

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

**FORM 10-Q**

**[ X ] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2009

**OR**

**[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE  
EXCHANGE ACT**

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

Commission file number **000- 53391**

**BIOMEDICAL TECHNOLOGY SOLUTIONS HOLDINGS, INC.**

(Exact Name of Small Business Issuer as Specified in its Charter)

<u>Colorado</u>	<u>26- 3161860</u>
(State or other jurisdiction of incorporation or organization)	I.R.S. Employer Identification number

9800 Mt. Pyramid Court # 250

Englewood, CO 80112

(Address of Principal Executive Offices)

Issuer's telephone number: (303) 653- 0100

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

Check whether the Issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the last 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 [ X ] 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 definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b- 2 of the Exchange Act. (Check one):

Large accelerated filer [ ] Accelerated filer [ ]  
Non- accelerated filer [ ] Smaller Reporting Company [ X ]

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

As of August 13, 2009, the Registrant had 29,110,570 shares of its Common Stock outstanding.

## INDEX - PART I - - FINANCIAL INFORMATION

<b>Item 1. Financial Statements</b>	<b>Page</b>
Condensed Consolidated Balance Sheet as of June 30, 2009 (unaudited) and December 31, 2008 (Derived from audited financial statements)	4
Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2009 (unaudited) and June 30, 2008 (unaudited)	6
Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2009 (unaudited) and June 30, 2008 (unaudited)	7
Notes to Condensed Consolidated Financial Statements (unaudited)	8
<b>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</b>	
Overview	13
Results of Operations	17
Liquidity and Capital Resources	20
<b>Item 3. Quantitative and Qualitative Disclosures About Market Risk</b>	21
<b>Item 4. Controls &amp; Procedures</b>	21

## PART II - OTHER INFORMATION

<b>Item 1. Legal Proceedings</b>	22
<b>Item 1A Risk Factors</b>	22
<b>Item 2. Unregistered Sale of Equity Securities and Use of Proceeds</b>	22
<b>Item 3. Defaults Upon Senior Securities</b>	22
<b>Item 4. Submission of Matters to a Vote of Security Holders</b>	23
<b>Item 5. Other Information</b>	23
<b>Item 6. Exhibits</b>	23

## **PART 1. FINANCIAL INFORMATION**

### **ITEM 1.**

#### **FINANCIAL STATEMENTS**

The condensed consolidated financial statements included herein have been prepared by BioMedical Technology Solutions Holdings, Inc., a Colorado corporation (the Company), pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been omitted pursuant to such SEC rules and regulations. In the opinion of management of the Company the accompanying statements contain all adjustments necessary to present fairly the financial position of the Company as of June 30, 2009 and December 31, 2008, and its results of operations for the six month periods ended June 30 2009 and 2008 and for three month periods ended June 30, 2009 and 2008, and its cash flows for the six month periods ended June 30, 2009 and 2008. The results for these interim periods are not necessarily indicative of the results for the entire year.

BIOMEDICAL TECHNOLOGY SOLUTIONS HOLDINGS, INC.

Condensed Consolidated Balance Sheets

June 30, 2009 and December 31, 2008

Assets	<u>6/30/09</u> <u>(unaudited)</u>	<u>12/31/2008</u> <u>(derived from</u> <u>audited</u> financial statements)
Current assets:		
Cash	\$ 40,699	\$ 29,287
Accounts receivable, net of allowance for doubtful accounts	554,819	259,265
Inventory	265,268	410,516
Prepaid expenses	<u>44,192</u>	<u>90,656</u>
Total current assets	904,978	789,724
Property and equipment, net of accumulated depreciation	61,928	62,508
Intangible assets, net of accumulated amortization	326,593	340,495
Land held for development or sale	615,000	615,000
Note receivable	0	146,000
Deposits	<u>5,000</u>	<u>5,000</u>
	\$ <u>1,913,499</u>	<u>\$ 1,958,727</u>

(CONTINUED ON FOLLOWING PAGE)

*See accompanying notes to condensed consolidated financial statements*

BIOMEDICAL TECHNOLOGY SOLUTIONS HOLDINGS, INC.

Condensed Consolidated Balance Sheets

June 30, 2009 and December 31, 2008

(CONTINUED FROM PREVIOUS PAGE)

Liabilities and shareholders' equity

Current liabilities:

Notes payable	\$ 207,314	\$ 217,972
Accounts payable	334,758	335,777
Accrued payroll and other liabilities	239,078	67,208
Deferred income	<u>39,301</u>	<u>35,116</u>
Total current liabilities	<u>820,451</u>	<u>656,073</u>

Long- term debt	471,495	471,495
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Shareholders' equity:

Preferred Stock, \$0.001 par value, 10,000,000 authorized		
Series A Convertible Preferred Stock, \$0.001 par value 10,000,000 authorized, 267,500 shares issued and outstanding at June 30, 2009, net of expenses	258,667	-
Common stock, \$0.001 par value 100,000,000 shares authorized, 28,527,181 and 27,702,181 shares issued and outstanding at June 30, 2009 and December 31, 2008, respectively	28,527	27,702
Additional paid in capital	5,201,765	4,810,660
Prepaid Services with Stock	(262,500)	-
Accumulated deficit	<u>(4,604,906)</u>	<u>(4,007,203)</u>
	362,886	831,159
	\$ <u>1,913,499</u>	\$ <u>1,958,727</u>

See accompanying notes to condensed consolidated financial statements

**BIOMEDICAL TECHNOLOGY SOLUTIONS HOLDINGS, INC.**  
**Condensed Consolidated Statements of Operations**  
**Three Months and Six Months Ended June 30, 2009 and 2008**

	Three Months Ended June 30 2009	Three Months Ended June 30 2008	Six Months Ended June 30 2009	Six Months Ended June 30 2008
Net sales	\$ 365,211	\$ 535,488	\$ 724,516	\$ 675,142
Cost of sales	<u>133,199</u>	<u>162,687</u>	<u>275,574</u>	<u>214,943</u>
Gross profit	232,012	372,801	448,942	460,199
Other costs and expenses:				
Selling, general and administrative	421,776	376,384	892,482	775,841
Research and development expenses	<u>65,499</u>	<u>14,877</u>	<u>136,064</u>	<u>31,979</u>
Total operating expenses	<u>487,275</u>	<u>391,261</u>	<u>1,028,546</u>	<u>807,820</u>
Loss before non-operating income and expense and income taxes	(255,263)	(18,460)	(579,604)	(347,621)
Other income and (expense):				
Non- operating income	-	-	-	-
Other Income	8	321	6,384	498
Interest expense	<u>(11,257)</u>	<u>(6,977)</u>	<u>(21,158)</u>	<u>(11,956)</u>
	<u>(11,249)</u>	<u>(6,656)</u>	<u>(14,774)</u>	<u>(11,458)</u>
Net loss before income taxes	(266,512)	(25,116)	(594,378)	(359,079)
Income tax provision	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Preferred Stock Dividend	<u>(3,325)</u>	<u>-</u>	<u>(3,325)</u>	<u>-</u>
Net loss attributable to common stockholders	<u>\$ (269,837)</u>	<u>\$ (25,116)</u>	<u>\$ (597,703)</u>	<u>\$ (359,079)</u>
Basic and diluted loss per share	<u>\$ (0.01)</u>	<u>\$ (0.00)</u>	<u>\$ (0.02)</u>	<u>\$ (0.01)</u>

Weighted average  
common shares  
outstanding

27,977,181

26,177,849

27,839,681

26,056,700

*See accompanying notes to condensed consolidated financial statements*

**BIOMEDICAL TECHNOLOGY SOLUTIONS HOLDINGS, INC.**

**Condensed Consolidated Statements of Cash Flows**

**Six Months Ended June 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
Net cash (used in)		
operating activities	\$ (203,951)	\$ (175,689)
Cash flows from investing activities:		
Increase in intangible assets	(15,628)	(17,114)
Acquisition of property and equipment	<u>(17,018)</u>	<u>(14,235)</u>
Net cash (used in)		
investing activities	<u>(32,646)</u>	<u>(31,349)</u>
Cash flows from financing activities:		
Proceeds from sale of Series A Convertible Preferred Stock, net	258,667	-
Proceeds from sale of Common Stock	-	475,000
Common stock redemption	-	(75,000)
Proceeds from notes payable	14,410	130,000
Repayment of notes payable	<u>(25,068)</u>	<u>-</u>
Net cash provided by		
financing activities	<u>248,009</u>	<u>530,000</u>
Increase (decrease) in cash	11,412	322,962
Cash and cash equivalents,		
beginning of period	<u>29,287</u>	<u>52,831</u>
Cash and cash equivalents,		
end of period	<u>\$ 40,699</u>	<u>\$ 375,793</u>

Supplemental Cash Flow  
Information:

Six Months Ended June 30, 2009 and 2008

	Six Months Ended <u>June 30, 2009</u>	Six Months Ended <u>June 30, 2008</u>
Supplemental cash flow information:		
Cash paid for income taxes	\$ -	\$ -
Cash paid for interest	\$ 21,158	\$ 11,956

*See accompanying notes to condensed consolidated financial statements*

**Note 1- Basis of Presentation of Interim Period**

On August 21, 2008, CET Services, Inc. (CET) completed a reverse merger with Biomedical Technology Solutions, Inc. (BMTS) whereby CET issued 8.72 new shares of common stock for each surrendered share of BMTS common stock. Commensurate with the merger, CET was reincorporated as Biomedical Technology Solutions Holdings, Inc. (Holdings). Holdings declared a one share for three share reverse stock split effective as of the merger date. Since the shareholder interests of BMTS received approximately 94% of the voting interest in Holdings, BMTS is deemed to be the acquirer for accounting purposes. Accordingly, the financial statements presented herewith are those of BMTS on an historical basis and include the accounts and operations of CET from the merger date. All share and per share information included herein gives effect to the merger and reverse stock split.

Unless the context requires otherwise, "we," "us" or "our" refers to Biomedical Technology Solutions Holdings, Inc. and its subsidiaries on a consolidated basis. The Company's subsidiaries include BioMedical Technology Solutions, Inc ("BMTS"), BMTS Properties, Inc., Healthcare Sales Professionals, Inc. ("HCSP") and BMTS Leasing, LLC. The effects of all inter- company transactions and account balances have been eliminated in the consolidation of the companies included in these financial statements. All share and per share information included herein have been restated to reflect the effects of the merger transaction and the reverse stock split.

The accompanying financial statements of the Company at June 30, 2009 (unaudited) and December 31, 2008 (audited) have been prepared in accordance with generally accepted accounting principles ("GAAP") for interim financial statements, instructions to Form 10- Q, and Regulation S- X. Accordingly, certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted. These condensed financial statements should be read in conjunction with the financial statements and notes thereto included in a Current Report on Form 8- K/A and 10- K previously filed with the US Securities and Exchange Commission. In management's opinion, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation to make the Company's financial statements not misleading have been included. The results of operations presented for the period ended June 30, 2009 are not necessarily indicative of the results to be expected for the full year. The December 31, 2008 balance sheet has been derived from the Company's audited financial statements included in the aforementioned Form 10- K.

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of

contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting periods. Actual results could differ from those estimates.

**Fair Value of Financial Instruments:**

We value our financial instruments as required by Statement of Financial Accounting Standard (SFAS) No. 107, "*Disclosures about Fair Value of Financial Instruments*". The estimated fair value amounts have been determined by the Company, using available market information and appropriate valuation methodologies. The estimates presented herein are not necessarily indicative of amounts that the Company could realize in a current market exchange.

Our financial instruments primarily consist of cash and cash equivalents, accounts receivable, prepayments and deposits, short- term note payable, other payables and accrued liabilities.

As of the balance sheet date, the estimated fair values of the financial instruments were not materially different from their carrying values as presented due to the short term maturities of these instruments and that the interest rates on the borrowings approximate those that would have been available for loans of similar remaining maturity and risk profile at respective period ends.

**Recent Pronouncements**

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements and does not believe the future adoption of any such pronouncements may be expected to cause a material impact on its financial condition or the results of its operations.

In December 2007, the FASB issued SFAS No. 141 (Revised 2007), "Business Combinations" ("SFAS No. 141R"). SFAS No. 141R will change the accounting for business combinations. Under SFAS No. 141R, an acquiring entity will be required to recognize all the assets acquired and liabilities assumed in a transaction at the acquisition- date fair value with limited exceptions. SFAS No. 141R will change the accounting treatment and disclosure for certain specific items in a business combination. SFAS No. 141R applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. Accordingly, any business combinations the Company engages in will be recorded and disclosed following existing GAAP until January 1, 2009. The Company expects SFAS No. 141R will have an impact on accounting for business combinations once adopted but the effect is dependent upon acquisitions at that time. The Company has not determined the impact on its financial statements of this accounting standard.

Also in June 2008, the FASB ratified EITF No. 07- 5, "Determining Whether an Instrument (or an Embedded Feature) is Indexed to an Entity's Own Stock" ("EITF 07- 5"). EITF 07- 5 provides that an entity should use a two- step approach to evaluate whether an equity- linked financial instrument (or embedded feature) is indexed to its own stock, including evaluating the instrument's contingent exercise and settlement provisions. EITF 07- 5 is effective for financial statements issued for fiscal years beginning after December 15, 2008. Early application is not permitted. The Company has not determined the impact on its financial statements of this accounting standard.

In December, 2008, the FASB issued Staff Position ("FSP") No. 140- 4 and FIN 46(R)- 8, "*Disclosures by Public Entities about Transfers of Financial Assets and Interests in Variable Interest Entities*". The purpose of this FSP is to promptly increase disclosures by public entities and enterprises until the pending amendments to SFAS No. 140, "*Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*", ("SFAS No. 140") and FASB Interpretation No. 46 (revised December 2003), "*Consolidation of Variable Interest Entities*", ("FIN 46(R)") are finalized and approved by the FASB. The FSP is effective for reporting periods (interim and annual) ending after December 15, 2008. This adoption did not have any impact on the consolidated financial statements.

On January 12, 2009, the FASB issued FSP EITF 99- 20- 01, "*Amendment to the Impairment Guidance of EITF Issue No. 99- 20*". This FSP amends the impairment guidance in EITF Issue No. 99- 20, "*Recognition of Interest Income and Impairment on Purchased Beneficial Interests and Beneficial Interests That Continue to be Held by a Transferor in Securitized Financial Assets*," to achieve more consistent determination of whether an other- than- temporary impairment has occurred. The FSP also retains and emphasizes the objective of an other- than- temporary impairment assessment and the related disclosure requirements in SFAS No. 115, "*Accounting for Certain Investments in Debt and Equity Securities*", and other related guidance. The FSP is shall be effective for interim and annual reporting periods ending after December 15, 2008, and shall be applied prospectively. Retrospective application to a prior interim or annual reporting period is not permitted. The Company does not believe this pronouncement will impact its financial statements.

### **Going Concern:**

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. As shown in the accompanying financial statements, the Company has recurring losses and has used significant cash in support of its operating activities. These factors, among others, may indicate that the Company will be unable to continue as a going concern.

The financial statements do not include any adjustments relating to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to generate sufficient cash flow to meet its obligations on a timely basis and ultimately to attain profitability. The Company plans to generate the necessary cash flows with increased sales revenue over the next 12 months. However, should the Company's sales not provide sufficient cash flow; the Company has plans to raise additional working capital through debt and equity financings. There is no assurance the Company will be successful in producing increased sales revenues, attaining profitability, or obtaining adequate funding through debt and equity financings.

### **Note 2- Income Taxes**

The Company accounts for income taxes in interim periods as required by Accounting Principles Board Opinion No. 28, "Interim Financial Reporting" and as interpreted by FASB Interpretation No.

18, "Accounting for Income Taxes in Interim Periods." The Company has determined an estimated annual effective tax rate. The rate will be revised, if necessary, as of the end of each successive interim period during the Company's fiscal year to the Company's best current estimate.

### **Note 3- Notes Payable**

At June 30, 2009 we were obligated under the terms of promissory notes, primarily issued for working capital, in the amount of \$199,410. Additionally in the second quarter ended June 30, 2009, the Company secured a note totaling \$14,410. The promissory notes are unsecured and carry an interest rate of 12 percent. The notes mature on or before December 31, 2009. On June 30, 2009, a promissory note for \$75,000 that was issued in February 2009 was converted for 37,500 Units consisting of our Series A Convertible Preferred Stock and Warrants.

Interest expense on short- term borrowings was \$21,158 and \$11,956 for the six months ended June 30, 2009 and 2008, respectively.

Additionally, at June 30, 2009, the Company was obligated under short term insurance premium financing agreements having an aggregate initial principal of \$51,844, which are being repaid in installments of \$5,017 per month including interest at 8% per annum. At June 30, 2009, the balance outstanding was \$7,904.

### **Note 4- Shareholders' Equity**

#### **Private Common Stock Offering**

During 2008, the Company sold an aggregate of 690,549 shares of common stock for gross proceeds of \$475,000 of which the Company received \$100,000 and issued 145,378 shares of common stock in the first quarter of 2008.

#### **Common Stock Issuance:**

In the second quarter of 2009, the Company and an Officer agreed to convert his 2008 deferred compensation totaling \$50,000 for his services into 125,000 shares of the Company's Common Stock. The shares were valued at \$0.40 per share, which was equal to 100% of the public trading price of the Common Stock on June 17, 2009 as quoted on the OTC Electronic Bulletin Board. Additionally, in June 2009, the Company entered into an agreement for investor relations consulting services in consideration for 700,000 shares of Common Stock. The shares were valued at \$0.45 per share, which was equal to 100% of the public trading price of the Common Stock on June 12, 2009 as quoted on the OTC Electronic Bulletin Board.

#### **Private Preferred Stock Offering**

We are authorized to issue 10,000,000 shares of \$.001 par value preferred stock. The Company's Articles of Incorporation authorize the Company's Board of Directors to establish the number of preferred shares to be included in each series and to fix the designation and relative powers, including voting powers, preferences, relative participating, optional and other rights, qualifications, limitations and restrictions of

each series. Effective February 15, 2009, the Board of Directors authorized an offering of Units, each Unit consisting of shares Series A Convertible Preferred Stock ("Series A Stock") and Warrants. As of June 30, 2009, the Company had sold an aggregate of 133,750 Units for gross proceeds of \$267,500. Included in the \$267,500, a note holder converted a promissory note totaling \$75,000 and an Officer of the Company converted \$7,500 of deferred compensation into 3,750 Units.

### **Stock Based Compensation Expense**

In December 2004, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 123R, Share- Based Payment ("SFAS No. 123R"). SFAS No. 123R is a revision of SFAS No. 123, Accounting for Stock- Based Compensation ("SFAS No. 123"), and supersedes Accounting Principles Board Opinion No. 25, Accounting for Stock Issued to Employees ("APB No. 25"), and its related implementation guidance.

On January 1, 2006, we adopted the provisions of SFAS No. 123R which requires the measurement and recognition of compensation expense for all stock- based payment awards made to our employees and directors. Under the fair value recognition provisions of SFAS No. 123R, stock- based compensation cost is measured at the grant date based on the value of the award and is recognized as expense over the vesting period.

Determining the fair value of stock- based awards at the grant date requires considerable judgment, including estimating the expected future volatility of our stock price, estimating the expected length of term of granted options and selecting the appropriate risk- free rate. Our expected volatility is based upon the historical experience of a selected peer group, as there is no established trading market for our stock. The expected term of the stock options is based upon its legal life. The risk- free interest rate assumption is based upon the average of the U.S. Treasury three and five- year yield rates. If factors change and we employ different assumptions, stock- based compensation expense may differ significantly from what we have recorded in the past.

Share based compensation expense included in general and administrative expenses in the Company's consolidated statements of income for the six months ended June 30, 2009 and 2008 was \$26,930 and \$19,863, respectively. As of June 30, 2009, there was \$48,769 of total unrecognized compensation expense, related to non- vested option awards, which is expected to be recognized over a period of approximately two years.

### **Common Stock Redemptions and Cancellation**

Pursuant to an agreement dated September 13, 2006, the Company has the right (but not the obligation) to re- purchase up to 1,453,787 of the shares of common stock then held by a principal shareholder, at \$.34 per share through December 31, 2008 and 872,272 shares of common stock at \$.69 per through December 31, 2009. Through December 31, 2008, the Company had repurchased 1,126,685 shares of its common stock from the principal shareholder for \$387,500.

In addition, the principal shareholder voluntarily returned 109,034 shares of the Company's common stock to the Company in 2007. All returned shares have been cancelled and returned to unissued status.

There were no treasury shares outstanding as of June 30, 2009.

#### **Note 6- Business Acquisition**

On August 21, 2008, the Company completed a business combination with CET that has been accounted for as a reverse merger. The 1,875,663 outstanding shares held by CET's shareholders prior to the merger are considered to be issued by the Company at the merger date in exchange for the net assets of CET, \$1,164,504 at that date.

The net assets of CET consisted of the following at the merger date:

Cash	\$ 875,000
Note receivable	146,000
Land held for development	<u>615,000</u>
	1,636,000
Land note payable	<u>(471,496)</u>
Net assets	\$ 1,164,504

As a result of the Merger, BMTS shareholders continue to exercise control over the Company, the transaction is deemed to be a capital transaction whereby the CET is treated as a non- business entity. The Company has no plans to continue the prior business of CET. Therefore, the accounting for the business combination is identical to that resulting from a reverse merger, except no goodwill or other intangible assets were recorded as a result of the Merger. Accordingly, the Company did not recognize goodwill or any other intangible assets in connection with the transaction. Land held for development by CET is carried at an amount considered to be its fair value based upon a current independent appraisal of its liquidating value. The note payable is collateralized by the land parcel and is due upon the sale or transfer of the land. Interest is payable monthly at the rate of 2% per annum. The note receivable of \$146,000 was due from an entity formerly related to CET and was due in full on December 31, 2008 including interest calculated at 4% per annum. The note was paid in full in January 2009.

BMTS is treated as the acquirer for accounting purposes. Therefore, the historic financial statements prior to the Merger are those of BMTS and post merger, the financial statements represent the consolidated financial position and operating results of Company and its wholly- owned subsidiaries. All retained earnings of CET were recapitalized to additional paid in capital as of the merger date.

#### **Note 7. Subsequent Events**

Subsequent to June 30, 2009, the Company sold an additional 85,000 Units or 170,000 shares of

BIOMEDICAL TECHNOLOGY SOLUTIONS HOLDINGS, INC.  
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Series A Stock plus 85,000 common stock warrants, for gross proceeds of \$170,000. Included in the \$170,000, a note holder converted a promissory note totaling \$50,000. Additionally in the quarter, Series A Convertible Preferred shareholders elected to convert a total of 399,667 shares of Series A Convertible Preferred Stock plus accrued dividends into 532,889 shares of Common Stock. The conversion price per share was \$0.75 per share.

## **ITEM 2.**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

#### **Overview**

Unless the context requires otherwise, "we," "us" or "our" refers to Biomedical Technology Solutions Holdings, Inc. and its subsidiaries on a consolidated basis. The Company's subsidiaries include Biomedical Technology Solutions, Inc (BMTS), BMTS Properties, Inc., Healthcare Sales Professionals, Inc. ("HCSP") and BMTS Leasing, LLC.

This discussion contains forward- looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995), and information relating to the Company that is based on beliefs of management of the Company, as well as assumptions made by and information currently available to management of the Company. When used in this Proxy Statement, the words "estimate," "project," "believe," "could," "anticipate," "intend," "expect," and similar expressions are intended to identify forward- looking statements. Such statements reflect the current views of the Company with respect to future events based on currently available information and are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward- looking statements. Readers are cautioned not to place undue reliance on these forward- looking statements, which speak only as of the date hereof. The Company does not undertake any obligation to release publicly any revisions to these forward- looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

#### **General**

We were incorporated in 2005 to acquire the intellectual property and existing customer base for the original and patented alternative infectious waste treatment system known as the Demolizer®. Since then, we have re- engineered the product which we now market as the Demolizer® II System. The Demolizer® II System is a tabletop device that converts infectious biomedical waste into non- biohazardous material. The Demolizer® II System also includes components that have been upgraded to incorporate enhanced process controls, safety features, and integrated quality systems. We earn revenue by selling or leasing our products to our customers through a national and regional group of established medical device distributors. We target medical clinics, nursing homes, dentists, veterinarians, professional sports teams, colleges, and defense industries, which make up the estimated 1,000,000 low- medium volume infectious waste generators in the U.S. Additionally, we are in development of a portable product suitable for use by in home care providers and individuals who require safe and convenient disposal of their personal biomedical waste.

The Company's ability to continue as a going concern is dependent upon the continued success of its plans to sell its products through its distribution networks and its new entity HealthCare Sales Professionals, Inc. ("HCSP"). Additionally, the Company commenced a private offering of Units consisting of shares of its Series A Convertible Preferred Stock and Warrants for up to \$1,000,000 in February 2009. To date, the Company has raised \$437,500 for this offering. The Company also plans to establish a line of credit for working capital purposes and is pursuing the sale of its land as noted on its balance sheet. However, there can be no assurances that the Company will continue to be successful in borrowing money or raising capital.

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern.

### **Critical Accounting Policies & Estimates**

The Consolidated Financial Statements and Notes to the Consolidated Financial Statements contain information that is pertinent to management's discussion and analysis. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities. The Company believes the following critical accounting policies involve additional management judgment due to the sensitivity of the methods, assumptions, and estimates necessary in determining the related asset and liability amounts.

In the preparation of financial statements, the Company makes judgments regarding the future outcome of contingent events and records loss contingency amounts that are probable and reasonably estimated based on available information. The amounts recorded may differ from the actual amounts that occur when the uncertainty is resolved. The estimates that the Company makes in accounting for contingencies and the gains and losses that are recorded upon the ultimate resolution of these uncertainties may have a significant effect on the liabilities and expenses in the financial statements.

### **Principles of Consolidation**

The consolidated financial statements include the accounts of Biomedical Technology Solutions Holdings, Inc. and its wholly owned subsidiaries, BMTS, BMTS Properties, Inc., HCSP and BMTS Leasing LLC. All significant inter-company accounts and transactions have been eliminated.

### **Revenue Recognition**

Revenues from product sales are recognized at the time the goods are shipped to the ordering customer.

Revenues from leasing products are recognized under the Operating Method. Under this method, we record each rental receipt as rental revenue. We depreciate the leased product in the normal manner with depreciation expense of the period matched against the rental revenue. The amount of revenue recognized in each accounting period is a level amount (straight-line basis) representing the time period in which our customer derives benefits from our product. Revenues from leasing products were immaterial in 2009 and 2008. In addition to the depreciation charge, we expense maintenance costs and the costs of any other services rendered under the lease as incurred.

### **Cash Equivalents and Short- Term Investments**

We consider all highly liquid investments with a maturity of less than three months when purchased to be cash equivalents. Short- term investments consist of certificates of deposit, which mature in less than one year.

### **Accounts Receivable**

Accounts receivable consist primarily of amounts due to us from our normal business activities. Accounts receivable balances are determined to be past due when the amount is overdue based on the contractual terms with the customer. We maintain an allowance for doubtful accounts to reflect the expected uncollectibility of accounts receivable based on past collection history and specific risks identified among uncollected accounts. Accounts receivable are written off against the allowance for doubtful accounts when we have determined that the receivable will not be collected and/or when the account has been referred to a third party collection agency. There was no bad debt expense for the years ended December 31, 2008. Past due accounts (more than 90 days) totaled \$261,185 at June 30, 2009. Due to the current state of the economy, several of the Company's regional distributors have extended their payment cycles. The Company continues to evaluate all accounts for credit worthiness, including but not limited to distributors sales activities.

### **Intangibles**

Indefinite lived intangibles are not amortized but are subject to an annual impairment test. According to Statement of Financial Accounting Standards ("SFAS") No. 142, other intangible assets will continue to be amortized over their useful lives. We have determined that our customer relationships have a useful life of four years based upon the type of customer. We have patent intangibles with a useful life of five years. We have determined that our permits, trademark and licenses have indefinite lives and accordingly, are not amortized.

### **Inventory Valuation**

Inventories are valued at cost, which is not in excess of current market prices and are maintained on the first- in- first- out method.

### **Results of Operations**

#### **Three months ended June 30, 2009 compared to 2008:**

#### **Revenue**

Revenues were \$365,211 in 2009, down from \$535,488 in 2008. The decrease (32%) is due to the result of two distributors purchasing initial stocking orders as part of their distribution agreements with the Company that began stocking our product in May 2008.

#### **Cost of Revenue**

Cost of revenue for 2009 was \$133,199, down from \$162,687 in the prior year. The decrease (18%) is attributed to decreased revenue. Our cost of sales as a percentage of revenue increased from 30% of revenue for the three months ended June 30, 2008 to 36% for the comparable period of 2009 due to product revenue mix. We expect that this percentage will decrease in the near future due to the Company transferring manufacturing in- house along with decreases related to volume purchases of the materials that comprise our product and product mix.

## Operating Expenses

Selling, general and administrative costs were \$421,776 for the second quarter ended June 30, 2009, as compared to \$376,384 in 2008. The following table is a summary of certain of these expenses:

	Three Months Ended June 30	
	<u>2009</u>	<u>2008</u>
Selling expense	\$ 140,625	\$ 115,387
General office expense	161,944	171,684
Professional fees	81,512	24,803
Depreciation and amortization	23,011	17,561
Travel expense	10,168	33,705
Stock based compensation	4,516	13,244
	\$ <u>421,776</u>	\$ <u>376,384</u>

Selling and marketing expenses increased due in 2009 due to increased personnel costs. Professional fees consist primarily of audit, legal and investor relations related expenses in 2009 as a result of the Company becoming a publically held entity versus being privately held. In the second quarter ended June 30, 2009, the Company entered into a consulting agreement for investor relations services through December 31, 2009 and in consideration issued 700,000 shares of Common Stock. The shares were valued at \$0.45 per share, which was equal to 100% of the public trading price of the Common Stock on June 12, 2009 as quoted on the OTC Electronic Bulletin Board. As the result of this agreement, the Company incurred a non- cash charge of \$52,500 representing one month of the six month term. Additionally, the Company expects to incur non- cash charges of \$157,500 and \$105,000 for this agreement for the quarters ended September 30, 2009 and December 31, 2009, respectively.

## Research and Development

Research and development costs are charged to earnings as incurred and were \$65,499 and \$14,877 respectively for the quarter ended June 30, 2009 and 2008. For the six months ended June 30, 2009 and 2008, research and development costs were \$136,064 and \$31,979, respectively. The Company anticipates to increase its development costs in future quarters in order to expand our product lines.

## Net Loss

For the three months ended June 30, 2009, we incurred a net loss of \$269,837, compared to a net loss of \$25,116 for the three months ended June 30, 2008, an increase in net loss of \$244,721. The increased net loss was primarily attributable to the decrease in revenues and corresponding increase in operating expenses as a percentage of revenues as noted above.

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## **Six months ended June 30, 2009 compared to 2008:**

### **Revenue**

Revenues were \$724,516 in 2009, up from \$675,142 in 2008. The increase (7%) was due to the result of expansion of the direct sales efforts, increase in the number of distributors and increased market demand for the Company's products.

### **Cost of Revenue**

Cost of revenue for 2009 was \$275,574, up from \$214,943 in the prior year. The increase (28%) is attributed to increased revenue. Our cost of sales as a percentage of revenue decreased from 32% of revenue for the six months ended June 30, 2008 to 38% for the comparable period of 2009 due to product revenue mix. We expect that this percentage will decrease in the near future due to the Company transferring manufacturing in- house along with decreases related to volume purchases of the materials that comprise our product and product mix.

### **Operating Expenses**

Selling, general and administrative costs were \$892,482 for the six months ended June 30, 2009, as compared to \$775,841 in 2008. The following table is a summary of certain of these expenses:

	Six Months Ended	
	June 30,	
	<u>2009</u>	<u>2008</u>
Selling expense	\$ 313,183	\$ 189,893
General office expense	324,250	366,603
Professional fees	141,374	102,396
Depreciation and amortization	47,131	35,295
Travel expense	39,614	61,791
Stock based compensation	<u>26,930</u>	<u>19,863</u>
	<u>\$ 892,482</u>	<u>\$ 775,841</u>

Selling and marketing expenses increased due to higher levels of marketing activity that began in 2008 and continued into 2009. The decrease in 2009 in general office expenses was due primarily to cost cutting measures implemented at the end of March 31, 2009. Professional fees consist primarily of audit, legal and investor relations related expenses in 2009 as a result of the Company becoming a publically held entity versus being privately held. In the second quarter ended June 30, 2009, the Company entered into a consulting agreement for investor relations services through December 31, 2009 and in consideration issued 700,000 shares of Common Stock. The shares were valued at \$0.45 per share, which was equal to 100% of the public trading price of the Common Stock on June 12, 2009 as quoted on the OTC Electronic Bulletin Board. As the result of this agreement, the Company incurred a non- cash charge of \$52,500 representing one month of the six month term. Additionally, the Company expects to incur non- cash charges of \$157,500 and \$105,000 for this agreement for the quarters ended September 30, 2009 and December 31, 2009, respectively.

**Net Loss**

For the six months ended June 30, 2009, we incurred a net loss of \$597,703, compared to a net loss of \$359,079 for the six months ended June 30, 2008, an increase in the net loss of \$238,624. The increase in net loss was primarily attributable to the decrease in revenues and corresponding increase in operating expenses as a percentage of revenues.

**Liquidity and Capital Resources**

The Company's sources of liquidity and capital resources historically have been proceeds from offerings of equity securities. In the past, this source has been sufficient to meet its needs and finance the Company's business. The Company can give no assurance that the historical sources of liquidity and capital resources will be available for future development and acquisitions, and it may be required to seek alternative financing sources not necessarily favorable to the Company.

At June 30, 2009, we had working capital of \$84,527 as compared to working capital of \$133,651 at December 31, 2008. The decrease in working capital is primarily due to expenses associated with additional personnel costs for sales and development. Net cash used in operating activities for the second quarter ended June 30, 2009 was \$203,951 compared to \$175,689 for the same period in 2008.

In the quarter ended March 31, 2008, the Company sold an aggregate of 145,378 shares of common stock for gross proceeds of \$100,000. Additionally, for the same period in 2008, the Company secured a note for \$100,000 compared to \$75,000 in 2009. In the second quarter ended June 30, 2009, the Company secured a note totaling \$14,410. The promissory notes are unsecured and carry an interest rate of 12 percent. The notes mature on or before December 31, 2009.

In February, 2009, the Company began a private offering of unregistered securities consisting of Units, each Unit consisting of two shares of Series A Convertible Preferred Stock and one Warrant at a private offering price of \$2.00 per Unit. Proceeds from the offering will be used to expand our sales and marketing efforts, research and development and for general working capital purposes. As of June 30, 2009, we have sold an aggregate of \$267,500 of such Units.

Additionally in 2009, the Company plans to establish a working line of credit with a financial institution.

**Capital Commitments**

The Company headquarters and administrative facilities are located at 9800 Mt. Pyramid Ct., Suite 250, Englewood, Colorado, in approximately 15,700 square feet of leased class A office space at a monthly rental of approximately \$10,000. The lease expires September 30, 2009. However, the Company is currently in the process of extending the lease through March 31, 2010. The Company's corporate, administrative, production and development functions are conducted from these facilities.

**Going Concern:**

Our independent auditors have questioned our ability to continue as a going concern for the next 12 months. The financial statements do not include any adjustments that might result from this uncertainty.

### **Off- Balance Sheet Transactions**

The Company has no off- balance sheet transactions.

### **Common Stock Dividend Policy**

Since the capitalization of the Company in 2005, the Company has not paid, and does not currently intend to pay in the foreseeable future, cash dividends on its Common Stock. Future earnings, if any, are expected to be retained for the development of the business of the Company.

### **ITEM 3.**

### **QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices. Our primary exposure to market risk is interest rate risk associated with our short term money market investments. The Company does not have any financial instruments held for trading or other speculative purposes and does not invest in derivative financial instruments, interest rate swaps or other investments that alter interest rate exposure. The Company does not have any credit facilities with variable interest rates.

### **ITEM 4.**

### **CONTROLS AND PROCEDURES**

- a) The Company's Principal Executive Officer and Principal Financial Officer, have established and are currently maintaining disclosure controls and procedures for the Company. The disclosure controls and procedures have been designed to provide reasonable assurance that the information required to be disclosed by the Company in reports that it files under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and to ensure that information required to be disclosed by the Company is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure.

The Principal Executive Officer and Principal Financial Officer conducted a review and evaluation of the effectiveness of the Company's disclosure controls and procedures and have concluded, based on their evaluation as of the end of the period covered by this Report, that our disclosure controls and procedures are effective to provide reasonable assurance that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms and to ensure that the information required to be disclosed by the Company is accumulated and communicated to management, including our principal executive officer and our principal financial officer, to allow timely decisions regarding required disclosure.

- b) There has been no change in our internal control over financial reporting during the quarter ended June 30, 2009 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

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- c) Our Principal Executive and Principal Financial Officer do not expect that our disclosure controls or internal controls will prevent all error and all fraud. Although our disclosure controls and procedures were designed to provide reasonable assurance of achieving their objectives and our principal executive and financial officer have determined that our disclosure controls and procedures are effective at doing so, a control system, no matter how well conceived and operated, can provide only reasonable, not absolute assurance that the objectives of the system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented if there exists in an individual a desire to do so. There can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

## **PART II.**

### **OTHER INFORMATION**

#### **ITEM 1.**

##### **LEGAL PROCEEDINGS**

None, except as previously disclosed.

#### **ITEM 1A.**

##### **RISK FACTORS**

None, except as previously disclosed.

#### **ITEM 2.**

##### **UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

The following sets forth the information required by Item 701 of Regulation S- B with respect to the unregistered sales of equity securities by BioMedical Technology Solutions Holdings, a Colorado corporation (the "Company"), completed during the three month period ended June 30, 2009:

a.

During the three month period ended June 30, 2009, the Company sold an aggregate of 93,750 Units, each Unit consisting of two (2) shares of Series A Convertible Preferred Stock and one (1) Warrant to purchase shares of common stock, \$.001 par value (the "Common Stock" or "Shares") in consideration of \$187,500, consisting of a combination of cash, note conversion and accrued compensation conversions. From the inception of the Series A Preferred Unit Offering in February 2009 through June 30, 2009, we have sold an aggregate of 133,750 Units for total consideration of \$267,500.

b.

The Units were issued to four persons, two of whom qualified as an "accredited investor" within the meaning of Rule 501(a) of Regulation D under the Securities Act of 1933 as amended (the "Securities Act"). The shares issued were "restricted securities" under the Securities Act.

c.

The Company paid no fees or commissions in connection with the issuance of the Shares.

d.

The sale of the Securities was undertaken without registration under the Securities Act in reliance upon an exemption from the registration requirements of the Securities Act set forth in Sections 4(2) thereunder and Regulation D, rule 506 thereunder. The investors either qualified as an "accredited investor" within the meaning of Rule 501(a) or otherwise met the investor suitability requirements of Rule 506 of Regulation D. In addition, the Securities, which were taken for investment purposes and not for resale, were subject to restrictions on transfer. We did not engage in any public advertising or general solicitation in connection with this transaction, and we provided the investors with disclosure of all aspects of our business, including providing the investors with our reports filed with the Securities and Exchange Commission and other financial, business and corporate information. Based on our investigation, we believed that the investors obtained all information regarding the Company that they requested, received answers to all questions posed and otherwise understood the risks of accepting our Securities for investment purposes.

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e.  
Not applicable.

f.  
The proceeds received were used for general working capital.

**ITEM 3.**

**DEFAULTS UPON SENIOR SECURITIES**

None.

**ITEM 4.**

**SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS**

None, except as previously disclosed.

**ITEM 5.**

**OTHER INFORMATION**

None.

**ITEM 6.**

**EXHIBITS**

10.1  
Amendment No. 1 to Consultation and Securities Compensation Agreement with  
Malibu Holdings, LLC.

31  
Certification

32  
Certification pursuant to 18 U.S.C. Section 1350

**SIGNATURES**

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

**BIOMEDICAL TECHNOLOGY  
SOLUTIONS HOLDINGS, INC.**

Date: August 13, 2009

By: /s/ Donald G.  
Cox

Donald G. Cox  
President and Chief Executive  
Officer

**BIOMEDICAL TECHNOLOGY  
SOLUTIONS HOLDINGS, INC.**

Date: August 13, 2009

By: /s/ David A. Kempf

David A. Kempf  
Chief Financial Officer

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**AMENDMENT NO. 1 TO  
CONSULTATION AND SECURITIES COMPENSATION AGREEMENT**

**DATED JUNE 12, 2009**

**THIS AMENDMENT NO. 1** to Consultation and Securities Compensation Agreement is made and entered into this 11<sup>th</sup> day of August, 2009, by and between **BioMedical Technology Solutions Holdings, Inc.**, a Colorado corporation ("Company"); and **Malibu Holdings, LLC**, a Colorado limited liability company ("Consultant").

**WITNESETH:**

**WHEREAS**, the parties executed and delivered a certain Consultation and Securities Compensation Agreement dated as of June 12, 2009 (the "Agreement"); and

**WHEREAS**, the parties desire to modify and amend certain provisions of the Agreement in the particulars herein below set forth.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained the parties agree as follows:

1.

Section 5.2.1 of the Agreement is hereby amended in its entirety to provide the following:

5.2.1

All 700,000 shares issued as compensation for the First Term shall be deemed full vested immediately upon the initial date of grant.

2. Section 5.2.2 of the Agreement is hereby amended in its entirety to provide the following:

5.2.2

Consultant agrees not to sell, assign, transfer or otherwise dispose of any vested Securities except as follows: an aggregate of 200,000 shares may be sold without restriction except for restrictions imposed by federal securities laws, including Rule 144 under the Securities Act of 1933, as amended; 100,000 shares may be sold beginning the seventh month from the initial date of grant; 100,000 may be sold beginning the eighth month following the initial date of grant, 100,000 may be sold beginning the ninth month from the initial date of grant, 100,000 shares may be sold beginning the tenth month from the date of grant, and 100,000 shares may be sold beginning the eleventh month from the initial date of grant, all subject to Consultant's requirements with federal securities laws, including Rule 144.

3.

This Amendment may not be construed to amend the Agreement in any way except as expressly set forth herein. The execution and delivery of this Amendment does not constitute and this Amendment may not be construed to constitute a waiver by any party of:

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a.

Any breach of the Agreement by any party, whether or not such breach is now existing or currently known to the non-breaching party or parties; or

b.

Any right or remedy arising from or available to a party by reason of a breach of the Agreement by any other party.

4.

The parties hereby confirm that the Agreement, as amended by this Amendment, is in full force and effect. In the event of any conflict or inconsistency between the provisions of this Amendment and the provisions of the Agreement, the provisions of this Amendment shall control.

5.

Unless otherwise defined herein, all capitalized terms shall have the meanings set forth in the Agreement.

**IN WITNESS WHEREOF**, the parties have signed this Amendment No. 1 the date and year first above written.

**BioMedical Technology Solutions Holdings, Inc.**

By:

/s/ David A. Kempf  
David A. Kempf, COO/CFO

**Malibu Holdings, LLC**

By:

/s/ A. B. Goldberg  
A. B. Goldberg

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## CERTIFICATION

I, Donald G. Cox, Chief Executive Officer and President, certify that:

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

- (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 13, 2009

/s/ Donald G. Cox  
Donald G. Cox  
Chief Executive Officer & President

### CERTIFICATION

I, David A. Kempf, Chief Financial Officer, certify that:

- 1. I have reviewed this Quarterly Report on Form 10- Q of BioMedical Technology Solutions Holdings, Inc.;
  - 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
  - 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
  - 4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a- 15(e) and 15d- 15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a- 15(f) and 15d- 15(f)) for the registrant and have:
-

- (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
- (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

- (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 13, 2009

/s/ David A. Kempf  
David A. Kempf  
Chief Financial Officer

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**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES- OXLEY ACT OF 2002**

In connection with the Quarterly Report of BioMedical Technology Solutions Holdings, Inc. (the "Company") on Form 10- Q for the period ended June 30, 2009, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Donald G. Cox, Chief Executive Officer/President and David A. Kempf, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes- Oxley Act of 2002, that:

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

/s/ Donald G. Cox  
Donald G. Cox  
Chief Executive Officer/President  
August 13, 2009

/s/ David A. Kempf  
David A. Kempf  
Chief Financial Officer  
August 13, 2009