of options and warrants and 92,100,000 and 0 shares issuable upon conversion of convertible notes payable that were not included in the computation of dilutive loss per share because their inclusion is anti-dilutive for the three months ended March 31, 2013 and 2012, respectively.

(I) Stock-Based Compensation

The Company recognizes compensation costs to employees under FASB Accounting Standards Codification No. 718, Compensation   Stock Compensation. Under FASB Accounting Standards Codification No. 718, companies are required to measure the compensation costs of share-based compensation arrangements based on the grant-date fair value and recognize the costs in the financial statements over the period during which employees are required to provide services. Share based compensation arrangements include stock options, restricted share plans, performance based awards, share appreciation rights and employee share purchase plans. As such, compensation cost is measured on the date of grant at their fair value. Such compensation amounts, if any, are amortized over the respective vesting periods of the option grant.

Equity instruments issued to other than employees are recorded on the basis of the fair value of the instruments, as required by FASB Accounting Standards Codification No. 505, Equity Based Payments to Non-Employees. In general, the measurement date is when either a (a) performance commitment, as defined, is reached or (b) the earlier of (i) the non-employee performance is complete or (ii) the instruments are vested. The measured value related to the instruments is recognized over a period based on the facts and circumstances of each particular grant as defined in the FASB Accounting Standards Codification.

(J) Income Taxes

The Company accounts for income taxes under FASB Codification Topic 740-10-25 (ASC 740-10-25). Under ASC 740-10-25, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under ASC 740-10-25, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

(K) Reclassification

Certain amounts from prior periods have been reclassified to conform to the current period presentation.

MMAX MEDIA, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2013

(UNAUDITED)

NOTE 3 RECENT ACCOUNTING PRONOUNCEMENTS

In February 2013, FASB issued Accounting Standards Update 2013-04, Liabilities (Topic 405): Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date (a consensus of the FASB Emerging Issues Task Force). This guidance requires an entity to measure obligations resulting from joint and several liability arrangements for which the total amount of the obligation within the scope of this guidance is fixed at the reporting date. This stipulates that (1) it will include the amount the entity agreed to pay for the arrangement between them and the other entities that are also obligated to the liability and (2) any additional amount the entity expects to pay on behalf of the other entities. The objective of this update is to provide guidance for the recognition, measurement, and disclosure of obligations resulting from joint and several liability arrangements. The amendments in this update are effec tive for fiscal periods (and interim reporting periods within those years) beginning after December 15, 2013. This standard is not expected to have a material impact on the Company s reported results of operations or financial position.

In February 2013, FASB issued Accounting standards update 2013-02, Comprehensive Income Topic 220): Reporting of Amounts Reclassified out of Accumulated Other Comprehensive Income. This update requires an entity to provide information amount the amount reclassified out of accumulated other comprehensive income by component. The entity is also required to disclose significant amounts reclassified out of accumulated other comprehensive income by the respective line items of net income but only if the amount reclassified is required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting periods. For other amounts that are not required under U.S. GAAP to be reclassified in their entirety to net income, an entity is required to cross-reference to other discourses required under U.S. GAAP that provide additional detail about those amounts. The objective in this Update is to improve the reporting of reclassifications out of accumulated other comprehensive income. The amendments in this update should be applied prospectively for reporting periods beginning after December 15, 2012. This standard is not expected to have a material impact on the Company s reported results of operations or financial position.

NOTE 4 CONVERTIBLE NOTES PAYABLE

Between the dates of January 3, 2012 and March 31, 2012, the Company entered into agreements to issue secured convertible promissory notes in the aggregate principal amount of $120,000 (the Notes) to certain accredited investors. The Notes bear interest at an annual rate of 7% and are payable on or before 12 months from the date of issuance. The Notes are secured by all of the assets of the Company and include customary provisions concerning events of default. In addition, the Notes may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.125 per share, subject to adjustment for stock splits and dividends. During May 2012, the Company received an additional $35,000 from the accredited investors under the same terms. On December 28, 2012 the Company repaid the total amount of the notes of $155,000 and accrued interest of $9,018.

NOTE 5 CONVERTIBLE NOTES PAYABLE RELATED PARTY

	March 31, 2013	December 31, 2012
Loan Amount	460,500	190,500
Discount	(264,239)	(163,686)
Balance	$ 196,261	$ 26,814

On July 24, 2012, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $45,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.01 per share, subject to adjustment for stock splits and dividends. The Company recorded a debt discount of $36,129 for the fair value of the beneficial conversion feature. On December 20, 2012 the related party converted the principle amount of $45,000 and accrued interest of $1,381 into 4,173,205 shares of common stock. The Company expensed debt discount of $36,129 at December 20, 2012.

MMAX MEDIA, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2013

(UNAUDITED)

On September 4, 2012, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $40,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.01 per share, subject to adjustment for stock splits and dividends. There was no beneficial conversion expense recorded as the fair value of the common stock was less than the exercise price. On December 20, 2012 the related party converted the principle amount of $40,000 and accrued interest of $905 into 3,682,269 shares of common stock.

On September 26, 2012, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $9,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.01 per share, subject to adjustment for stock splits and dividends. The Company recorded a debt discount of $7,226 for the fair value of the beneficial conversion feature. On December 20, 2012 the related party converted the principle amount of $9,000 and accrued interest of $165 into 825,299 shares of common stock. The Company expensed the debt discount of $7,226 at December 20, 2012.

On October 3, 2012, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $40,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.01 per share, subject to adjustment for stock splits and dividends. There was no beneficial conversion expense recorded as the fair value of the common stock was less than the exercise price .On December 20, 2012 the related party converted the principle amount of $40,000 and accrued interest of $683 into 3,663,455 shares of common stock.

On October 23, 2012, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $5,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.01 per share, subject adjustment for stock splits and dividends. The Company recorded a debt discount of $1,761 for the fair value of the beneficial conversion feature. On December 20, 2012 the related party converted the converted the principle amount of $5,000 and accrued interest of $66 into 456,310 shares of common stock. The Company expensed debt discount of $1,761 at December 20, 2012.

On November 2, 2012, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $40,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.01 per share, subject to adjustment for stock splits and dividends. The Company recorded a debt discount of $14,086 for the fair value of the beneficial conversion feature. On December 20, 2012 the related party converted the principle amount of $40,000 and accrued interest of $261 into 3,627,773 shares of common stock. The Company expensed debt discount of $14,086 at December 20, 2012.

On November 27, 2012, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $60,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.085 per share, subject to adjustment for stock splits and dividends. The Company recorded a debt discount of $24,000 for the fair value of the beneficial conversion feature. On December 20, 2012 the related party converted the principle amount of $60,000 and accrued interest of $391 into 7,091,910 shares of common stock. The Company expensed debt discount of $24,000 at December 20, 2012.

On December 13, 2012, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $25,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment for stock splits and dividends. There was no beneficial conversion expense recorded as the fair value of the common stock was less than the exercise price. On December 20, 2012 the related party converted the principle amount of $25,000 and accrued interest of $86 into 5,007,299 shares of common stock.

MMAX MEDIA, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2013

(UNAUDITED)

On December 21, 2012, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $25,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment for stock splits and dividends. There was no beneficial conversion expense recorded as the fair value of the common stock was less than the exercise price. As of March 31, 2013 and December 31, 2012, the Company accrued interest of $432 and $48, respectively.

On December 27, 2012, the Company entered into an agreement to issue a secured convertible promissory note in the principal amount of $79,440 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment for stock splits and dividends. The Company recorded a debt discount of $79,440 for the fair value of the beneficial conversion feature. As of March 31, 2013 and December 31, 2012 the Company amortized $20,459 and $871 of the debt discount and accrued interest of $1,432 and $61, respectively.

On December 27, 2012, the Company entered into an agreement to issue a secured convertible promissory note in the principal amount of $86,060 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment for stock splits and dividends. The Company recorded a debt discount of $86,060 for the fair value of the beneficial conversion feature. As of March 31, 2013 and December 31, 2012 the Company amortized $22,161 and $943 of the debt discount and accrued interest of $1,551 and $66, respectively.

On January 10, 2013, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $40,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment for stock splits and dividends. There was no beneficial conversion expense recorded as the fair value of the common stock was less than the exercise price. As of March 31, 2013 the Company accrued interest of $614.

On January 29, 2013, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $30,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment for stock splits and dividends. The Company recorded a debt discount of $6,000 for the fair value of the beneficial conversion feature. As of March 31, 2013 the Company amortized $986 and accrued interest of $345.

On January 30, 2013, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $20,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment for stock splits and dividends. The Company recorded a debt discount of $4,000 for the fair value of the beneficial conversion feature. As of March 31, 2013 the Company amortized $658 and accrued interest of $230.

On February 1, 2013, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $10,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment for stock splits and dividends. The Company recorded a debt discount of $2,000 for the fair value of the beneficial conversion feature. As of March 31, 2013 the Company amortized $318 and accrued interest of $111.

MMAX MEDIA, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2013

(UNAUDITED)

On February 20, 2013, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $40,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment for stock splits and dividends. The Company recorded a debt discount of $8,000 for the fair value of the beneficial conversion feature. As of March 31, 2013 the Company amortized $855 and accrued interest of $299.

On February 28, 2013, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $45,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment for stock splits and dividends. The Company recorded a debt discount of $45,000 for the fair value of the beneficial conversion feature. As of March 31, 2013 the Company amortized $3,822 and accrued interest of $268.

On March 15, 2013, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $40,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment for stock splits and dividends. The Company recorded a debt discount of $40,000 for the fair value of the beneficial conversion feature. As of March 31, 2013 the Company amortized $1,753 and accrued interest of $123.

On March 25, 2013, the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $45,000 to a related party. The note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment for stock splits and dividends. The Company recorded a debt discount of $45,000 for the fair value of the beneficial conversion feature. As of March 31, 2013 the Company amortized $246 and accrued interest of $17.

NOTE 6 COMMITMENTS AND CONTINGENCIES

On August 15, 2011, the Company entered into an employment agreement with its Chief Executive Officer. The agreement is for a period of one year and automatically extends for one day each day until either party notifies the other not to further extend the employment period, provides for an annual base salary totaling $250,000 and annual bonuses based on pre-tax operating income, as defined, for an annual minimum of $50,000 in total. As of March 31, 2013 and 2012 the Company recorded a salary expense of $75,000 and $75,000, respectively including the minimum annual bonus of $50,000. Accrued compensation at March 31, 2013 and December 31, 2012, was $218,942 and $214,494, respectively.

Effective February 23, 2012, the Company entered into a consulting agreement with a Consultant/Advisor to provide marketing and sales services through February 23, 2016. In consideration of the Consultant/Advisor to perform the services for the Company, the Consultant/Advisor will receive a warrant to purchase 2,300,000 shares of the Company s Common Stock and a warrant to purchase 2,200,000 shares of the Company s Common Stock. Common Stock issued upon exercise of the warrant will not be registered under the Securities Act, but may be included, at the Company s option, in future registrations that the Company may undertake of its Common Stock. The warrant to purchase 2,300,000 shares shall have a cash exercise price of $.07 per share, and shall expire on February 23, 2015. The warrant to purchase 2, 200,000 shares shall have a cash exercise price of $0.18 per share and shall have an expiration date of February 23, 2016. The warrants shall have a vesting schedule, including certain vesting acceleration rights. If Consultant/Advisor ceases to provide services or the agreement is terminated by either party, then any vested, but unexercised warrants must be exercised within 180 days of Consultant/Advisor s departure date or by the expiration date of the warrants, whichever is sooner. Any unexercised warrants that remain outstanding 180 days after Consultant/Advisor s departure date (or at the expiration date) shall expire and terminate forever. The value of these warrants vests as accounts are sold by the Consultant/Advisor. As of March 31, 2013, no accounts have been sold and no expense has been recognized.

MMAX MEDIA, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2013

(UNAUDITED)

NOTE 7 STOCKHOLDERS DEFICIT

During January 2011, the Company entered into a two year software development and marketing agreement with a software developer. The agreement requires the developer to develop an application to use the Company s product in an iPhone application. The agreement requires the application to reach one of the following milestones; 200,000 downloads or 10,000 gift certificate purchases within 60 days of the application becoming available. The developer is entitled to 3% of the gross sales of the gift certificates and the issuance of 207,319 shares of common stock of the Company upon meeting the milestone. In January 2011, the Company amended the agreement to remove the milestones and issued the developer 207,319 shares of common stock valued at a recent cash offering cost of $29,000 ($0.14 per share). As of March 31, 2013, there were no amounts owed.

The Company is authorized to issue up to 195,000,000 shares of common stock, par value $0.001, and up to 5,000,000 shares of convertible preferred stock, par value $0.001. Each share of the convertible preferred stock can be exchanged for ten (10) shares of common stock of the Company.

On February 23, 2012, the Company issued 300,000 shares of its common stock to consultants for services with a fair of v $21,000 ($.07 per share) the fair value of the common stock on the date of issuance.

On April 6, 2012 the Company issued 125,000 shares of its common stock to consultants for services with a fair value of $7,500 ($.06 per share) the fair value of the common stock on the date of issuance.

On July 2, 2012, the Company sold 2,253,577 shares of restricted shares of Common Stock to an accredited investor for cash of $25,000 ($.01 per share).

On December 20, 2012 a related party converted a total of $264,001 of convertible notes and accrued interest of $3,574 into a total of 28,194,398 and 333,122 shares of common stock at $.00936, respectively.

NOTE 8 OPTIONS AND WARRANTS

The following tables summarize all options and warrant grants to consultants for the period ended March 31, 2013 and the related changes during these periods are presented below.

	Number of Options And Warrants	**Weighted Average Exercise Price**
Stock Options and Warrants		
Balance at December 31, 2011	11,200,000	$0.22
Granted	4,700,000	$0.12
Exercised		

Expired	(500,000)	
Balance at December 31, 2012	15,400,000	$0.19
Granted		
Exercised		
Expired		
Balance at March 31, 2013	15,400,00	$0.19
Options and Warrants Exercisable at March 31, 2013	2,718,500	$0.18
Weighted Average Fair Value of Options and Warrants Granted During the three months ended March 31, 2013		$0.00

The Company s stock price was lower than the weighted average exercise price at March 31, 2013 and December 31, 2012, therefore there is no aggregate intrinsic value of the options and warrants.

MMAX MEDIA, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2013

(UNAUDITED)

The following table summarizes information about options and warrants for the Company as of March 31, 2013:

	2012 Options and Warrants Outstanding			Options and Warrants Exercisable	
Range of Exercise Price	Number Outstanding at December 31, 2012	Weighted Average Remaining Contractual	Weighted Average Exercise Price	Number Exercisable at December 31, 2012	Weighted Average Exercise Price
$.07 to $.15	2,500,000	1.90	$0.07	18,500	$0.07
$.16 to $.26	12,900,000	1.80	$0.22	2,700,000	$0.18

On September 8, 2011, the Company granted options to purchase 8,000,000 shares of its common stock to consultants at an exercise price of $0.23 per share. The options vest over various terms for each consultant ranging from two three years. The options expire on September 8, 2015. The options were valued using the Black Scholes Option Pricing Model, with the following assumptions: dividend yield at 0%, annual volatility of 182%, risk free interest rates of .19% to .33% based on expected life, and expected lives of 2 3 years. For the three months ended March 31, 2013 and 2012, the Company expensed $76,251 and $353,814, respectively.

On February 23, 2012, the Company granted warrants to purchase 200,000 shares of its common stock to consultants at an exercise price of $0.07 per share. The warrants vest ratably upon the sale of 400 associated accounts by the consultant. However, in the event of the sale of the Company to a third party within 18 months of the date of the warrants, 50% of the warrants shall immediately vest. In the event of the sale of the Company to a third party after 18 months of the date of the warrants (and prior to the expiration of the warrants), all remaining issued, but unexercised warrants shall immediately vest. The warrants expire on February 2, 2015. As of December 31, 2012 the consultant has sold 37 accounts. The Company accounts for equity instruments issued to non-employees for services and goods under ASC Topic 505.50; (Accounting for Equity Instruments Issued to Other Than Employees). These warrants require a future performance commitment by the recipient. Therefore, the Company will expense the fair market value of these securities over the period in which the performance commitment is earned. For the year ended December 31, 2012, the warrants were valued using the Black Scholes option pricing model, with the following assumptions: dividend rate of 0%, annual volatility of 232%, risk free interest rate of .29% and expected life of 2 years. The total fair value of the warrants vested was $0 and $12,594 for the three months ended March 31, 2013 and 2012, respectively.

On February 23, 2012, the Company granted warrants to purchase 2,200,000 shares of its common stock to consultants at an exercise price of $0.18 per share. The warrants begin to vest upon the sale of 5,000 associated accounts by the consultant and will vest 440 warrants per account sold thereafter. The warrants were issued pursuant to a marketing and sales consulting agreement. The term of the agreement is through February 23, 2016, unless earlier terminated by either party. In the event the consultant ceases to perform services under the agreement or either party terminates the agreement, then any vested, but unexercised warrants shall expire at the earlier of 180 days of the date of termination or the expiration date of the warrants. The warrants expire on February 23, 2016. As of March 31, 2013, the consultant has not reached these milestones (See Note 6).

On February 23, 2012, the Company granted warrants to purchase 2,300,000 shares of its common stock to consultants at an exercise price of $0.07 per share. The warrants begin to vest upon the sale of 401 associated accounts by the consultant and will vest 500 warrants per account sold thereafter. The warrants expire on February 23, 2015. As of March 31 2013 the consultant has not reached these milestones (See Note 6).

MMAX MEDIA, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2013

(UNAUDITED)

NOTE 9 RELATED PARTIES

On August 15, 2011, the Company entered into an employment agreement with its Chief Executive Officer. The agreement is for a period of one year and automatically extends for one day each day until either party notifies the other not to further extend the employment period, provides for an annual base salary totaling $250,000 and annual bonuses based on pre-tax operating income, as defined, for an annual minimum of $50,000 in total. As of March 31, 2013 and 2012 the Company recorded a salary expense of $75,000 and $75,000, respectively including the minimum annual bonus of $50,000. Accrued compensation at March 31, 2013 and December 31, 2012, was $218,942 and $214,494, respectively.

During the year ended December 31, 2012, the Company s Chief Executive Officer advanced the Company a total of $4,300. The amounts are non interest bearing and payable on demand.

During September, 2012, the Company entered into preliminary negotiations surrounding a licensing agreement with Destination Meals LLC. Our CEO, Edward Cespedes, is a 10% owner of Destination Meals LLC through the Edward A. Cespedes Revocable Trust dated August 22, 2007. The discussion points revolve around Destination Meals LLC licensing certain software from PayMeOn in exchange for per transaction payments to PayMeOn. Though a final agreement has not yet been signed, the Parties have tentatively agreed to terms and are currently conducting testing and engaging in limited sales transactions. As of March 31, 2013 the Company has recognized $420 revenue under the proposed licensing agreement.

See Note 5 for Convertible Notes Payable Related Party.

NOTE 10 CONCENTRATIONS

For the three months ended March 31, 2012, one customer accounted for 18% of total sales. There were no customers during 2013 that exceeded 10% of sales.

NOTE 11 SUBSEQUENT EVENTS

On February 12, 2013, the Company entered into an asset purchase agreement with WCIS Media, LLC, a Florida limited liability company (WCIS). Under the asset purchase agreement the Company has agreed to acquire a proprietary web based technology platform (the Asset) developed and owned by WCIS. The Asset is designed for: (1) lead generation tracking and reporting; (2) merchant categorization and sub categorization; (3) consumer tracking and qualification; (4) merchant bidding capabilities; and (5) offline tracking and service, including live transfer capabilities for consumers. The Company intends to incorporate the Asset into its current PayMeOn business. The Company acquired the Asset in consideration of 300,000,000 shares of restricted common stock of the Company.

WCIS is an entity controlled by Vincent Celentano, a principal of WCIS Media, LLC and an affiliated shareholder of the Company. As such, the Company anticipates that for accounting purposes the Asset will be recorded at its historical cost. Furthermore, this transaction did not meet the criteria of a business combination within the guidelines of ASC 805 *Business Combinations*, and therefore will be accounted for as an asset purchase. The effective closing date for this transaction is April 1, 2013.

On April 12, 2013 the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $40,000 (the Note) to a related party. The Note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the Note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment

On April 17, 2013 the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $31,000 (the Note) to a related party. The Note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the Note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment.

MMAX MEDIA, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2013

(UNAUDITED)

On April 29, 2013 the Company entered into an agreement to issue an unsecured convertible promissory note in the principal amount of $40,000 (the Note) to a related party. The Note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. In addition, the Note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment.

Effective April 1, 2013, the Company amended its articles of incorporation to increase its authorized common stock from 195,000,000 shares to 1,000,000,000 shares, eliminate the class of preferred stock known as Callable and Convertible Preferred Stock , and create a class of preferred stock consisting of 5,000,000 shares, the designations and attributes of which are left for future determination by the Company s board of directors.

On April 12, 2013 the Company approved a 1:69 reverse stock split effective May 17, 2013. As per ASC 505-10-S99, the stock split will not be retroactively applied to the financial statements until after the stock split is effective. Accordingly, the financial statements do not show the effect of the stock split as of May 15, 2013.

Effective May 1, 2013, the Company entered into a lease agreement for executive offices located at 2400 E. Commercial Blvd., Suite 612, Fort Lauderdale, Florida. The facility is approximately 4,777 square feet and is sufficient for the Company s current and anticipated operations. The lease is for a term of 39 months at a current cost of approximately $9,500 per month.

ITEM 2.

MANAGEMENTS DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements. These forward-looking statements are based on our management s beliefs, assumptions and expectations and on information currently available to our management. Generally, you can identify forward-looking statements by terms such as may, will, should, could, would, expects, plans, anticipates, believes, estimates, projects, predicts, potential and similar expres identify forward-looking statements, which generally are not historical in nature. All statements that address operating or financial performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements, including without limitation our expectations with respect to product sales, future financings, or the commercial success of our products. We may not actually achieve the plans, projections or expectations disclosed in forward-looking statements, and actual results, developments or events could differ materially from those disclosed in the forward-looking statements. Our management believes that these forward-looking statements are reasonable as and when made. However, you should not place undue reliance on forward-looking statements because they speak only as of the date when made. We do not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by federal securities laws and the rules of the Securities and Exchange Commission (the SEC). We may not actually achieve the plans, projections or expectations disclosed in our forward-looking statements, and actual results, developments or events could differ materially from those disclosed in the forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, including without limitation those described from time to time in our future reports filed with the SEC.

The following discussion and analysis of our financial condition and results of operations should be read together with our unaudited interim consolidated condensed financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q.

Overview

On March 16, 2011, MMAX Media, Inc. completed its agreement and plan of merger to acquire Hyperlocal Marketing, LLC, a Florida limited liability company (Hyperlocal), pursuant to which Hyperlocal merged with and into HLM Paymeon, Inc., a Florida corporation and wholly owned subsidiary of MMAX. Pursuant to the terms of the merger agreement, Tommy Habeeb resigned as our chief executive officer and director and Edward Cespedes was appointed to serve as our chief executive officer and director. Under the terms of the merger agreement, the Hyperlocal members received 20,789,395 shares of MMAX common stock, which equal approximately 50.1% of the total shares of MMAX issued and outstanding following the merger on a fully diluted basis. In accordance with ASC Topic 360-10-45-15, Hyperlocal is considered the accounting acquirer and MMAX is considered the accounting acquiree. Hyperlocal was organized in January 2010 and has nominal revenues since its inception.

Business Overview

We own and operate products aimed at the location-based marketing industry. We develop and market products that provide merchants and consumers with mobile marketing services and offers, including but not limited to, mobile coupons, mobile business cards, mobile websites, use of SMS short codes and contest management.

Since inception, we have incurred net operating losses. Losses have principally occurred as a result of the substantial resources required for research and development and marketing of our products which included the general and administrative expenses associated with its organization and product development. We expect operating losses to continue, mainly due to the anticipated expenses associated with the marketing of our products.

We have developed PayMeOn , a product designed to offer its customers social income® potential through the purchase and referral of coupon-style deals through its mobile and web interfaces. The PayMeOn product will pay customers that refer coupon-style deals a payout amount for successful referrals (referrals that result in a purchase). Payout amounts come from our monetary share of the deals we offer. Offering payout amounts on our deals cause PayMeOn to have an additional expense that our competitors do not have. We manage this competitive disadvantage by striving to keep our overhead costs low. While our competitors invest in large numbers of employees dedicated to securing deals to offer their customers, PayMeOn has chosen to partner for most of its deal offerings, including, but not limited to an agreement with Adility, Inc. By partnering for our deals, we are able to offer deals in a substantial number of cities (more than 40 currently), while maintaining a very small internal deal acquisition team (currently 1 person). We believe that we will be able to offer competitive payout amounts because of our low internal overhead and because we believe that the cash incentive will result in higher sharing rates among our customers. By sharing rates, we mean the number of deals that PayMeOn members share with their contacts. We believe that PayMeOn deals will be shared often because of the potential for cash earnings for members that share them. PayMeOn intends to derive its net revenue from the difference of what it charges consumers for a particular deal and what it owes merchants and third parties as their share of a particular deal. The difference is PayMeOn s net revenue. PayMeOn establishes a payout amount for each of the deals it offers from its share of the net revenue. PayMeOn users earn their social income® from the payout amount established by PayMeOn. Because PayMeOn sources most of its deal offerings from a third party, such as, Adility, Inc., PayMeOn does not control the share of the revenue it retains versus the amount due the merchant and due to the third party provider. PayMeOn does control which deals it chooses to offer its customers and can choose not to offer certain deals. While our third party relationships will reduce our margins, we believe that because of our low cost structure, specifically the need for fewer personnel dedicated to deal acquisition relative to our competitors, our ultimate net revenue should be competitive and allow for PayMeOn to set payout amounts attractive enough to encourage members to share deals.

Our Hyperlocal Platform also supports multiple text messaging services such as WAP, MMS and XHTML, runs on a commercial grade mobile marketing platform used by the National Football League, Major League Baseball and others and operates with all major mobile carriers, including AT&T, Sprint, T-Mobile and Verizon. The fully-integrated interface allows for web-based monitoring of customers. It provides access to real-time statistics for each customer s account, including incoming and outgoing messages, number of keywords, credits, account status and more.

We have recently integrated our PayMeOn offerings with the Hyperlocal Marketing Platform to create the PayMeOn Merchant Profit Center . The PayMeOn Merchant Profit Center platform is designed to provide local merchants with a mobile and web based marketing platform that allows merchants to distribute coupons or daily deals , capture and retain customers, and earn money from their customers whenever they purchase from the PayMeOn network. The product is free or sold on a package basis. Packages are distinguished by different distribution opportunities and volume of text messages available.

Distribution of coupons or daily deals

Customers of the PayMeOn Merchant Profit Center are able to market coupons or daily deals at http://www.paymeon.com as often as they like (depending on the plan they select), and retain up to 90% of the proceeds. Unlike most PayMeOn competitors in the daily deal space, PayMeOn is able to allow merchants to retain nearly all the proceeds from sales of their coupons or daily deals on its network.

Capture and retention of customers

Use of the mobile marketing module of the PayMeOn Merchant Profit Center allows merchants to acquire and retain customer mobile phone numbers and merchants are able to market via text to customers from the platform in the future. Keyword driven accounts are created for merchants on the mobile module of the PayMeOn Merchant Profit Center Keywords are descriptive words created for the merchant in the system that are marketed at the point of sale or in print or online advertising to customers. For example, a customer might enter a restaurant called Stephs . When the customer enters the restaurant, they see a sign that reads, to join our VIP club, text stephs <space> your email address to 41513 . When the customer texts the keyword (stephs) and his/her email into the system, he/she is opting in to that merchant s account on the mobile marketing module of the PayMeOn Merchant Profit Center and also being anchored to the merchant s profit center account at PayMeOn.

The platform also provides the merchant with various other capabilities, including the ability to run contests for members, create mobile websites and other useful applications.

The PayMeOn Merchant Profit Center is marketed primarily to small and medium sized businesses in various categories, including but not limited to restaurants, automotive supply and repair shops, spas, specialty retail and medical offices. Merchants use the platform in a variety of ways by marketing “keywords” that drive consumer interest:

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Mobile coupons

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Calls to action (text “MMAX” to 41513 to view a working demonstration)

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Brand engagement (voting, contests, polling)

.

Geotargeted ads (travel, rental cars)

.

Send alerts, sales related notifications

.

Appointment reminders

.

Audience interactions (concerts, conferences, airports)

Generating revenue from customers from purchases on the PayMeOn network

When customers text in keywords and email addresses to PayMeOn Merchant Profit Center accounts, they are anchored or connected to the merchant s account at PayMeOn. Merchants earn anchor payments for anything purchased by their anchored customers anywhere on the PayMeOn network.

Licensing model

PayMeOn is also experimenting with developing a licensing revenue model. During September, 2012, the Company entered into preliminary negotiations surrounding a licensing agreement with Destination Meals LLC. Our CEO, Edward Cespedes, is a minority owner of Destination Meals LLC through the Edward A. Cespedes Revocable Trust dated August 22, 2007. The discussion points revolve around Destination Meals LLC licensing certain software from PayMeOn in exchange for per transaction payments to PayMeOn. Though a final agreement has not yet been signed, the Parties have tentatively agreed to terms and are currently conducting testing and engaging in limited sales transactions. We believe that the economic terms of the agreement will be at least equal to or better than PayMeOn would receive if the agreement were negotiated with unrelated third parties. Our operations are currently conducted principally through our wholly-owned subsidiary, HLM PayMeOn, Inc.

Results of Operations

Revenues for the three months ended March 31, 2013, totaled $5,885 and were principally derived from sales of the Company s PayMeOn Merchant Profit Center packages to small businesses and from incremental text purchases from subscribers to the mobile text marketing packages. A small amount of sales were derived from the portion of our PayMeOn business that sells deals directly to consumers. Revenues for the three months ended March 31, 2012, were $6,653 and substantially all revenues were derived from Hyperlocal mobile text marketing packages.

Operating expenses for the three months ended March 31, 2013, totaled $381,911, a decrease of $171,964 or 31% from $553,875 for the three months ended March 31, 2012. Operating expenses for the three months ended March 31, 2013 totaled $381,911, were largely made up of $76,251 non-cash expense primarily related to warrants issued to certain consultants and service providers in consideration of marketing, business and general consulting services, $46,940 of professional fees and payroll and payroll taxes of $206,694. Operating expenses for the three months ended March 31, 2012, totaled $553,875, the majority of which related to $380,064 non-cash expense primarily related to warrants issued to certain consultants and service providers in consideration of marketing, business and general consulting services and $30,896 of professional fees.

Liquidity and Capital Resources

At March 31, 2013, we had $36,834 of cash. At March 31, 2013 we had working a capital deficit of $495,637 and an accumulated deficit of $3,907,057. We require additional working capital. See Plan of Operations below.

Since inception, the Company has incurred net operating losses and used cash in operations. The Company has also dedicated substantial resources required to research and development and marketing of the Company s products which included the general and administrative expenses associated with its organization and product development. The Company expects to incur continued marketing expenses in the near and medium term in pursuit of market share. Necessary marketing spending could curtail the Company s ability to generate profits in the near and medium term. We expect operating losses to continue, mainly due to the continued costs and expenses associated with development of our business and marketing of the Hyperlocal and PayMeOn products. These conditions raise substantial doubt about the Company s ability to continue as a going concern.

We have historically satisfied our working capital requirements through the sale of restricted common stock and the issuance of promissory notes. From January 2012 through May 2012 the Company issued a series of secured promissory notes in the aggregate principal amount of $155,000 (the January Secured Notes). The January Secured Notes were secured by all of the assets of the Company. On December 27, 2012, the Company entered into an agreement to issue a secured convertible promissory note in the principal amount of $165,500 to an affiliate of the Company. The secured convertible note bears interest at an annual rate of 7% and is payable on or before 12 months from the date of issuance. The secured convertible note is secured by all of the assets of the Company and includes customary provisions concerning events of default. In addition, the secured convertible note may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment. The Company received $165,500 in gross proceeds from the issuance of the secured convertible note and used substantially all of the proceeds from the secured convertible note to satisfy the January Secured Notes, along with outstanding and accrued interest on the January Secured Notes of approximately $9,018.

Between June 24, 2012 and December 13, 2012 the Company issued 7% unsecured promissory notes in consideration of $264,000. The notes were convertible at the option of the holders into shares of the Company s common stock at conversion prices ranging from $0.005 per share to $0.011 per share. The Company used the proceeds for working capital purposes. Effective December 20, 2012, the Company issued an aggregate of 28,194,398 shares of restricted common stock pursuant to the conversion, and in satisfaction of the notes, including accrued interest.

On July 5, 2012, the Company privately sold 2,253,577 shares of restricted shares of common stock to an accredited investor for gross proceeds of $25,000. The proceeds from the private placement were used for the continued development of Hyperlocal and PayMeOn products and for general working capital purposes. The private placement was conducted by the Company s president.

In addition, throughout fiscal year 2012 we received unsecured non -interest bearing cash advances from our chief executive officer in the aggregate principal amount of $4,300. The advances were used to satisfy payroll and payroll taxes and other working capital requirements. The advances are payable on demand and were repaid during April 2013.

As of March 31, 2013, the Company completed the issuance of a series of unsecured promissory notes in the aggregate principal amount of $270,000 to Celentano Consulting Company, LLC, an affiliate of the Company. Of these advances, $25,000 was received by the Company during fiscal year ended December 31, 2012. The notes bear interest at an annual rate of 7% and are payable on or before 12 months from the date of issuance. Subject to certain limitations below, the notes may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment. The conversion of the notes may be limited if, upon conversion, the holder thereof would beneficially own more than 4.9% of the Company s common stock. The Company received $270,000 in proceeds from the issuance of the notes. The Company used the proceeds for working capital purposes.

Plan of Operations

We intend on continuing our efforts primarily towards completing development of the Company s PayMeOn products. We expect to continue marketing our Hyperlocal Marketing platform and products, but primarily as bundled or complimentary additions to our PayMeOn product and under the PayMeOn Merchant Profit Center name. As our development efforts come to fruition, we will focus our efforts on developing sales and distribution channels for PayMeOn. We will primarily focus our sales and distribution efforts on developing partnerships with third-party sales companies and organizations, and on developing partnerships with businesses that have large databases they wish to monetize in the local, group buying or deals space. We expect to complete a substantial portion of additional development related to integrating PayMeOn s product capabilities with the technology platform acquired from WCIS Media, LLC within the next 6 months. After completing integration development, we expect to accelerate our marketing efforts to create more public awareness for PayMeOn s products and services.

Effective April 1, 2013, we completed an asset purchase agreement with WCIS Media, LLC, a related party, to acquire a web-based technology platform in exchange for 300,000,000 shares of our common stock. We determined to purchase this asset because we believe that this platform has features and benefits which we will integrate into our PayMeOn Platform, including: (1) lead generation tracking and reporting, (2) merchant categorization and sub categorization, (3) consumer tracking and qualification, (4) merchant bidding capabilities, and (5) offline tracking and service, including live transfer capabilities for consumers. From an accounting standpoint, we treated this transaction as an asset purchase as the transaction does not meet the criteria of a business combination with the guidelines of FASB Accounting Standards Codification 805 Business Combination. In addition, because we are acquiring this asset from a related party, under generally accepted accounting principles (GAAP) we will record the asset on our financial statements at its historic cost.

Voting control of WCIS Media, LLC is held by Vincent L. Celentano. Mr. Celentano also holds voting control of Celentano Consulting Company LLC, a related party. Celentano Consulting Company holds a series of secured and unsecured promissory notes convertible into shares of the Company s common stock. Celentano Consulting Company has notified the Company that it intends to convert these notes into shares of the Company s common stock.

Current working capital is not sufficient to maintain our current operations and there is no assurance that future sales and marketing efforts will be successful enough to achieve the level of revenue sufficient to provide cash to sustain operations. To the extent such revenues and corresponding cash flows do not materialize, we will attempt to fund working capital requirements through third party financing, including a private placement of our securities. In the absence of revenues, we currently believe we require a minimum of $500,000 to maintain our current operations through 2013. We cannot provide any assurances that required capital will be obtained or that the terms of such required capital may be acceptable to us. If we are unable to obtain adequate financing, we may reduce our operating activities until sufficient funding is secured or revenues are generated to support operating activities.

Subsequent Events

During April 2013, the Company issued of a series of unsecured promissory notes in the aggregate principal amount of $111,000 to Celentano Consulting Company, LLC, an affiliate of the Company. The notes bear interest at an annual rate of 7% and are payable on or before 12 months from the date of issuance. Subject to certain limitations below, the notes may be converted at any time, at the option of the holder, into shares of the Company s common stock at a conversion price of $0.005 per share, subject to adjustment. The conversion of the notes may be limited if, upon conversion, the holder thereof would beneficially own more than 4.9% of the Company s common stock. The Company received $111,000 in proceeds from the issuance of the notes. The Company used the proceeds for working capital purposes.

Effective April 1, 2013, the Company amended its articles of incorporation to increase its authorized common stock from 195,000,000 shares to 1,000,000,000 shares, eliminate the class of preferred stock known as Callable and Convertible Preferred Stock , and create a class of preferred stock consisting of 5,000,000 shares, the designations and attributes of which are left for future determination by the Company s board of directors.

On April 30, 2013, the Company received notice from the Financial Industry Regulatory Authority (FINRA) that the Company s reverse split of 69 to 1 (the Reverse Split) shall be effective on May 17, 2013. The Reverse Split had been previously approved and authorized by the board of directors and majority holders of the Company s common stock and, as a result, (i) every 69 shares of the Company s outstanding common stock will be converted into 1 share of the Company s common stock, and (ii) the issued and outstanding common stock of the Company shall decrease from 375,852,636 to 5,447,140, subject to the rounding up of fractional shares to the nearest whole number. The Company also received approval from FINRA for its name change from MMAX Media, Inc. to PayMeOn, Inc. (the Name Change). Effective May 17, 2013 the Company s quotation symbol shall change to MMAXD to reflect the Reverse Split. Twenty (20) business days thereafter the symbol shall change from MMAXD to PAYM to reflect the Name Change.

Effective May 1, 2013, the Company entered into a lease agreement for executive offices located at 2400 E. Commercial Blvd., Suite 612, Fort Lauderdale, Florida. The facility is approximately 4,777 square feet and is sufficient for the Company s current and anticipated operations. The lease is for a term of 39 months at a current cost of approximately $9,500 per month.

Critical Accounting Policies and Estimates

Revenue Recognition

The Company recognizes revenue on arrangements in accordance with FASB ASC No. 605, Revenue Recognition . In all cases, revenue is recognized only when the price is fixed and determinable, persuasive evidence of an arrangement exists, the service is performed and collectability of the resulting receivable is reasonably assured.

The Company recognizes sales of deals and texts when revenue is recognized only when the price is fixed and determinable, persuasive evidence of an arrangement exists, the service is performed and collectability of the resulting receivable is reasonably assured.

The Company recognizes revenue from the sale of keywords over the period the keywords are purchased for exclusive use, usually one year.

The Company recognizes revenue from setup fees in accordance with Topic 13, which requires the fees to be deferred and amortized over the term of the agreements. Revenue from the sale of bulk text messages sales and packages are recognized over twelve months. Revenue from monthly membership fees are recorded during the month the membership is earned.

Stock-Based Compensation

The Company recognizes compensation costs to employees under FASB Accounting Standards Codification No. 718, Compensation Stock Compensation. Under FASB Accounting Standards Codification No. 718, companies are required to measure the compensation costs of share-based compensation arrangements based on the grant-date fair value and recognize the costs in the financial statements over the period during which employees are required to provide services. Share based compensation arrangements include stock options, restricted share plans, performance based awards, share appreciation rights and employee share purchase plans. As such, compensation cost is measured on the date of grant at their fair value. Such compensation amounts, if any, are amortized over the respective vesting periods of the option grant.

Equity instruments issued to other than employees are recorded on the basis of the fair value of the instruments, as required by FASB Accounting Standards Codification No. 505, Equity Based Payments to Non-Employees. In general, the measurement date is when either a (a) performance commitment, as defined, is reached or (b) the earlier of (i) the non-employee performance is complete or (ii) the instruments are vested. The measured value related to the instruments is recognized over a period based on the facts and circumstances of each particular grant as defined in the FASB Accounting Standards Codification.

Recent Accounting Pronouncements

In February 2013, FASB issued Accounting Standards Update 2013-04, Liabilities (Topic 405): Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date (a consensus of the FASB Emerging Issues Task Force). This guidance requires an entity to measure obligations resulting from joint and several liability arrangements for which the total amount of the obligation within the scope of this guidance is fixed at the reporting date. This stipulates that (1) it will include the amount the entity agreed to pay for the arrangement between them and the other entities that are also obligated to the liability and (2) any additional amount the entity expects to pay on behalf of the other entities. The objective of this update is to provide guidance for the recognition, measurement, and disclosure of obligations resulting from joint and several liability arrangements. The amendments in this update are effective for fiscal periods (and interim reporting periods within those years) beginning after December 15, 2013. This standard is not expected to have a material impact on the Company s reported results of operations or financial position.

In February 2013, FASB issued Accounting standards update 2013-02, Comprehensive Income Topic 220): Reporting of Amounts Reclassified out of Accumulated Other Comprehensive Income. This update requires an entity to provide information amount the amount reclassified out of accumulated other comprehensive income by component. The entity is also required to disclose significant amounts reclassified out of accumulated other comprehensive income by the respective line items of net income but only if the amount reclassified is required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting periods. For other amounts that are not required under U.S. GAAP to be reclassified in their entirety to net income, an entity is required to cross-reference to other discourses required under U.S. GAAP that provide additional detail about those amounts. The objective in this Update is to improve the reporting of reclassifications out of accumulated other comprehensive income. The amendments in this update should be applied prospectively for reporting periods beginning after December 15, 2012. This standard is not expected to have a material impact on the Company s reported results of operations or financial position.

Risk Factors

Investing in our common stock involves a high degree of risk. You should carefully consider the risk factors included in the Company s annual report on Form 10-K for the year ended December 31, 2012 before deciding whether to invest in the Company. Additional risks and uncertainties not presently known to us, or that we currently deem immaterial, may also impair our business operations or our financial condition.

ITEM 3.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable to smaller reporting companies.

ITEM 4.

CONTROLS AND PROCEDURES

Evaluation of Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the Exchange Act) that are designed to be effective in providing reasonable assurance that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that such information is accumulated and communicated to our management to allow timely decisions regarding required disclosure.

The Company s management, under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial (and principal accounting) Officer, carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) of the Exchange Act) as of March 31, 2013.

During our assessment of the effectiveness of internal control over financial reporting as of March 31, 2013 management identified significant deficiencies related to (i) the U.S. GAAP expertise of our internal accounting staff, (ii) the ability of our internal accounting staff to record our transactions to which we are a party which necessitates our bringing in external consultants to supplement this function, and (iii) a lack of segregation of duties within accounting functions. Therefore, our internal controls over financial reporting were not effective as of March 31, 2013 based on the material weakness described below.

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insufficient monitoring controls to determine the adequacy of our internal control over financial reporting and related policies and procedures;

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lack of competent financial management personnel with appropriate accounting knowledge and training;

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our financial staff does not hold a license such as Certified Public Accountant in the U.S., nor have they attended U.S. institutions or extended educational programs that would provide enough of the relevant education relating to U.S. GAAP, nor have any U.S. GAAP audit experience;

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we rely on outside consultant to prepare our financial statements; and

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insufficient controls over our period-end financial close and reporting processes.

As a result of this material weakness, our Chief Executive Officer and Chief Financial Officer concluded that our internal control over financial reporting was not effective as of March 31, 2013. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness; yet important enough to merit attention by those responsible for oversight of the company s financial reporting.

Because of its inherent limitations, however, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate. In order to mitigate the foregoing material weakness, we engaged an outside accounting consultant to assist us in the preparation of our financial statements to ensure that these financial statements are prepared in conformity to U.S. GAAP. This outside accounting consultant has significant experience in the preparation of financial statements in conformity with U.S. GAAP. We believe that the engagement of this consultant will lessen the possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis, and we will continue to monitor the effectiveness of this action and make any changes that our management deems appropriate. We expect to continue to rely on this outside consulting arrangement to supplement our internal accounting staff for the foreseeable future. Until such time as we hire the proper internal accounting staff with the requisite U.S. GAAP experience, however, it is unlikely we will be able to remediate the material weakness in our internal control over financial reporting.

We believe that the foregoing steps will remediate the material weaknesses identified above, and we will continue to monitor the effectiveness of these steps and make any changes that our management deems appropriate.

Changes in Internal Control over Financial Reporting

No change in our system of internal control over financial reporting occurred during the period covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1.

LEGAL PROCEEDINGS

As of the date of this report, we are not aware of any proceeding, threatened or pending, against us which, if determined adversely, would have a material effect on our business, results of operations, cash flows or financial position.

ITEM 1A.

RISK FACTORS

Not applicable to smaller reporting companies.

ITEM 2.

UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Except as otherwise previously disclosed in reports filed with the Securities and Exchange Commission, during the period covered by this report, we have not sold securities without registration under the Securities Act of 1933, as amended.

ITEM 3.

DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4.

MINE SAFETY DISCLOSURE

None.

ITEM 5.

OTHER INFORMATION

None.

ITEM 6.

EXHIBITS

Exhibit Number	**Description**
31.1	Certification of Chief Executive Officer pursuant to Rule 13A-14(a) or Rule 15d-14(a) of the Securities Exchange Act
31.2	Certification of Chief Financial Officer pursuant to Rule 13A-14(a) or Rule 15d-14(a) of the Securities Exchange Act
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	XBRL Interactive Data File

SIGNATURES

In accordance with 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.

Date: May 15, 2013

MMAX Media, Inc.

By: /s/ Edward Cespedes
Edward Cespedes
Chief Executive Officer
Chief Financial Officer