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

FORM 10-Q

(Mark One)

☑ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended **June 30, 2008**.

☐ 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: **000-49838**

TRUSTCASH HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**94-3381088**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

475 Lenox Road, Suite 400, Atlanta, Georgia 30326
t33259 rsid4399219 (Address of principal executive offices) (Zip Code)

(800) 975-5196
(Registrant's telephone number, including area code)

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company as defined by Rule 12b-2 of the Exchange Act:
Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☑

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

At August 14, 2008, the number of shares outstanding of the registrant's common stock, $0.001 par value (the only class of voting stock), was 132,674,138.

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

As used herein, the terms "Company," "we," "our," "us," "it," and "its" refer to Trustcash Holdings, Inc. a Delaware corporation, and its subsidiary and predecessors, unless otherwise indicated. In the opinion of management, the accompanying unaudited financial statements included in this Form 10-Q reflect all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the results of operations for the periods presented. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

TRUSTCASH HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2008 (Unaudited)	December 31, 2007 (Audited)
Assets		
Current assets		
Cash	$ 29,329	$ 19,716
Investments	2,145	-
Accounts receivable, net of allowance for doubtful accounts	-	1,043
Loans receivable related party	330,000	125,000
Prepaid expenses and other current assets	13,833	1,960
Total current assets	375,307	147,719
Computer equipment, net	-	6,374
Other assets		
Computer software, net	59,933	70,762
Security deposits	-	3,000
Total other assets	59,933	73,762
	$ 435,240	$ 227,855
Liabilities and Stockholders' Deficit		
Current liabilities		
Accounts payable and accrued expenses	$ 407,839	$ 248,660
Income taxes payable	1,236	1,236
Stockholders loans payable	255,000	375,000
Bridge loan payable, related party	250,000	100,000
Bridge loans payable	393,000	-
Note payable, stockholder	700,000	-
Deferred revenue	26,477	22,451
Total current liabilities	2,033,552	747,347
Note payable, stockholder	-	700,000
Stockholders' deficit		
Preferred stock, 25,000,000 shares authorized, $.001 par value, none issued and outstanding	-	-
Series A Convertible Preferred Stock, 25,000,000 shares authorized, $.001 par value, none issue and outstanding	-	-
Common stock, 350,000,000 shares authorized, $.001 par value, 82,699,138 and 77,699,138 shares issued and outstanding at June 30, 2008 and December 31, 2007	82,699	77,699
Additional paid-in capital	1,573,883	1,383,883
Accumulated deficit	(3,248,765)	(2,681,074)
Accumulated other comprehensive loss	(6,129)	-
	(1,598,312)	(1,219,492)
	$ 435,240	$ 227,855

The accompanying notes are an integral part of these consolidated financial statements

TRUSTCASH HOLDINGS, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Six Months Ended June 30, 2008	Six Months Ended June 30, 2007	Three Months Ended June 30, 2008	Three Months Ended June 30, 2007
Revenues				
Gross revenue	$ 142,473	$ 64,225	$ 69,640	$ 21,768
Processing and credit card fees	(12,953)	(4,831)	(6,514)	(2,225)
Net revenues	129,520	59,394	63,126	19,543
Cost of revenues				
Commissions and content partner fees	114,836	32,220	56,675	11,483
Gross profit	14,684	27,174	6,451	8,060
Operating expenses				
Selling, general and administrative	513,344	392,029	340,129	289,898
Development costs	4,057	33,516	899	22,244
Depreciation and amortization expense	11,293	7,740	5,415	4,048
Total operating expenses	528,694	433,285	346,443	316,190
Loss from operations	(514,010)	(406,111)	(339,992)	(308,130)
Other income (expense)				
Interest expense	(58,198)	(110,383)	(34,876)	(106,504)
Interest income	10,572	-	6,970	-
Dividend income	2	-	2	-
Gain on forgiveness of debts	-	44,512	-	44,512
Loss on disposal of assets	(5,910)	-	(5,910)	-
Other expense	(147)	-	-	-
Total other income (expense), net	(53,681)	(65,871)	(33,814)	(61,992)
Loss before income taxes	(567,691)	(471,982)	(373,806)	(370,122)
Provision for income taxes	-	-	-	-
Net loss	$ (567,691)	$ (471,982)	$ (373,806)	$ (370,122)
Basic and fully diluted loss per common share	$ (0.01)	$ (0.01)	$ (0.00)	$ (0.01)
Weighted average number of common shares	78,550,786	38,683,558	79,402,435	39,628,746

The accompanying notes are an integral part of these consolidated financial statements

TRUSTCASH HOLDINGS, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six Months Ended June 30, 2008	Six Months Ended June 30, 2007
Cash flows from operating activities		
Net loss	$ (567,691)	$ (471,982)
Adjustments to reconcile net loss to net cash provided (used) by operating activities		
Depreciation and amortization	11,293	7,740
Allowance for doubtful accounts	1,043	1,014
Gain on forgiveness of debts	-	44,512
Stock issued for services	195,000	9,600
Loss on disposal of assets	5,910	-
Changes in certain assets and liabilities		
Accounts receivable	-	2,894
Prepaid expenses and other current assets	(11,873)	(19,417)
Accounts payable and accrued expenses	159,179	(106,463)
Deferred revenue	4,026	3,145
Net cash used by operating activities	(203,113)	(528,957)
Cash flows from investing activities		
Purchase of investments	(8,274)	-
Acquisition of computer equipment	-	(1,060)
Acquisition of computer software	-	(7,250)
Security deposit	3,000	-
Cash received in merger	-	4,692
Payments for loans receivable	(205,000)	-
Net cash used by investing activities	(210,274)	(3,618)
Cash flows from financing activities		
Proceeds from bridge loan payable, related party	150,000	-
Proceeds from bridge loan payable	18,000	-
Payments for stockholders loan payable	(20,000)	(96,155)
Proceeds from stockholders loan payable	275,000	20,000
Net effect of issuance of stock and recapitalization	-	740,358
Net cash provided by financing activities	423,000	664,203
Net increase in cash	9,613	131,628
Cash		
Beginning of period	19,716	11,751
End of period	$ 29,329	$ 143,379

The accompanying notes are an integral part of these consolidated financial statements

1. Nature of Business and Basis of Presentation

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared with the requirements of Form 10-Q and Regulation S-K of the Securities and Exchange Commission (the Commission) and includes the results of Trustcash Holdings, Inc. ("Trustcash Holdings"), formerly known as Ouvo Inc., and AP Systems, Inc. ("AP Systems") and Trustcash, LLC ("Trustcash"), its wholly-owned subsidiaries (the "Subsidiaries") and TCHH Acquisition Corp. ("TCHH"), which are collectively referred to as (the "Company"). The balance sheet at the end of the preceding fiscal year has been derived from the audited balance sheet contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2007 and is presented for comparative purposes. All other financial statements are unaudited. Accordingly, certain information and footnote disclosures required in the consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. The statements are subject to possible adjustments in connection with the annual audit of the Company's accounts for the year ended December 31, 2008.

In the opinion of the Company's management, the accompanying unaudited consolidated financial statements contain all adjustments (consisting only of normal recurring adjustments) which the Company considers necessary for the fair presentation of the Company's consolidated financial position as of June 30, 2008 and the results of its operations and cash flows for the three and six months ended June 30, 2008.

On June 30, 2007, Trustcash Holdings entered into and simultaneously closed a Purchase Agreement (the "Agreement") with the owners of 100% of the Membership Interest in Trustcash and Trustcash Holdings and through its newly formed wholly-owned subsidiary, AP Systems, became the sole member of Trustcash. Trustcash Holdings is a Delaware corporation and AP Systems is a Delaware corporation. The companies now operate under the name "Trustcash Holdings, Inc."

Pursuant to the Agreement, AP Systems became the sole member of Trustcash, and as partial consideration for the membership interest, Trustcash Holdings issued to the former members of Trustcash 49,631,448 shares of common stock. The Company also paid to one of the former Trustcash owners, as partial consideration for its membership interests and in cancellation of its Trustcash secured promissory note, the sum of $200,000, in cash, including interest and issued its 5% note in the principal amount of $700,000 (See Note 10).

For accounting purposes the acquisition was considered a reverse acquisition, an acquisition transaction where the acquired company, Trustcash, is considered the acquirer for accounting purposes, notwithstanding the form of the transaction. The primary reason the transaction was treated as a recapitalization by Trustcash Holdings rather than a purchase of Trustcash by Trustcash Holdings was because Trustcash Holdings was a shell company. As reported in its Form 10-QSB for the quarter ended March 31, 2007, Trustcash Holdings had cash of approximately $59,000, other assets of approximately $177,000, and liabilities of approximately $479,000.

No additional goodwill or intangible assets were recognized on completion of the transaction. The capital structure, including the number and type of shares issued, appearing in the consolidated balance sheet reflects that of the legal parent, Trustcash Holdings, including the stock issued to affect the reverse acquisition for the period after the consummation of the Agreement.

1. Nature of Business and Basis of Presentation - continued

On April 20, 2008, for the purposes of completing a merger with Paivis Corp. ("Paivis") (Note 17), the Company incorporated TCHH in Nevada as a wholly owned subsidiary.

Nature of Business
The Company provides a technology platform portal to facilitate the sale of its proprietary *Trustcash*™ brand of "payment" or "stored value cards," an alternative payment system that enables customers to make purchases in an anonymous capacity on the internet without using a credit card or writing a check, thereby withholding the customers' personal information from the website whose goods or services are being purchased.

2. Going Concern

The accompanying financial statements have been prepared assuming the Company is a going concern, which assumption contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company has suffered recurring losses from operations; the Company experienced a deficiency of cash from operations and lacks sufficient liquidity to continue its operations. Currently, the Company does not have significant cash or other material assets, nor does it have operations or a source of revenue which is adequate to cover its administrative costs for a period in excess of one year and allow it to continue as a going concern. As of June 30, 2008, the Company has accumulated deficit of approximately $3,249,000 and current liabilities exceed current assets by approximately $1,658,000. When its operations require additional financing, if the Company is unable to obtain it on reasonable terms, the Company will be forced to restructure, file for bankruptcy or cease operations.

These factors raise substantial doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amount of liabilities that might be necessary should the Company be unable to continue in existence. Continuation of the Company as a going concern is dependent upon achieving profitable operations, obtaining financing, or completing a cohesive merger plan. Management's plans to achieve profitability include entering into arrangements with more significant content partners which management has determined will assist in attracting new customers, and increasing sales to existing customers. Management is seeking to raise additional capital through equity issuance, debt financing, and acquisitions (Note 17).

3. Significant Accounting Policies

Principles of Consolidation
The consolidated financial statements include the operations of Trustcash Holdings (Parent) and its wholly owned subsidiaries, AP Systems and Trustcash, a subsidiary of AP Systems and TCHH. All significant accounts and transactions have been eliminated in consolidation.

3. Significant Accounting Policies - continued

Investments
The Company's investments in marketable equity securities are held for an indefinite period and thus are classified as available for sale. Available for sale securities are recorded at fair value, with the change in fair value during the period excluded from earnings and recorded net of tax as a component of other comprehensive income. The fair value of the securities is determined by quoted market prices.

Accounts Receivable
Accounts receivable are uncollateralized customer obligations arisen from a distributor. The Company carries its accounts receivable at cost billed to the customer less an allowance for doubtful accounts. Interest is not billed or accrued.

Payments to accounts receivable are allocated to specific invoices identified on the customer invoice or if unspecified, are applied to the oldest invoice. On a periodic basis, the Company evaluates its accounts receivable and establishes an allowance for doubtful accounts.

Computer Equipment
Computer equipment is recorded at cost and is being depreciated by the straight-line method over estimated useful lives of five years. Effective April 1, 2008, the Company disposed of all of its computer equipment and recorded a loss on the disposal of assets of $5,910. Maintenance and repairs are charged to operations as incurred.

Computer Software
In accordance with Statement of Position 98-1 "*Accounting for the Costs of Computer Software Developed or Obtained for Internal Use,*" the Company capitalized software costs related to the design of the technology platform, the "back-end," to facilitate the electronic payment service for processing of revenue up to the point when the software was operating. The Company also capitalizes any costs associated with enhancing the back-end for new products or content offered by the Company. Computer software is being amortized by the straight-line method over the estimated useful lives of five years. Subsequent maintenance and modification costs are charged to operations as incurred.

Deferred Revenue and Revenue Recognition
The Company takes receipt of funds upon prepayment for card or activation of an on-line account. Such funds are classified as deferred revenue until the holder utilizes any portion of the balance. Upon such utilization, the Company will recognize revenue for that amount and a corresponding charge for the amount owed to the "content partners."

Advertising
Advertising costs are expensed as incurred and amounted to $15,500 and $8,200 for the three months ended June 30, 2008 and 2007, respectively. Advertising expense for the six month period ended June 30, 2008 and 2007, amounted to $56,215 and $10,118, respectively.

Development Costs
Development costs are charged to expense as incurred and include costs associated with maintaining and expanding the functionality of the "back-end" software and internet.

3. Significant Accounting Policies - continued

Income Taxes
Deferred income taxes are reported for timing difference between items of income or expense reported in the financial statements and those reported for income tax purposes in accordance with SFAS No. 109, "*Accounting for Income Taxes,*" which requires the use of the asset/liability method of accounting for income taxes. Deferred income taxes and tax benefits 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, and for tax loss and credit carry-forwards.

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. The Company provides for deferred taxes for the estimated future tax effects attributable to temporary differences and carry-forwards when realization is more likely than not.

The Company files taxes in the state of New York and Georgia and is taxed as a regular corporation in each state.

The Company reviews its tax positions to determine if the Company was to incur an expense or receive a benefit for uncertain tax positions. Management has determined that no uncertain tax positions have been taken. Related interest and penalties, if any, would be recorded as part of the provision for income taxes.

Long-Lived Assets
In accordance with SFAS No. 144, "*Accounting for Impairment or Disposal of Long-Lived Assets,*" the carrying value of long-lived assets is reviewed on a regular basis for the existence of facts or circumstance that may suggest impairment. The Company recognizes an impairment when the sum of the expected undiscounted future cash flows is less than the carrying amount of the asset. Impairment losses, if any, are measured as the excess of the carrying amount of the asset over its estimated fair value.

Fair Value of Financial Instruments
The carrying value of cash, investments, notes receivable, accounts payable and accrued liabilities and notes and loans payable approximates their fair value because of the short maturity of these instruments.

Basic and Fully Diluted Net Loss Per Share
The Company computes net loss per share in accordance with SFAS No. 128, "*Earnings per Share.*" SFAS No. 128 requires presentation of both basic and fully diluted ("diluted") earnings per share ("EPS") on the face of the income statement. Basic EPS is computed by dividing net loss available to common stockholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all potentially dilutive common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all potentially dilutive shares if their effect is anti-dilutive.

3. Significant Accounting Policies - continued

Concentrations of Risk
The Company maintains cash balances at a financial institution which, at times, amounts may exceed the Federal Deposit Insurance Corporation insured limits.

The Company is dependent upon entering into agreements with internet content providers or websites and traditional or internet money services providers. The success of such third party providers in attracting customers is paramount to our business. The Company's providers principally offer dating services and adult entertainment, whose customers would be expected to seek anonymity in their patronage of such websites.

The Company has one content provider that individually exceeded 10% of total content providers commissions during the six months ended June 30, 2008. The Company had three content providers that individually exceeded 10% of total content provider commissions during the six months ended June 30, 2007

Use of Estimates
The preparation of consolidated 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 amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

Stock-Based Compensation
Effective January 1, 2006, the Company adopted the provisions of SFAS No. 123(R), "Share-Based Payment," which establishes accounting for equity instruments exchanged for employee services. Under the provisions of SFAS 123(R), stock-based compensation cost is measured at the grant date, based on the calculated fair value of the award, and is recognized as an expense over the employees' requisite service period (generally the vesting period of the equity grant).

The Company adopted SFAS 123(R) using the modified prospective method, which requires the Company to record compensation expense over the vesting period for all awards granted after the date of adoption, and for the unvested portion of previously granted awards that remain outstanding at the date of adoption. Accordingly, financial statements for the periods prior to January 1, 2006 have not been restated to reflect the fair value method of expensing stock-based compensation. Adoption of SFAS No. 123(R) does not change the way the Company accounts for stock-based payments to non-employees, with guidance provided by SFAS 123 (as originally issued) and Emerging Issues Task Force Issue No. 96-18, "Accounting for Equity Instruments that are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services." See Note 11 for share-based compensation for the three month period ended June 30, 2008.

Recent Accounting Pronouncements
In May 2008, the Financial Accounting Standards Board ("FASB") issued FASB Staff Position ("FSP") APB 14-1, "Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)" ("FSP APB 14-1"). FSP APB 14-1 clarifies that convertible debt instruments that may be settled in cash upon either mandatory or optional conversion (including partial cash settlement) are not addressed by paragraph 12 of APB Opinion No. 14, "Accounting for Convertible Debt and Debt issued with Stock Purchase Warrants."

3. Significant Accounting Policies - continued

Recent Accounting Pronouncements - continued

In May 2008, the Financial Accounting Standards Board ("FASB") issued FASB Staff Position ("FSP") APB 14-1, "Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)" ("FSP APB 14-1"). FSP APB 14-1 clarifies that convertible debt instruments that may be settled in cash upon either mandatory or optional conversion (including partial cash settlement) are not addressed by paragraph 12 of APB Opinion No. 14, "Accounting for Convertible Debt and Debt issued with Stock Purchase Warrants."

Additionally, FSP APB 14-1 specifies that issuers of such instruments should separately account for the liability and equity components in a manner that will reflect the entity's nonconvertible debt borrowing rate when interest cost is recognized in subsequent periods. FSP APB 14-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. We will adopt FSP APB 14-1 beginning in the first quarter of 2009, and this standard must be applied on a retrospective basis. We are evaluating the impact the adoption of FSP APB 14-1 will have on our consolidated financial position and results of operations.

In May 2008, the FASB issued Statement of Financial Accounting Standards ("SFAS") No. 162, "The Hierarchy of Generally Accepted Accounting Principles" ("SFAS 162"). This standard is intended to improve financial reporting by identifying a consistent framework, or hierarchy, for selecting accounting principles to be used in preparing financial statements that are presented in conformity with generally accepted accounting principles in the United States for non-governmental entities. SFAS 162 is effective 60 days following approval by the SEC of the Public Company Accounting Oversight Board's amendments to AU Section 411, "The Meaning of Present Fairly in Conformity with Generally Accepted Accounting Principles." We do not expect SFAS 162 to have a material impact on the preparation of our consolidated financial statements.

In April 2008, the FASB issued FSP No. 142-3, "Determination of the Useful Life of Intangible Assets" ("FSP 142-3"). FSP 142-3 amends the factors an entity should consider in developing renewal or extension assumptions used in determining the useful life of recognized intangible assets under FASB Statement No. 142, "Goodwill and Other Intangible Assets". This new guidance applies prospectively to intangible assets that are acquired individually or with a group of other assets in business combinations and asset acquisitions. FSP 142-3 is effective for financial statements issued for fiscal years and interim periods beginning after December 15, 2008. Early adoption is prohibited. We are currently evaluating the impact, if any, that FSP 142-3 will have on our consolidated financial statements.

In March 2008, the FASB issued SFAS 161 which amends and expands the disclosure requirements of SFAS 133 to provide an enhanced understanding of an entity's use of derivative instruments, how they are accounted for under SFAS 133 and their effect on the entity's financial position, financial performance and cash flows. The provisions of SFAS 161 are effective for the period beginning after November 15, 2008. The Company is currently reviewing the effect, if any, that the adoption of this statement will have on our financial statements.

3. Significant Accounting Policies - continued

Recent Accounting Pronouncements - continued

In December 2007, the FASB issued SFAS No. 160, "Non-controlling interests in Consolidated Financial Statements - An amendment of ARB No. 51." This statements objective is to improve the relevance, comparability, and transparency of the financial information that a reporting entity provides in its consolidated financial statements by establishing accounting and reporting standards that require ownership interests in the subsidiaries held by parties other than the parent be clearly identified. The adoption of SFAS 160 will not have an impact on the Company's financial statements.

In December 2007, the FASB issued SFAS No. 141 (revised), "Business Combinations." This revision statement's objective is to improve the relevance, representational faithfulness, and comparability of the information that a reporting entity provides in its effects on recognizing identifiable assets and measuring goodwill. The adoption of SFAS 141 (revised) will not have an impact on the Company's financial statements.

4. Investments and Other Comprehensive Loss

Investments:

The investments are comprised of 550,000 shares of Paivis (Note 17) stock. The Company plans to continue to accumulate Paivis common shares in the open market. Investments are summarized at June 30, 2008 as follows:

	Costs	Unrealized Loss	Fair Value
Available for sale securities:			
Common stocks	$ 8,274	($ 6,129)	$ 2,145

Other Comprehensive Loss is comprised as follows:

	Six Months Ended June 30, 2008	Six Months Ended June 30, 2007	Three Months Ended June 30, 2008	Three Months Ended June 30, 2007
Net loss	$ (567,691)	$ (471,982)	$ (373,806)	$ (370,122)
Unrealized loss	(6,129)	-	(6,129)	-
Other Comprehensive loss	$ (573,820)	$ (471,982)	$ (379,935)	$ (370,122)

5. Loans Receivable

On November 21, 2007, the Company entered into an agreement for a loan receivable with Paivis (Note 17). On April 10, 2008 the loan agreement was amended for an additional $80,000. On May 15, 2008 the loan agreement was amended for an additional $100,000. The loan bears interest at a rate of 10% per annum on any unpaid principle balance, is secured by a lien on the assets of the Pavis, and is due and payable on May 15, 2009. The purpose of providing the related party with funds is to complete financial and due diligence on the potential merger agreement between the parties.

As of June 30, 2008, the balance of the loans receivable is $330,000. Unpaid accrued interest amounted to $12,533 at June 30, 2008.

6. Computer Software

Computer software at June 30, 2008 is as follows:

Computer software	$ 108,294
Less: accumulated amortization	(48,361)
	$ 59,933

Amortization expense amounted to $5,415 and $1,229 for the three months ended June 30, 2008 and 2007, respectively. Amortization expense amounted to $10,828 and $6,865 for the six months ended June 30, 2008 and 2007, respectively.

7. Stockholders Loans Payable

On November 21, 2007, the Company entered into a loan agreement with one of the Company's stockholders, Tyee Capital Consultants, Inc., for $125,000. During the year 2008, the loan was amended for an additional $130,000. The loan bears interest at the rate of 10% per annum and is due and payable on June 27, 2009. The loan is collateralized by all the assets of the Company. At the option of the stockholder, at any time, the loan can be converted to equity in the authorized capital stock of the Company by the allotment and issuance of common shares or Preferred Series A Convertible shares.

As of June 30, 2008, the balance of the note payable is $255,000. Unpaid accrued interest amounted to $10,569 at June 30, 2008.

8. Bridge Loan Payable, Related Party

On November 16, 2007, the Company entered into a loan agreement with one of the Company's related parties, Mistral Ventures, Inc. for $100,000. On February 1, 2008 the loan agreement was amended for an additional $50,000. On May 13, 2008 the loan agreement was amended for an additional $100,000. The loan payable bears interest at the rate of 10% per annum and shall become due and payable on May 13, 2009. The loan is collateralized by all the assets of the Company.

As of June 30, 2008, the balance of the note payable is $250,000. Unpaid accrued interest amounted to $9,813 at June 30, 2008.

9. Bridge Loans Payable

On August 24, 2007, the Company entered into a loan agreement with one of the Company's stockholders, Ludwig Holdings, Ltd. for $250,000. On January 1, 2008 the loan agreement was amended for an additional $50,000. On April 16, 2008, Ludwig Holdings, Ltd. assigned all of its rights, title and interest in the August 24, 2007 loan to Bayside Management Corp. The loan bears interest at the rate of 10% per annum and shall become due and payable on August 31, 2008. The loan may be converted to equity at any time. Upon default of the loan, the loan shall automatically convert to equity in the authorized capital stock of the Company by the allotment and issuance of Preferred Series A Convertible shares. Unpaid accrued interest amounted to $24,435 at June 30, 2008.	$ 300,000
On April 4, 2008, the Company entered into a loan agreement with one of the Company's stockholders, Ludwig Holdings. Inc. for $75,000. On April 16, 2008, Ludwig Holdings, Ltd. assigned all of its rights, title and interest in the loan to Bayside Management Corp. The loan payable bears interest at the rate of 10% per annum and shall become due and payable on April 4, 2009. The loan may be converted to equity at any time. Upon default of the loan, the loan shall automatically convert to equity in the authorized capital stock of the Company by the allotment and issuance of Preferred Series A Convertible shares. Unpaid accrued interest amounted to $1,720 at June 30, 2008.	75,000
On May 29, 2008, the Company entered into a loan agreement with EAM Family Ltd. for $10,000. The loan bears interest at the rate of 10% per annum and shall become due and payable on May 29, 2009. The loan is collateralized by all the assets of the Company. At the option of the lender, at any time, the loan can be converted to equity in the authorized capital stock of the Company by the allotment and issuance of common shares or Preferred Series A Convertible shares. Unpaid accrued interest amounted to $88 at June 30, 2008.	10,000
On June 9, 2008, the Company entered into a loan agreement with Greenwood Capital for $8,000. The loan bears interest at the rate of 10% per annum and shall become due and payable on June 9, 2009. The loan is collateralized by all the assets of the Company. At the option of the lender, at any time, the loan can be converted to equity in the authorized capital stock of the Company by the allotment and issuance of common shares or Preferred Series A Convertible shares. Unpaid accrued interest amounted to $46 at June 30, 2008.	8,000
	$ 393,000

10. Note Payable, Stockholder

In connection with the Agreement (Note 1), the Company paid one of the former members of Trustcash as partial consideration for its membership interests and in cancellation of its defaulted Trustcash secured promissory note in the principal amount of $96,155 due February 15, 2007, the sum of $200,000 in cash and issued a 5% promissory note in the principal amount of $700,000 due June 30, 2009. The note is secured by a priority security interest in all the assets of the Company and all its subsidiaries. The note is payable in full at maturity, subject to mandatory prepayments of 25% of all monies raised by the Company from future issuance of new debt or equity securities.

As of June 30, 2008, the balance of the note payable is $700,000. Unpaid accrued interest amounted to $36,196 at June 30, 2008.

11. Stockholders' Deficit

The authorized capital stock of the Company as of June 30, 2008 consists of 400,000,000 shares of authorized capital stock, which have been divided into 50,000,000 shares of Preferred Stock, par value $.001 per share, of which no shares of Preferred Stock are issued or outstanding, and 350,000,000 shares of Common Stock, par value $.001 per share, of which 82,699,138 shares are issued and outstanding.

On April 1, 2008, the Company entered into an investor communications consultant agreement in which the Company paid a consultant fee of 5,000,000 shares of restricted stock for the services to be rendered valued at $195,000.

12. Series A Convertible Preferred Stock

On June 30, 2008, the board of directors designated 25,000,000 of the 50,000,000 preferred shares authorized, par value $.001 per share, as "Series A Convertible Preferred Stock" (the "Series A Preferred Stock), which principal powers, designations, preferences and relative participating, optional or other rights and qualification, limitations and restrictions are as follows:

- The Series A Preferred Stock holders will be entitled to vote together with the holders of the common stock as a single class on all matters submitted for a vote of holders of common stock.
- The Series A Preferred Stock holders will be entitled to cast two (2) votes for each vote that such holder would be entitled to cast had such holder converted his or her Series A Preferred Stock into shares of common stock as of the date immediately prior to the record date for determining the stockholders of the Company eligible to vote on any such matters.
- The Series A Preferred Stock holders will be entitled to convert each share of Series A Preferred Stock, at any time, into five (5) shares of common stock as of the conversation date.
- The Series A Preferred Stock holders will be entitled to certain anti-dilution protection in case of capital reorganization, reclassification, or otherwise.

13. Stock Option Plan

On June 30, 2008, the board of directors of the Company approved the Company's 2008 Stock Option Plan ("Plan"). The Plan is intended to promote the interests of the Company by providing eligible persons with the opportunity to acquire or increase their interest in the Company as an incentive for them to continue their employment or service. The board believes that such an incentive will help enhance stockholder value.

The maximum number of shares of common stock that may be issued over a ten (10) year term of the Plan shall not exceed 10,000,000 shares, 1,000,000 of which may be issued as incentive stock options ("ISO") and 9,000,000 of which may be issued as non-statutory stock options ("NSO"). Employees will be eligible for ISOs and NSOs under the Plan. Non-employee members of the board of directors and consultants will be eligible for NSOs. If stockholder approval is not obtained within twelve months after the date of the board of directors' adoption of the Plan, no options may be exercised under the Plan.

No options have been granted pursuant to the Plan as of the date of this report.

14. Leases

The Company leased its office facilities in New York under the terms of an operating lease. The agreement required minimum rent of $3,475 per month and additional charges for administrative costs. This lease was terminated and effective April 17, 2008 the Company changed its business address to 475 Lenox Road, Suite 400, Atlanta, Georgia 30326. The new lease agreement is $125 per month plus additional charges for administrative assistance.

Rent expense for the three months ended June 30, 2008 and 2007, amounted to $3,079 and $13,900, respectively. Rent expense for the six months ended June 30, 2008 and 2007, amounted to $13,504 and $24,025, respectively.

15. Commitments

Employment
Effective January 2007, the Company entered into an agreement with an individual to act as Chairman of the Board (the "Chairman"). The agreement, which can be cancelled by either party with twenty days notice, requires compensation of $8,000 per month, commencing on February 1, 2007, and provides an equity signing bonus. Effective May 12, 2008, the board of directors of the Company accepted the resignation of the Chairman as a member of the board of directors.

For the three month period ended June 30, 2008, the Company accrued $8,000 for the Chairman. For the six month period ended June 30, 2008, the Company paid $8,000 to the Chairman and accrued $24,000 on the balance. For the three month period ended June 30, 2007, total compensation amounted to $16,000. For the six month period ended June 30, 2007, the Chairman received $40,000 in compensation.

15. Commitments - continued

Employment - continued
Effective January 31, 2006, the Company employed its President and CEO through January 30, 2009, at a salary of not less that $175,000 per year. The agreement automatically renews annually unless either party provides ninety days notice to terminate. Effective March 27, 2008, the board of directors of the Company accepted the resignation of the Company's President and member of the board of directors. The President received compensation for the three months period ended June 30, 2008 and 2007 amounted to $19,712 and $77,832, respectively. For the six month period ended June 30, 2008 and 2007, amounted to $19,712 and $112,415.

Consultants
In 2006, the Company entered into agreements with certain consultants wherein the consultants agreed to defer collection for certain charges until the earlier of a) receipt of debt or equity funding in excess of prescribed thresholds, b) revenue in excess of prescribed amounts, or c) January 2008. Since the Company is attempting to raise debt and equity funding in the near term, the deferred charges have been classified as a current liability included in accounts payable and accrued expenses. The deferred charges amounted to approximately $45,000 at June 30, 2008.

The Company has an agreement with an advertising consultant for a minimum charge of $2,500 per month. The agreement expired in January 2007. At June 30, 2008, $15,000 remains outstanding and is included in accounts payable and accrued expenses.

Effective July 1, 2007, the Company entered into a consultant agreement with a director of the Company, (now interim president, chief executive officer, and chief financial officer) for a fee of $5,000 per month. This agreement has a term of twelve months and any termination given hereunder will be given in writing and will be delivered at least thirty days prior. For the three months ended June 30, 2008, the Company has accrued the entire quarterly payment of $15,000. For the six months ended June 30, 2008, the director received $15,000 in consulting fees and the Company has accrued $15,000.

On May 8, 2008 the Company signed a 3 month contract with Moss Networks located in California. Moss Networks is a company dedicated to providing aggressive, innovative publicity campaigns, strategic marketing plans, and brand positioning to a wide range of businesses. The primary goal of the contract is for Moss Networks to optimize relationships and communications with existing clients with the goal of increasing revenue for the Company. The Company has paid $5,000 in consulting fees pertaining to this contract for the three month period ended June 30, 2008.

Content Partners
The Company has entered into merchant agreements with various content providers (generally web sites), wherein the Company will pay said content providers a certain percent of each transaction where a Trustcash card or account is utilized. The percentage is negotiated with each content provider and can range from one to three years at varying percentage rates. Some agreements also have provisions that the rates adjust based on sales volume.

15. Commitments - continued

Litigation

In July 2006, the Company entered into a settlement agreement with a former legal counsel. Under such agreement, the Company was required to pay $50,000 upon settlement and the remaining $50,000 is payable in twenty-four monthly installments of $2,227, including interest of 6.5% per year, and is included in accounts payable and accrued expenses. Should the Company default on such monthly payments, the Company would be responsible to pay the full contested amount of approximately $161,000, plus accrued interest, less any settlement payments made. Interest expense charged for the three months ended June 30, 2008 and 2007 amounted to $407 and $1,138, respectively. Interest expense charged for the six months ended June 30, 2008 and 2007 amounted to $620 and $1,138, respectively. As of June 30, 2008, the Company was in compliance with the agreement. Subsequent to June 30, 2008, the Company paid in full and satisfied the outstanding debt.

In October 2006, action was brought against the Company seeking retribution arising from the Company's alleged failure to pay for services rendered relating to public relations and marketing under a service agreement between the parties. The action is in its preliminary stages and discovery has not yet commenced. The Company denies the substance of the allegations and, in its opinion, such outcome of the action will not have a material adverse effect on the Company's financial position, results of operations, or cash flows.

In February 2008, the Company was issued a summons alleging the Company owes $29,075 for services rendered during the year 2006. Although the Company denies the substance of the summons, the Company settled in connection of the matter on June 26, 2008, for the amount above plus interest. The total amount has been recorded in full as of June 30, 2008.

On June 26, 2008, the Company entered into a Settlement Agreement with VNU wherein the Company agreed to pay VNU the sum of $29,075 in principal and $5,532 of interest, for a total of $34,309, payable as follows: The $5,000 on or before July 15, 2008, $2,664 commencing on August 15, 2008 and the same sum monthly thereafter on the 15th day of each succeeding month until the entire balance of $34,309 is paid in full. The parties understand that if the VNU collects any funds due in this matter from the individual defendant, Greg Moss, the co-defendant Hooksafe,LLC d/b/a Trust Cash shall be given credit towards this obligation

16. Supplemental Disclosures with Respect to Cash Flows

Supplemental disclosure of cash flow information:

	2008	2007
Cash paid during the period for taxes	$ -	$ -
Cash paid during the period for interest	$ 620	$ 1,138

17. Merger

On December 20, 2007, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with TCHH, a wholly-owned subsidiary of the Company, and, Paivis, whereby the Company intended to acquire all of the issued and outstanding common shares of Paivis on a share for share exchange basis. The Merger Agreement was filed on Form 8-K with the Securities and Exchange Commission on December 28, 2007. On February 5, 2008, the parties to the Agreement and Plan of Merger agreed to amend the terms and conditions of the original agreement with the execution of an Amended and Restated Agreement and Plan of Merger (the "Amended Merger Agreement"). Effective June 26, 2008, the Company and Paivis agreed, through a letter of understanding, to continue the Amended Merger Agreement's past the proscribed closing date until such time as securing a suitable financing commitment for the combined businesses.

18. Subsequent Events

On July 8, 2008, the Company entered into a debt settlement agreement with each of Park Heights Investment Holdings, Corp., Detour Adventures Inc., Oncor Entertainment, Inc, RMI Management Ltd., Xcel Associates, Inc. and Greenwood Capital Holdings, Inc. who were each assigned $26,660 of the $300,000 bridge loan payable to Bayside Management Corp. (Note 9).

On July 8, 2008, the board of directors issued 1,333,000 Series A Preferred Shares to each of Detour Adventures Inc., RMI Management Ltd., Xcel Associates, Inc. and Greenwood Capital Holdings, Inc. and 1,330,000 Series A Preferred Shares to Oncor Entertainment, Inc.

On July 8, 2008, the Company received notices demanding the conversion of Series A Preferred Shares into par value $0.001 per share, common shares from each Park Heights Investment Holdings, Corp., Detour Adventures Inc., Oncor Entertainment, Inc., RMI Management Ltd., Xcel Associates, Inc. and Greenwood Capital Holdings, Inc.

On July 8, 2008, the board of directors authorized the issuance of 6,665,000 par value $0.001 per share, common shares to each Park Heights Investment Holdings, Corp., Detour Adventures Inc., RMI Management Ltd., Xcel Associates, Inc. and Greenwood Capital Holdings, Inc. and 6,650,000 common shares to Oncor Entertainment, Inc.

On July 8, 2008, the Company entered into a debt settlement agreement with Tyee Capital Consultants, Inc. (Note 7) and agreed to issue 10,000,000 par value $0.001 per share, of common shares.

On August 1, 2008 the Company amended and replaced a loan agreement with Ludwig Holdings, Ltd. for $75,000 which loan was previously assigned to Bayside Management Corp..

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This *Management’s Discussion and Analysis of Financial Condition and Results of Operations* and other parts of this quarterly report contain forward-looking statements that involve risks and uncertainties. Forward-looking statements can be identified by words such as “anticipates,” “expects,” “believes,” “plans,” “predicts,” and similar terms. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include but are not limited to those discussed in the subsection entitled *Forward-Looking Statements and Factors That May Affect Future Results and Financial Condition* below.

The following discussion should be read in conjunction with our financial statements and notes thereto included in this report. Our fiscal year end is December 31. All information presented herein is based on the three and six month periods ended June 30, 2008 and 2007.

Discussion and Analysis

The Company, through its subsidiary Trustcash, LLC, is a pioneer of anonymous payment systems for use on the internet. Our business is based on the sale of a stored value card (both virtual and physical) that can be used by consumers to make secure purchases on the internet without disclosing their credit card or personal information. We provide our customers with the *Trustcash™* virtual payment card, which is sold online through any of over 500 websites in denominations ranging from $10 to $200. Our non-reloadable, virtual *Trustcash™* card is the only “stored value card” that can be purchased where no personal data is stored or available, providing a unique level of both security and privacy to the purchaser.

Strategy

The Company has a growth strategy which is focused both on internal development, including research and development, and on external expansion through merger or acquisition.

Internal Development

Our internal development is targeted at introducing our *Trustcash™* payment option to a much broader consumer market. While several of the Company’s client websites have integrated the *Trustcash™* payment option as a payment facility, only 1% of visitors to these websites are currently selecting our option payment. Intent on increasing usage, we have begun testing different presentation methods to appeal to more potential customers by marketing our product through advertising on search engines, becoming involved with industry-oriented public relations and focusing on activities such as co-marketing with retail partners. One such presentation method has been to establish our payment option with a traditional retailer of goods that are available through eBay. We have begun duplicating this model creating new partnerships with mainstream internet retailers. While we can offer no assurance that this model will successfully attract new customers, we do believe that our overall focus on experimenting with different approaches to a wide range of retail based websites will lead to increased market awareness of our *Trustcash™* payment option.

Given the fact that our business is necessarily dependent on and sensitive to new developments in technology, we continue to invest in the development of our technology platform in order to keep pace with technological growth and development in our industry.

External Expansion

Our anticipated external expansion is based on our agreement to merge with Paivis Corp. (“Paivis”), a wholesale telecommunications carrier that offers pre-paid cards on a national basis through a series of partnerships. We expect that our intended merger with Paivis will generate depth and breadth in the services we offer and increased market penetration. The Amended and Restated Agreement and Plan of Merger dated February 5, 2008, obligates us to acquire 100% of Paivis’ outstanding common stock in exchange for a cash payment, and common stock on the basis of each outstanding share of Paivis entitling the holder to receive $0.10 and one share of our common stock.

We had anticipated closing our merger with Paivis on or before June 30, 2008 however market conditions and our inability to secure the necessary funding frustrated our efforts to close by the proscribed date. Anticipating this delay, we signed a letter of understanding with Paivis on June 26, 2008 that enabled a continuance of the terms and conditions of the Amended and Restated Agreement and Plan of Exchange beyond June 30, 2008, until such time as acceptable financing for the anticipated transaction was arranged. We have not arranged acceptable financing for this transaction as of the date of this filing and despite our intention can provide no certainty as to whether acceptable financing will become available or whether Paivis will at such point wish to proceed with the prospective merger.

Paivis Corp.

Paivis is a wholesale telecommunications carrier that (i) sells prepaid “point-of-sale activated” and live cards throughout many of the country’s major retail outlets (ii) provides VoIP termination to over 160 global destinations, and (iii) through a strategic partnership with T Mobile, offers nationwide prepaid mobile service packages. Paivis intends to substantially expand these operations through the acquisition of AAAA Media Services, Inc, and Detroit Phone Cards, Inc.

AAAA Media Service (“A4”) is a leader in the wholesale and retail distribution of prepaid wireless services. A4 has developed a nationwide distribution network for three main lines: T-Mobile, Boost and AT&T that are sold to telecommunications specialty and retail stores. A4 serves as a critical intermediary between wireless carriers and independent retailers fast becoming one of the largest wireless calling card distributors in the U.S. Detroit Phone Card, Inc.’s (“DPC”) prepaid wireless and calling card products reach consumers through more than 2,000 locations nationwide. DPC serves more than 30,000 wireless customers and generates over 50 million network minutes per month employing a team of customer service representatives utilizing offices, infrastructure and master dealers throughout the United States, DPC also facilitates the distribution of wireless products and services for specific carriers and manufacturers such as Sprint Nextel, Verizon Wireless, Boost Mobile and T-Mobile.

Research and Development

Given the fact that our business is necessarily dependent on and sensitive to new developments in technology, we continue to invest in the development of our technology platform in order to keep pace with technological growth and development in our industry.

Operational Funding Requirements and Commitments

The Company has been funded since inception primarily from public or private debt or equity placements or by related parties in the form of loans. We do not expect to realize sufficient revenues over the next twelve months to meet operational expenses or finance our obligations to the shareholders of Paivis under the Amended and Restated Agreement and Plan of Merger dated February 5, 2008 for which we will require a minimum of $7,000,000.

On January 30, 2008 we entered into an agreement with Mistral Ventures, Inc. ("Mistral") whereby Mistral committed to finance us, on a best efforts basis, to a minimum of $2,000,000 but no more than $7,000,000 to ensure that we had the financing required to merge with Paivis. The agreement further required that Mistral provide us and Paivis with interim financing up to $150,000 to cover costs associated with the prospective merger. Mistral had provided us $250,000 pursuant to this agreement as of June 30, 2008. Our chief executive officer and sole director also serves as an officer and director of Mistral.

Significant Risks and Uncertainties

The Company's business development strategy is prone to significant risks and uncertainties certain of which could have an immediate impact on its efforts to realize net cash flow and could deter the anticipated expansion of its business. Historically, the Company has not generated sufficient net cash flow to sustain operations and has had to rely on debt or equity financing to remain in business. Therefore, we cannot offer that future expectations of revenue will prove correct or be sufficient to sustain our continued operation. Should we be unable to generate future net cash flow from operations, the Company may be forced to sell assets, seek additional debt or equity financing, or otherwise cease operations. Our ability to successfully generate future net cash flow can in no way be assured.

Our anticipated external expansion is based on our agreement to merge with Paivis. We expect that our intended merger with Paivis will generate depth and breadth in the services we offer and will increase market penetration. However, as of the date of this report we have been unable to arrange suitable financing to complete this transaction and despite our intention can provide no certainty as to whether acceptable financing will become available or whether Paivis will at such point wish to proceed with the prospective merger.

We are also searching for other companies with which to merge or acquire that will provide us with synergistic opportunities like those prospectively offered by a merger with Paivis.

Results of Operations

Our financial condition and results of operations depend primarily on revenue generated from the sale of our products. The Company has generated insufficient revenues and substantial losses to date and may not generate substantial revenues or achieve profitability in the near term, if at all. In addition, our financial condition is tied to our ability to realize additional debt or equity financing. There can be no assurance that an increase in sales of our products or any other sources of revenue will provide sufficient cash flows in the near term to sustain our operations and we have no commitments for additional debt or equity financing. Since the Company does not expect to generate sufficient cash flow in the near term, we continue to seek financing as a means to bridge the gap between operational losses and expenses. We can provide no assurance that our efforts will be successful.

During the three and six month periods ended June 30, 2008, our operations were focused on (i) entering into agreements with Mistral and Paivis, (ii) sales and marketing of our *Trustcash*™ product, (iii) seeking out financing, and (iv) satisfying continuous public disclosure requirements.

Net Revenues

Net revenues for the three month period ended June 30, 2008 increased to $63,126 from $19,543 for the three month period ended June 30, 2007, an increase of 223%. Net revenues for the six month period ended June 30, 2008 increased to $129,520 from $59,394 for the six month period ended June 30, 2007, an increase of 118%.The increase in net revenue in the current periods was the result of increased sales of our *Trustcash*™ product as a result of our internal development and marketing efforts. We expect continued growth in the marketplace and increased net revenue over the next twelve months.

Gross Profit

Gross profit for the three month period ended June 30, 2008 decreased to $6,451 from $8,060 for the three month period ended June 30, 2007, a decrease of 20%. Gross profit for the six month period ended June 30, 2008 decreased to $14,684 from $27,174 for the six month period ended June 30, 2007, a decrease of 46%. The decrease in gross profits in the current periods is due to an increase in commissions and content partner fees to $56,675 from $11,483 over the comparative three month periods and to $114,836 from $32,220 over the comparative six month periods. The Company expects that percentage increases in direct costs in future periods will decline relative to percentage increases in net revenues.

Expenses

Expenses for the three month period ended June 30, 2008 increased to $346,443 from $316,190 for the three month period ended June 30, 2007, an increase of 10%. Expenses for the six month period ended June 30, 2008 increased to $528,694 from $433,285 for the six month period ended June 30, 2007, an increase of 22%. The increase in expenses can be primarily attributed to the increase in selling, general and administrative expenses to $340,129 from $289,898 over the comparative three month periods and to $513,344 from $392,029 over the comparative six month periods. The primary increase in selling, general and administrative resulted from the Company entering into an investor communications consultant agreement in which the Company paid a consultant fee of 5,000,000 shares of restricted stock for the services to be rendered valued at $195,000.

We expect that general and administrative expenses will decrease in the near term as the result of moving our office to Atlanta, Georgia from New York City and reducing employee and consultant compensation.

Development costs decreased to $899 from $22,244 over the comparative three month periods and to $4,057 from $33,516 over the comparative six month periods. The decrease in developmental costs can be attributed to a decrease in cash flow available for this purpose. Nonetheless, as cash flow becomes available we expect that development costs related to our technology platform will increase in line with our commitment to research and development.

Depreciation and amortization expenses for the three month period ended June 30, 2008 increased to $5,415 from $4,048 for the three month period ended June 30, 2007. Depreciation and amortization expenses for the six month period ended June 30, 2008 increased to $11,293 from $7,740 for the six month period ended June 30, 2007.

Loss from Operations

Loss from operations for the three month period ended June 30, 2008 increased to $339,992 from $308,130 for the three month period ended June 30, 2007, an increase of 10%. Loss from operations for the six month period ended June 30, 2008 increased to $514,010 from $406,111 for the six month period ended June 30, 2007, an increase of 27%. The increase in losses from operations was primarily attributable to the increase in selling, general and administrative expenses. The Company expects that losses from operations will decrease in future periods as revenues increase and selling, general and administrative expenses decrease.

Other Income (Expense)

Other expense for the three month period ended June 30, 2008 decreased to $33,814 from $61,992 for the three month period ended June 30, 2007, a decrease of 45%. Other expense for the six month period ended June 30, 2008 decreased to $53,681 from $65,871 for the six month period ended June 30, 2007, a decrease of 19%. Other expense in the current periods can be primarily attributed to interest expenses.

Net Loss

Net loss for the three month period ended June 30, 2008 increased to $373,806 from $370,122 for the three month period ended June 30, 2007, an increase of 1%. Net loss for the six month period ended June 30, 2008 increased to $567,691 from $471,982 for the six month period ended June 30, 2007, an increase of 20%. The increase in net loss over the comparative three and six month periods can be attributed to the increase in losses from operations and other expenses.

Income Tax Expense (Benefit)

The Company had an unused net operating loss carryforward balance of approximately $956,000 at December 31, 2007 that may be available to offset future taxable income.

Impact of Inflation

The Company believes that inflation has had a negligible effect on operations since inception.

Capital Expenditures

The Company did not have any capital expenditures for the three months ended June 30, 2008 and 2007.

Liquidity and Capital Resources

The Company had a working capital deficit of $1,658,245 as of June 30, 2008, up from $599,628 as of December 31, 2007. As of June 30, 2008 our assets totaled $435,240 and our current assets totaled $375,307, consisting primarily of cash of $29,329 and loans receivable of $330,000 from Paivis. As of June 30, 2008 our current liabilities totaled $2,033,552, which included shareholders loans payable of $255,000, bridge loans payable of $643,000 and accounts payable with accrued expenses of $407,839. Net stockholders' deficit in the Company was $1,598,312 as of June 30, 2008 and was $1,219,492 at December 31, 2007.

Cash flow used by operating activities was $203,113 for the six month period ended June 30, 2008 as compared to $528,957 for the six month period ended June 30, 2007. The decrease in cash flow used in operating activities in the current period can be primarily attributed to an increase in accounts payable and accrued expenses of $265,642 as well as stock issued for services totaling $195,000. The Company expects that cash flow used in operating activities will decrease in future periods as net losses are expected to diminish with the realization of increased sales.

Cash flow used in investing activities was $210,274 for the six month period ended June 30, 2008 as compared to $3,618 for the six month period ended June 30, 2007. The primary cash used in investing was a loan to Paivis for $205,000. The Company expects cash flow used in investing activities to increase in future periods with developments related to our technology platform.

Cash flow provided by financing activities was $423,000 for the six month period ended June 30, 2008 as compared to $664,203 for the six month period ended June 30, 2007. Funds provided by financing activities in the current period are attributable to proceeds from bridge loans totaling $168,000 and a loan from a shareholder totaling $275,000, offset by the repayments of a loan from a shareholder $25,000.. The Company expects that additional cash flow will be provided by financing activities in the near term.

The Company's current assets are insufficient to conduct its plan of operation over the next twelve months and it will have to realize debt or equity financing to fund planned operations. We have no commitments, arrangements, or immediate sources of financing. No assurances can be given that alternative financing is available to bridge the current shortfall between expenses and revenues. Although, the Company's shareholders are otherwise the most likely source of financing in the form of loans or equity placements none has made any commitment for future investment. Our inability to secure financing has had a material adverse affect on our plan of operation and will continue to diminish our efforts in the event financing as anticipated is not realized.

The Company does not expect to pay cash dividends in the foreseeable future.

The Company had no lines of credit or other bank financing arrangements as of June 30, 2008.

The Company has no defined benefit plan or contractual commitment with any of its officers or directors as of June 30, 2008.

The Company has no current plans for the purchase or sale of any plant or equipment.

The Company has no current plans to make any changes in the number of employees.

Off Balance Sheet Arrangements

As of June 30, 2008, the Company has no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources that is material to stockholders.

Going Concern

The Company's auditors have expressed an opinion on the December 31, 2007, consolidated financial statements as to our ability to continue as a going concern as a result of recurring losses from operations, a deficiency of cash from operations, and insufficient liquidity to continue its operations. Our ability to continue as a going concern is subject to the ability of the Company to generate a profit and/or obtaining the necessary funding from outside sources. Management's plan to address the Company's ability to continue as a going concern, includes (i) increasing revenues from the sale of the *Trustcash™* product, (ii) obtaining funding from private placement sources, (iii) obtaining additional funding from the sale of the Company's securities, and (iv) obtaining loans from various financial institutions where possible Although management believes that it will be able to obtain the necessary funding to allow the Company to remain a going concern through the methods discussed above, there can be no assurances that such methods will prove successful. If funds are not obtained, the Company may be forced to restructure, file for bankruptcy or cease operations.

Critical Accounting Policies

In Note 3 to the audited consolidated financial statements for the years ended December 31, 2007 and 2006 included in Form 10-K filed with the Securities and Exchange Commission, the Company discusses those accounting policies that are considered to be significant in determining the results of operations and its financial position. The Company believes that the accounting principles utilized by it conform to accounting principles generally accepted in the U.S.A.

The preparation of financial statements requires management to make significant estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. By their nature, these judgments are subject to an inherent degree of uncertainty. On an on-going basis, we evaluate our estimates, including those related to bad debts, intangible assets, revenue, and income taxes. The Company bases its estimates on historical experience and other facts and circumstances that are believed to be reasonable, and the results form the basis for making judgments about the carrying value of assets and liabilities. The actual results may differ from these estimates under different assumptions or conditions.

With respect to revenue recognition, we apply the following critical accounting policy in the preparation of our financial statements. The Company takes receipt of funds upon prepayment for card or activation of an on-line account. Such funds are classified as deferred revenue until the holder utilizes any portion of the balance. Upon such utilization, the Company will recognize revenue for that amount and a corresponding charge for the amount owed to the "content partners".

Forward Looking Statements and Factors That May Affect Future Results and Financial Condition

The statements contained in the section titled *Management's Discussion and Analysis of Financial Condition and Results of Operations* and elsewhere in this current report, with the exception of historical facts, are forward looking statements. Forward looking statements reflect our current expectations and beliefs regarding our future results of operations, performance, and achievements. These statements are subject to risks and uncertainties and are based upon assumptions and beliefs that may or may not materialize. These statements include, but are not limited to, statements concerning:

- our anticipated financial performance and business plan;
- the sufficiency of existing capital resources;
- our ability to raise additional capital to fund cash requirements for operations;
- uncertainties related to the acceptance of our products and business prospects;
- our ability to generate sufficient revenues to fund operations;
- the volatility of the stock market and;
- general economic conditions.

We wish to caution readers that our operating results are subject to various risks and uncertainties that could cause our actual results to differ materially from those discussed or anticipated; including the factors set forth in the section entitled *Risk Factors* included elsewhere in this report. We also wish to advise readers not to place any undue reliance on the forward looking statements contained in this report, which reflect our beliefs and expectations only as of the date of this report. We assume no obligation to update or revise these forward looking statements to reflect new events or circumstances or any changes in our beliefs or expectations, other than as required by law.

Stock-Based Compensation

We have adopted SFAS No. 123 (revised 2004) (SFAS No. 123R), Share-Based Payment, which addresses the accounting for stock-based payment transactions in which an enterprise receives employee services in exchange for (a) equity instruments of the enterprise or (b) liabilities that are based on the fair value of the enterprise's equity instruments or that may be settled by the issuance of such equity instruments. In January 2005, the Securities and Exchange Commission (Commission) issued Staff Accounting Bulletin (SAB) No. 107, which provides supplemental implementation guidance for SFAS No. 123R. SFAS No. 123R eliminates the ability to account for stock-based compensation transactions using the intrinsic value method under Accounting Principles Board (APB) Opinion No. 25, Accounting for Stock Issued to Employees, and instead generally requires that such transactions be accounted for using a fair-value-based method. We use the Black-Scholes-Merton ("BSM") option-pricing model to determine the fair-value of stock-based awards under SFAS No. 123R, consistent with that used for pro forma disclosures under SFAS No. 123, Accounting for Stock-Based Compensation. We have elected the modified prospective transition method as permitted by SFAS No. 123R and accordingly prior periods have not been restated to reflect the impact of SFAS No. 123R. The modified prospective transition method requires that stock-based compensation expense be recorded for all new and unvested stock options, restricted stock, restricted stock units, and employee stock purchase plan shares that are ultimately expected to vest as the requisite service is rendered beginning on January 1, 2006, the first day of our fiscal year 2006. Stock-based compensation expense for awards granted prior to January 1, 2006 is based on the grant date fair-value as determined under the pro forma provisions of SFAS No. 123.

The Company has no outstanding stock options or related stock option expense as of June 30, 2008.

We account for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with SFAS No. 123 and the conclusions reached by the Emerging Issues Task Force ("EITF") in Issue No. 96-18. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services as defined by EITF 96-18.

On April 1, 2008, the Company entered into an investor communications consultant agreement in which the Company paid a consultant fee of 5,000,000 shares of restricted stock for the services to be rendered valued at $195,000.

Recent Accounting Pronouncements

In May 2008, the Financial Accounting Standards Board ("FASB") issued FASB Staff Position ("FSP") APB 14-1, "Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)" ("FSP APB 14-1"). FSP APB 14-1 clarifies that convertible debt instruments that may be settled in cash upon either mandatory or optional conversion (including partial cash settlement) are not addressed by paragraph 12 of APB Opinion No. 14, "Accounting for Convertible Debt and Debt issued with Stock Purchase Warrants."

Additionally, FSP APB 14-1 specifies that issuers of such instruments should separately account for the liability and equity components in a manner that will reflect the entity's nonconvertible debt borrowing rate when interest cost is recognized in subsequent periods. FSP APB 14-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. We will adopt FSP APB 14-1 beginning in the first quarter of 2009, and this standard must be applied on a retrospective basis. We are evaluating the impact the adoption of FSP APB 14-1 will have on our consolidated financial position and results of operations.

In May 2008, the FASB issued Statement of Financial Accounting Standards ("SFAS") No. 162, "The Hierarchy of Generally Accepted Accounting Principles" ("SFAS 162"). This standard is intended to improve financial reporting by identifying a consistent framework, or hierarchy, for selecting accounting principles to be used in preparing financial statements that are presented in conformity with generally accepted accounting principles in the United States for non-governmental entities. SFAS 162 is effective 60 days following approval by the SEC of the Public Company Accounting Oversight Board's amendments to AU Section 411, "The Meaning of Present Fairly in Conformity with Generally Accepted Accounting Principles." We do not expect SFAS 162 to have a material impact on the preparation of our consolidated financial statements.

In April 2008, the FASB issued FSP No. 142-3, "Determination of the Useful Life of Intangible Assets" ("FSP 142-3"). FSP 142-3 amends the factors an entity should consider in developing renewal or extension assumptions used in determining the useful life of recognized intangible assets under FASB Statement No. 142, "Goodwill and Other Intangible Assets". This new guidance applies prospectively to intangible assets that are acquired individually or with a group of other assets in business combinations and asset acquisitions. FSP 142-3 is effective for financial statements issued for fiscal years and interim periods beginning after December 15, 2008. Early adoption is prohibited. We are currently evaluating the impact, if any, that FSP 142-3 will have on our consolidated financial statements.

In March 2008, the FASB issued SFAS 161 which amends and expands the disclosure requirements of SFAS 133 to provide an enhanced understanding of an entity's use of derivative instruments, how they are accounted for under SFAS 133 and their effect on the entity's financial position, financial performance and cash flows. The provisions of SFAS 161 are effective for the period beginning after November 15, 2008. The Company is currently reviewing the effect, if any, that the adoption of this statement will have on our financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required.

ITEM 4T. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

In connection with the preparation of this report on Form 10-Q, an evaluation was carried out by the Company's management, with the participation of the chief executive officer and the chief financial officer, of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act")). Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Commission's rules and forms and that such information is accumulated and communicated to management, including the chief executive officer and the chief financial officer, to allow timely decisions regarding required disclosures.

Based on that evaluation, the Company's management concluded, as of the end of the period covered by this report, that the Company's disclosure controls and procedures were effective in recording, processing, summarizing, and reporting information required to be disclosed, within the time periods specified in the Commission's rules and forms.

Changes in Internal Control over Financial Reporting

There have been no changes in internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the period ended June 30, 2008, that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In February 2008, the Company received a complaint filed in Supreme Court of the State of New York, County of New York by VNU Business Media ("VNU")that alleges that the Company owes $29,075 for public advertising services allegedly rendered during 2006. The total amount has been recorded in full as of June 30, 2008.

On June 26, 2008, the Company entered into a Settlement Agreement with VNU wherein the Company agreed to pay VNU the sum of $29,075 in principal and $5,532 of interest, for a total of $34,309, payable as follows: The $5,000 on or before July 15,2008, $2,664 commencing on August 15,2008 and the same sum monthly thereafter on the 15th day of each succeeding month until the entire balance of $34,309 is paid in full. The parties understand that if the VNU collects any funds due in this matter from the individual defendant, Greg Moss, the co-defendant Hooksafe,LLC d/b/a Trust Cash shall be given credit towards this obligation

On October 30, 2006, The Geek Factory, Inc. sued Gregory Moss the former President, CFO and director of the Company and Trustcash in the Civil Court of the City, County of New York entitled The Geek Factory, Inc. v. Gregory Moss, Hooksafe, LLC, Hooksafe, Inc., PPPCard, Index No. 64773/2006 (the "Action"). An answer to the complaint with counterclaims was filed on January 10, 2007. Plaintiff filed an answer to the counterclaims on January 25, 2007. The Action seeks $25,000 as well as Plaintiff's legal fees and expenses purportedly incurred due to Trustcash's alleged failure to pay for services rendered relating to public relations and marketing under a service agreement between the parties for $12,000. Causes of action asserted include: breach of contract, quantum meruit, unjust enrichment, promissory estoppel, account stated and tortuous breach of implied covenant of good faith and fair dealing. The Action is in its preliminary stages, discovery has not yet been commenced. The Company denies the substance of the allegations; such outcome of the action will not likely have a material adverse effect on our financial position, results of operations, or cash flows.

In July 2006, the Company entered into a settlement agreement with a former legal counsel. Under such agreement, the Company was required to pay $50,000 upon settlement and the remaining $50,000 is payable in twenty-four monthly installments of $2,227, including interest of 6.5% per year, and is included in accounts payable and accrued expenses. Should the Company default on such monthly payments, the Company would be responsible to pay the full contested amount of approximately $161,000, plus accrued interest, less any settlement payments made. Interest expense charged for the three months ended June 30, 2008 and 2007 amounted to $407 and $1,138, respectively. Interest expense charged for the six months ended June 30, 2008 and 2007 amounted to $620 and $1,138, respectively. As of June 30, 2008, the Company was in compliance with the agreement. Subsequent to the period ended June 30, 2008, the Company paid in full and satisfied the outstanding debt.

ITEM 1A. RISK FACTORS

The Company's operations and securities are subject to a number of risks. Below we have identified and discussed the material risks that we are likely to face. Should any of the following risks occur, they will adversely affect our operations, business, financial condition and/or operating results as well as the future trading price and/or the value of our securities.

Risks Related to the Company's Business

The Company's Ability to Continue as a Going Concern is in Question

The Company's auditors included an explanatory paragraph in their report of consolidated financial statements for the years ended December 31, 2007 and 2006, stating that there are certain factors which raise substantial doubt about the Company's ability to continue as a going concern. These factors include recurring losses from operations, a deficiency of cash from operations, and insufficient liquidity to continue operations.

Our Operating Losses may Continue into the Future, Resulting in a Decrease in Share Value

Since inception, we have incurred expenses without generating significant revenue, resulting in continuing losses and an accumulated deficit of $2,681,074 at December 31, 2007, which deficit increased to $3,248,765 at June 30, 2008. During the six months ended June 30, 2008, we recorded a net loss of $567,691. Further, current liabilities exceed current assets by $1,658,245. We will continue to incur operating losses until we enter into sales agreements with more significant content providers or acquire other revenue producing businesses; we can provide no assurance as to whether these events will happen or if they will result in profits. Such continuing losses could result in a decrease in share value.

Inability to Meet Cash Flow Requirements; Immediate Need for Substantial Additional Capital

To date, Company's operations have been primarily financed through debt and the sale of equity. We do not have adequate cash flow from operations or financing activities to meet our needs. If unanticipated expenses, problems, or unforeseen business difficulties arise, we will not be able to continue to operate within our budget, and additional funds would be necessary to sustain operations. Additional financing is now being sought. Such financings likely would result in the dilution of current shareholder interests, which may be detrimental to the business, image or reputation of the Company. We may not be able to obtain additional funds on acceptable terms, or at all. We do not currently have any established third-party bank credit arrangements. Should we be unable to obtain additional funds when needed, we could be required to restructure, file for bankruptcy or cease operations.

Dependence on Third Parties; Acceptance and Viability of Trustcash™ Product

The Company is dependent upon entering into agreements with Internet content providers, or websites, and traditional or Internet money services providers, the success of such third party providers in attracting customers who seek anonymity in their purchase of the products or services offered thereby. Although our providers principally offer dating services and adult entertainment, whose customers would be expected to seek anonymity in their patronage of such websites, we have been unable to generate meaningful revenues, and it is possible that the *Trustcash™* product offered by the Company is not commercially accepted nor economically viable.

Ability to Keep Up with Technological Change

The Company maintains a website which requires substantial development and maintenance efforts and entails significant technical and business risks. To remain competitive, we must continue to enhance and improve the responsiveness, functionality and features of our website, as well as its presentation and placement on the websites of participating web content providers. The Internet and the e-commerce industry are characterized by rapid technological change, the emergence of new industry standards and practices and changes in customer requirements and preferences. Therefore, we may be required to license emerging technologies or develop new technology that addresses the needs of current and prospective customers and web content providers, and adapt to technological advances and emerging industry and regulatory standards and practices in a cost-effective and timely manner. The ability to remain technologically competitive will require substantial expenditures and lead time, and our failure to do so may harm our business and results of operations.

Potential Liability for Online Content

The Company may face potential liability for claims based on the nature and content of the websites, which principally provide adult entertainment and dating services, which accept *Trustcash™* as a form of payment. Our general liability insurance may not cover any such liability or the cost of defending any such claims. Therefore, any such claims or imposition of liability could have a material adverse effect on our reputation, financial condition and results of operations. There can be no assurance that contractual provisions attempting to limit our liability in such areas would be successful or enforceable, or that other parties would accept such contractual provisions as part of our agreements, any of which could have a material adverse effect on our business, results of operations and financial condition.

Capacity Constraints and Vulnerability to System Disruptions

The satisfactory performance, reliability and availability of our website and network infrastructure are critical to establishing and maintaining relationships with our participating web content providers and their consumers. System interruptions that result in the unavailability of our website or slower response times for such providers or consumers could reduce the attractiveness of our service to both consumers and web content providers. Additionally, any substantial increase in traffic on our or such providers' websites could require us to expand and/or adapt our network infrastructure. Our inability to add additional software and hardware to accommodate increased traffic on our website or our providers' websites may cause unanticipated system disruptions and result in slower response times. There can be no assurance that we will be able to expand our network infrastructure on a timely basis to meet any increased demand. Any increase in system interruptions or slower response times resulting from the foregoing factors could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company's operations are vulnerable to interruption by fire, power loss, telecommunications failure and other events beyond the Company's control. In addition, because we use an offsite host server that is run by a third party vendor, we and the web content providers accepting *Trustcash™* as a form of payment could incur additional delays in the event there is a failure of the third party host server compared to the failure of an onsite server. Any such losses or damages to our website and network infrastructure could have a material adverse effect on our business, financial condition and results of operations.

Susceptibility to Security Risks

Programmers or "hackers" may attempt to penetrate the Company's network security. If successful, such actions could have a material adverse effect on our business, financial condition and results of operations. A party who is able to penetrate our network security could misappropriate proprietary information or cause interruptions in our website. We might be required to expend significant capital and resources to protect against the threat of such security breaches or to alleviate problems caused by such breaches. Concerns over the security of Internet transactions and the privacy of users may also inhibit the growth of the Internet generally, particularly as a means of conducting commercial transactions. Security breaches or the inadvertent transmission of computer viruses could expose us to a risk of loss or litigation and possible liability. There can be no assurance that contractual provisions attempting to limit our liability in such areas would be successful or enforceable, or that other parties would accept such contractual provisions as part of our agreements, any of which could have a material adverse effect on our business, results of operations, and financial condition.

Susceptibility to Risks Associated with Domain Names

The Company currently holds the web domain name, "TrustCash.com." The regulation of domain names in the United States and in foreign countries is subject to change. Governing bodies may establish additional top-level domains, appoint additional domain name registrars or modify the requirements for holding domain names. As a result, there can be no assurance that we will be able to acquire or maintain relevant domain names in all countries in which we conduct or wish to conduct business. In addition, although we have filed a trademark application for "Trustcash", the relationship between regulations governing domain names and laws protecting trademarks and similar proprietary rights is unclear. We, therefore, may be unable to prevent third parties from acquiring domain names that are similar to, infringe upon, or otherwise decrease the value of our proprietary rights. Any such inability could have a material adverse effect on the Company's business, financial condition, and results of operations.

Dependence upon Few Customers

The Company has three content providers that individually exceeded 10% of total content provider commissions. If we were to lose one or more of these website accounts, our business, financial condition, and results of operations could be materially affected.

Dependence upon Certain Personnel

Our success will depend in large part upon our ability to attract and retain qualified marketing and sales personnel, and there can be no assurance that we will be successful in hiring or retaining such personnel. Our inability to hire or retain qualified personnel could have a material adverse effect on the Company's business, financial condition or results of operations.

Risks of Rapid Growth

Our strategy contemplates significant growth in our business, which would place demands on our management and limited resources. To manage any such growth, we would be required to attract and train additional qualified personnel, and may be required to expand our facilities. If we are unable to effectively manage growth, our business, operating results and financial condition could be adversely affected.

The Presence of Established Potential Competitors in the Market

The anonymous payment processing segment of the industry in which the Company operates is relatively new and has few competitors today, including Netcash, LLC. However, since barriers to entry are few, it is expected that numerous other competitors will arise as the market grows. Additionally, many established companies have the ability to compete directly with the Company (e.g. PayPal; eBay Payments, Billpoint, a subsidiary of eBay, Inc.). These potential competitors may have longer operating histories, a significantly greater financial, technical, marketing, customer service, and other resources, greater name recognition, and/or a larger, more well-established base of customers. They may respond to new or changing technologies and changes in customer requirements more quickly and effectively. They may devote greater resources to research and development, promotion, and sales, and they may be able to offer lower prices for competitive products. They may offer services for free to gain market share, and we may be required to lower our prices in order to remain competitive. Potential competing services related to established banks and financial institutions may offer greater liquidity, and may attract greater customer confidence and loyalty. If these potential competitors acquire a significant share of our target markets, we may not have the resources to compete effectively, and our business may be adversely affected.

Dependence on Intellectual Property Rights

Our success depends, in large part, on our ability to protect our current and future brands and products and to defend our intellectual property rights. We cannot be sure that trademarks will be issued with respect to any future trademark applications or that our competitors will not challenge, invalidate or circumvent any existing or future trademarks issued to, or licensed by us. Some of our competitors, many of whom are more established and have greater financial and personnel resources, may be able to replicate our processes, brands, flavors, or unique market segment products in a manner that could circumvent protective safeguards. We can offer no absolute assurance that our proprietary business information will remain confidential.

Expectation of a Merger with Paivis

The Company has based much of its plan of operation going forward on the prospective merger with Paivis Corp. a wholesale telecommunications carrier that offers pre-paid cards on a national basis through a series of partnerships. However, in order to complete the merger with Paivis the Company will have to meet certain conditions imposed by the terms of its merger agreement including sufficient financing and shareholder approval in addition to complying with those rules and regulations of the Securities and Exchange Commission. Management can provide no assurance that the expected merger of the Company and Paivis will be completed despite their efforts to move towards this objective. Should the Company not be able to complete the anticipated merger its plan of operation will be severely challenged and its effectiveness as an ongoing business brought into question.

Government Regulations

There have been increased governmental efforts to prevent money laundering and terrorist financing, as well as public attention to concerns about consumer privacy and data protection. These two policy goals -- the prevention of money laundering and terrorist financing and the protection of consumer privacy -- may conflict, and the law in these areas is not consistent or settled. The legal, political and business environments in this area are rapidly evolving, and subsequent legislation, regulation, litigation, court rulings or other events could expose the Company to liability and reputational damage. Although there currently are laws and regulations directly applicable to the Internet and commercial online services, it is possible that a number of new laws and regulations may be adopted covering issues such as user privacy, pricing, content, copyrights, distribution, antitrust and characteristics and quality of products and services. Furthermore, the growth and development of the market for online commerce may prompt calls for more stringent consumer protection laws that may impose additional burdens on those companies conducting business online. The adoption of any such new laws or regulations may decrease the growth of the Internet or commercial online service providers whose customers seek the security and anonymity that are provided by our *Trustcash*™ payment service. This could, in turn, decrease the demand for our services and increase the cost of doing business. Moreover, the applicability to the Internet and commercial online service providers of existing laws in various jurisdictions governing issues such as adult entertainment, dating services, sales and other taxes and personal privacy is uncertain. Any such new legislation or regulations, the application of laws and regulations from jurisdictions whose laws do not currently apply to our business, or the application of existing laws and regulations to the Internet and commercial online services could have a material adverse effect on our business, financial condition and results of operations.

Risks Related to the Company's Stock

Potential Shareholder Dilution

At June 30, 2008, the Company had approximately 270,000,000 shares of common stock unissued and not reserved for specific issuances. Under many circumstances, all of such shares could be issued without any action or approval by the Company's shareholders. Any issuance of such common stock would substantially dilute the percentage ownership of the Company and could adversely affect prevailing market prices.

Preferred Stock

The Company is authorized to issue 25,000,000 shares of Series A Convertible Preferred Stock ("Series A"). The Series A holders will be entitled to:

- vote together with the holders of the common stock as a single class on all matters submitted for a vote of holders of common stock;
- cast two (2) votes for each vote that such holder would be entitled to cast had such holder converted his or her Series A into shares of common stock as of the date immediately prior to the record date for determining the stockholders of the Company eligible to vote on any such matter;
- convert each share of Series A, at any time, into five (5) shares of common stock as of the conversion date; and
- certain anti-dilution protection in the case of capital reorganization, reclassification or otherwise.

The Company is also authorized to issue 25,000,000 shares of "blank check" Preferred Stock with such designations, rights of conversion into common stock and other rights and preferences as may be determined from time to time by the board of directors. Accordingly, the our board of directors, without stockholder approval, may issue preferred stock with dividend, liquidation, conversion, voting or other rights which could adversely affect the voting power or other rights of the holders of common stock. Any issuance of such preferred stock would substantially dilute the percentage ownership of the Company and could adversely affect prevailing market prices, if any. The preferred stock thus could be utilized, under certain circumstances, as a method of discouraging, delaying or preventing a change in control of the Company.

The Market for our Stock is Limited and our Stock Price may be Volatile

The market for our common stock has been limited due to low trading volume and the small number of brokerage firms acting as market makers. Because of the limitations of our market and volatility of the market price of our stock, investors may face difficulties in selling shares at attractive prices when they want to. The average daily trading volume for our stock has varied significantly from week to week and from month to month, and the trading volume often varies widely from day to day.

Our Internal Controls over Financial Reporting may not be Considered Effective, which Evaluation could result in a Loss of Investor Confidence in our Financial Reports and in turn have an Adverse Effect on our Stock Price

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 we are required to furnish a report by our management on our internal controls over financial reporting. Such report must contain, among other matters, an assessment of the effectiveness of our internal controls over financial reporting as of the end of the year, including a statement as to whether or not our internal controls over financial reporting are effective. This assessment must include disclosure of any material weaknesses in our internal controls over financial reporting identified by management. If we are unable to continue to assert that our internal controls are effective, our investors could lose confidence in the accuracy and completeness of our financial reports, which in turn could cause our stock price to decline.

The Company will Require Additional Capital Funding

We will require additional funds, either through additional equity offerings or debt placements, in order to expand our operations. Such additional capital may result in dilution to our current shareholders. Further, our ability to meet short-term and long-term financial commitments will depend on future cash. There can be no assurance that future income will generate sufficient funds to enable us to meet our financial commitments.

The Company's Shareholders may face Significant Restrictions on their Stock.

The Company's stock differs from many stocks in that it is a "penny stock." The Commission has adopted a number of rules to regulate "penny stocks" including, but not limited to, those rules from the Securities Act as follows:

3a51-1	which defines penny stock as, generally speaking, those securities which are not listed on either NASDAQ or a national securities exchange and are priced under $5, excluding securities of issuers that have net tangible assets greater than $2 million if they have been in operation at least three years, greater than $5 million if in operation less than three years, or average revenue of at least $6 million for the last three years;
15g-1	which outlines transactions by broker/dealers which are exempt from 15g-2 through 15g-6 as those whose commissions from traders are lower than 5% total commissions;
15g-2	which details that brokers must disclose risks of penny stock on Schedule 15G;
15g-3	which details that broker/dealers must disclose quotes and other information relating to the penny stock market;
15g-4	which explains that compensation of broker/dealers must be disclosed;
15g-5	which explains that compensation of persons associated in connection with penny stock sales must be disclosed;
15g-6	which outlines that broker/dealers must send out monthly account statements; and
15g-9	which defines sales practice requirements.

Since the Company's securities constitute a "penny stock" within the meaning of the rules, the rules would apply to us and our securities. Because these rules provide regulatory burdens upon broker-dealers, they may affect the ability of shareholders to sell their securities in any market that may develop; the rules themselves may limit the market for penny stocks. Additionally, the market among dealers may not be active. Investors in penny stock often are unable to sell stock back to the dealer that sold them the stock. The mark-ups or commissions charged by the broker-dealers may be greater than any profit a seller may make. Because of large dealer spreads, investors may be unable to sell the stock immediately back to the dealer at the same price the dealer sold the stock to the investor. In some cases, the stock may fall quickly in value. Investors may be unable to reap any profit from any sale of the stock, if they can sell it at all.

Shareholders should be aware that, according to Commission Release No. 34-29093 dated April 17, 1991, the market for penny stocks has suffered from patterns of fraud and abuse. These patterns include:

- control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer;
- manipulation of prices through prearranged matching of purchases and sales and false and misleading press releases;
- "boiler room" practices involving high pressure sales tactics and unrealistic price projections by inexperienced sales persons;
- excessive and undisclosed bid-ask differentials and markups by selling broker-dealers; and
- the wholesale dumping of the same securities by promoters and broker-dealers after prices have been manipulated to a desired level, along with the inevitable collapse of those prices with consequent investor losses.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On July 8, 2008, the Company agreed to issue 10,000,000 shares of common stock to Tyee Capital Consultants, Inc., a related party, in connection with a debt settlement agreement, for $100,000. The Company agreed to issue the shares relying on exemptions provided by Section 4(2) and Regulation S of the Securities Act of 1933, as amended ("Securities Act").

The Company made this offering based on the following factors: (1) the issuance was an isolated private transaction by the Company to a related party which did not involve a public offering; (2) there was only one offeree who was issued the Company's stock in exchange for entering into a cash debt settlement; (3) the offeree stated an intention not to resell the stock; (4) there were no subsequent or contemporaneous public offerings of the stock; (5) the stock was not broken down into smaller denominations; and (6) the negotiations that lead to the issuance of the stock took place directly between the offeree and the Company.

Regulation S provides generally that any offer or sale that occurs outside of the United States is exempt from the registration requirements of the Securities Act, provided that certain conditions are met. Regulation S has two safe harbors. One safe harbor applies to offers and sales by issuers, securities professionals involved in the distribution process pursuant to contract, their respective affiliates, and persons acting on behalf of any of the foregoing (the "issuer safe harbor"), and the other applies to resales by persons other than the issuer, securities professionals involved in the distribution process pursuant to contract, their respective affiliates (except certain officers and directors), and persons acting on behalf of any of the forgoing (the "resale safe harbor"). An offer, sale or resale of securities that satisfied all conditions of the applicable safe harbor is deemed to be outside the United States as required by Regulation S. The distribution compliance period for shares sold to non-affiliates in reliance on Regulation S is six months.

The Company complied with the requirements of Regulation S of the Securities Act by (i) having made no directed offering efforts in the United States, (ii) offering only to one offeree, and (iii) ensuring that the offeree to whom the securities were issued was a non-U.S. offeree with an address in a foreign country.

On July 8, 2008, the Company agreed to issue 1,333,000 Series A Preferred Shares to Detour Adventures Inc. in connection with a debt settlement agreement for $26,660 plus interest in reliance on the exemptions provided by Section 4(2) and Regulation S of the Securities Act which were subsequently converted on notice to the Company to 6,665,000 shares of our common stock.

The Company made this offering based on the following factors: (1) the issuance was an isolated private transaction by the Company which did not involve a public offering; (2) there was only one offeree who was issued the Company's stock in exchange for entering into a cash debt settlement; (3) the offeree stated an intention not to resell the stock; (4) there were no subsequent or contemporaneous public offerings of the stock; (5) the stock was not broken down into smaller denominations; and (6) the negotiations that lead to the issuance of the stock took place directly between the offeree and the Company.

The Company complied with the requirements of Regulation S of the Securities Act by (i) having made no directed offering efforts in the United States, (ii) offering only to one offeree, and (iii) ensuring that the offeree to whom the securities were issued was a non-U.S. offeree with an address in a foreign country.

On July 8, 2008, the Company agreed to issue 1,333,000 Series A Preferred Shares to RMI Management Ltd. in connection with a debt settlement agreement for $26,660 plus interest in reliance on the exemptions provided by Section 4(2) and Regulation S of the Securities Act which were subsequently converted on notice to 6,665,000 shares of our common stock.

The Company made this offering based on the following factors: (1) the issuance was an isolated private transaction by the Company which did not involve a public offering; (2) there was only one offeree who was issued the Company's stock in exchange for entering into a cash debt settlement; (3) the offeree stated an intention not to resell the stock; (4) there were no subsequent or contemporaneous public offerings of the stock; (5) the stock was not broken down into smaller denominations; and (6) the negotiations that lead to the issuance of the stock took place directly between the offeree and the Company.

The Company complied with the requirements of Regulation S of the Securities Act by (i) having made no directed offering efforts in the United States, (ii) offering only to one offeree, and (iii) ensuring that the offeree to whom the securities were issued was a non-U.S. offeree with an address in a foreign country.

On July 8, 2008, the Company agreed to issue 1,333,000 Series A Preferred Shares to Park Heights Investment Holdings Corp. in connection with a debt settlement agreement for $26,660 plus interest in reliance on the exemptions provided by Section 4(2) and Regulation S of the Securities Act which were subsequently converted on notice to 6,665,000 shares of our common stock.

The Company made this offering based on the following factors: (1) the issuance was an isolated private transaction by the Company which did not involve a public offering; (2) there was only one offeree who was issued the Company's stock in exchange for entering into a cash debt settlement; (3) the offeree stated an intention not to resell the stock; (4) there were no subsequent or contemporaneous public offerings of the stock; (5) the stock was not broken down into smaller denominations; and (6) the negotiations that lead to the issuance of the stock took place directly between the offeree and the Company.

The Company complied with the requirements of Regulation S of the Securities Act by (i) having made no directed offering efforts in the United States, (ii) offering only to one offeree, and (iii) ensuring that the offeree to whom the securities were issued was a non-U.S. offeree with an address in a foreign country.

On July 8, 2008, the Company agreed to issue 1,333,000 Series A Preferred Shares to Xcel Associates, Inc. in connection with a debt settlement agreement for $26,660 plus interest in reliance on the exemptions provided by Section 4(2) and Regulation S of the Securities Act which were subsequently converted on notice to 6,665,000 shares of our common stock.

The Company made this offering based on the following factors: (1) the issuance was an isolated private transaction by the Company which did not involve a public offering; (2) there was only one offeree who was issued the Company's stock in exchange for entering into a cash debt settlement; (3) the offeree stated an intention not to resell the stock; (4) there were no subsequent or contemporaneous public offerings of the stock; (5) the stock was not broken down into smaller denominations; and (6) the negotiations that lead to the issuance of the stock took place directly between the offeree and the Company.

The Company complied with the requirements of Regulation S of the Securities Act by (i) having made no directed offering efforts in the United States, (ii) offering only to one offeree, and (iii) ensuring that the offeree to whom the securities were issued was a non-U.S. offeree with an address in a foreign country.

On July 8, 2008, the Company agreed to issue 1,333,000 Series A Preferred Shares to Greenwood Capital Holdings, Inc. in connection with a debt settlement agreement for $26,660 plus interest in reliance on the exemptions provided by Section 4(2) and Regulation S of the Securities Act which were subsequently converted on notice to 6,665,000 shares of our common stock.

The Company made this offering based on the following factors: (1) the issuance was an isolated private transaction by the Company which did not involve a public offering; (2) there was only one offeree who was issued the Company's stock in exchange for entering into a cash debt settlement; (3) the offeree stated an intention not to resell the stock; (4) there were no subsequent or contemporaneous public offerings of the stock; (5) the stock was not broken down into smaller denominations; and (6) the negotiations that lead to the issuance of the stock took place directly between the offeree and the Company.

The Company complied with the requirements of Regulation S of the Securities Act by (i) having made no directed offering efforts in the United States, (ii) offering only to one offeree, and (iii) ensuring that the offeree to whom the securities were issued was a non-U.S. offeree with an address in a foreign country.

On July 8, 2008, the Company agreed to issue 1,330,000 Series A Preferred Shares to Oncor Entertainment, Inc. in connection with a debt settlement agreement for $26,660 plus interest in reliance on the exemptions provided by Section 4(2) and Regulation S of the Securities Act which were subsequently converted on notice to 6,650,000 shares of our common stock.

The Company made this offering based on the following factors: (1) the issuance was an isolated private transaction by the Company which did not involve a public offering; (2) there was only one offeree who was issued the Company's stock in exchange for entering into a cash debt settlement; (3) the offeree stated an intention not to resell the stock; (4) there were no subsequent or contemporaneous public offerings of the stock; (5) the stock was not broken down into smaller denominations; and (6) the negotiations that lead to the issuance of the stock took place directly between the offeree and the Company.

The Company complied with the requirements of Regulation S of the Securities Act by (i) having made no directed offering efforts in the United States, (ii) offering only to one offeree, and (iii) ensuring that the offeree to whom the securities were issued was a non-U.S. offeree with an address in a foreign country.

On May 7, 2008, the Company issued 5,000,000 shares of common stock to MoneyInfo LLC, in consideration for services as an investor communications consultant pursuant to a letter of mutual understanding dated April 1, 2008. The Company issued the shares relying on exemptions provided by Section 4(2) and Regulation D of the Securities Act of 1933, as amended.

The Company complied with the exemptions' requirements based on the following factors: (i) the issuance was an isolated private transaction by the Company which did not involve a public offering; (ii) there was only one offeree who was issued the Company's stock for services; (iii) the offeree committed to hold the stock as required by applicable securities laws; (iv) there were no subsequent or contemporaneous public offerings of the stock; (v) the stock was not broken down into smaller denominations; and (vi) the negotiations that lead to the issuance of the stock took place directly between the offeree and the Company.

ITEM 3. DEFAULTS ON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibits required to be attached by Item 601 of Regulation S-K are listed in the Index to Exhibits on page 43 of this Form 10-Q, and are incorporated herein by this reference.

SIGNATURES

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

TrustCash Holdings, Inc.

/s/ Kent Carasquero August 14, 2008
Kent Carasquero
Chief Executive Officer, Chief Financial Officer, and Principal Accounting Officer

EXHIBITS

Exhibit	*Description*
3(i)(a)*	Articles of Incorporation dated October 31, 2000 (incorporated by reference from Form SB-2 filed with the Commission on August 24, 2001)
3(i)(b)*	Amended Articles of Incorporation dated July 26, 2004 (incorporated by reference from Form 10-QSB filed with the Commission on February 8, 2006)
3(i)(c)*	Amended Articles of Incorporation dated April 12, 2005 (incorporated by reference from Form 10-QSB filed with the Commission on February 8, 2006)
3(i)(d)*	Amended Articles of Incorporation dated May 30, 2007 (incorporated by reference from Form 8-K filed with the Commission on June 12, 2007)
3(i)(e)*	Amended Articles of Incorporation dated June 6, 2007 (incorporated by reference from Form 8-K filed with the Commission on June 12, 2007)
3(ii)*	Bylaws (incorporated by reference from Form 8-K filed with the Commission on June 12, 2007)
10(i)*	Employment agreement with Kent Carasquero, dated February 1, 2005 (incorporated by reference from Form 10-KSB filed with the Commission on August 29, 2006)
10(ii)*	Consulting agreement with Kent Carasquero, dated June 30, 2007 (incorporated by reference from the Form 10-K filed with the Commission on April 14, 2008).
10(iii)*	Employment Agreement with Gregory Moss (incorporated by reference from Form 8-K/A filed with the Commission on July 17, 2007)
10(iv) *	Consulting Agreement with Venture Resource Group, LLC (incorporated by reference from Form 8-K/A filed with the Commission on July 17, 2007)
10(v) *	Purchase Agreement with the members of Trustcash, LLC (incorporated by reference from Form 8-K/A filed with the Commission on July 17, 2007)
10(vi)(a)*	$700,000 Promissory Note to LTGTTC, LLC (incorporated by reference from Form 8-K/A filed with the Commission on July 17, 2007)
10(vi)(b)*	Security Agreement with LTGTTC, LLC (incorporated by reference from Form 8-K/A filed with the Commission on July 17, 2007)
10(vi)(c)*	Guaranty Agreement with LTGTTC, LLC (incorporated by reference from Form 8-K/A filed with the Commission on July 17, 2007)
10(vii)(a)*	Ludwig Holdings Subscription Agreement for Common Stock (incorporated by reference from Form 8-K/A filed with the Commission on July 17, 2007)
10(vii)(b)*	Brennecke Partners LLC Warrant (incorporated by reference from Form 8-K/A filed with the Commission on July 17, 2007)
10(vii)(c)*	Registration Rights Agreement (incorporated by reference from Form 8-K/A filed with the Commission on July 17, 2007)

10(viii)*	Piggyback Registration Rights Agreement (incorporated by reference from Form 8-K/A filed with the Commission on July 17, 2007)
10(ix)*	Loan Agreement dated August 24, 2007 with Ludwig Holdings Ltd. (incorporated by reference from the Form 10-K filed with the Commission on April 14, 2008).
10(x)*	Summary of Proposed Terms for an Acquisition of Paivis Corp. dated October 5, 2007 (incorporated by reference from the Form 8-K filed with the Commission on October 15, 2007).
10(xi)*	Amended Loan Agreement dated January 1, 2008 with Ludwig Holdings Ltd. (incorporated by reference from the Form10-Q filed with the Commission on May 20, 2008).
10(xii)*	Term Sheet dated January 30, 2008 with Mistral Ventures, Inc. and Paivis Corp. (incorporated by reference from the Form10-Q filed with the Commission on May 20, 2008).
10(xiii)*	Loan Agreement dated February 18, 2008 with Mistral Ventures, Inc. (incorporated by reference from the Form10-Q filed with the Commission on May 20, 2008).
10(xiv)*	Letter of Mutual Understanding dated May 7, 2008 with MoneyInfo, LLC (incorporated by reference from the Form10-Q filed with the Commission on May 20, 2008).
10(xv)*	Amended Loan Agreement dated April 4, 2008 with Ludwig Holdings Ltd. (incorporated by reference from the Form10-Q filed with the Commission on May 20, 2008).
10(xvi)	Debt Settlement Agreement date July 8, 2008 with Tyee Capital Consultants (attached).
14*	Code of Ethics (incorporated by reference from the Form 10-QSB filed with the Commission on February 8, 2006)
21*	Subsidiaries of the Company (incorporated by reference from Form 8-K/A filed with the Commission on July 17, 2007)
31	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (attached).
32	Certification of the 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 (attached).

* Incorporated by reference to previous filings of the Company.

Exhibit 10(xvii)

DEBT SETTLEMENT AGREEMENT

THIS AGREEMENT is made as of the 8th day of July 2008.

BETWEEN:

TRUSTCASH HOLDINGS INC.
(the "Company")

OF THE FIRST PART

AND:

TYEE CAPITAL CONSULTANTS, INC
(the "Creditor")

OF THE SECOND PART

WHEREAS:

A. The Company is indebted to the Creditor in the amount of USD $ 100,000 (the "Debt");

B. The Company has agreed issue to the Creditor 10,000,000 (US$100,000/US$0.01 per share) Common Shares (the "Shares") in total satisfaction of the Debt; and

C. The Creditor has agreed to accept the Shares from the Company as satisfaction of the Debt.

THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth in this Agreement, the parties agree as follows:

1.00 Debt Settlement

1.01 The Company will pay and satisfy the Debt by issuing the Shares to the Creditor at a deemed price of US$0.01 per share for an aggregate amount equal to the Debt payable on July 8th , 2008.

1.02 The Creditor acknowledges and agrees that all outstanding accounts have been rendered by the Creditor to the Company to the date of this Agreement and upon issuance and registration of the Shares to the Creditor there will be no outstanding liability of the Company to the Creditor.

2.00 Headings

2.01 The headings and section references in this Agreement are for convenience of reference only and do not form a part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any provision thereof.

3.00 Governing Law

3.01 This Agreement and all matters arising hereunder shall be governed by, construed and enforced in accordance with the laws of the State of Delaware and all disputes arising under this Agreement shall be referred to, and the parties attorn to the jurisdiction of, the courts of appropriate jurisdiction.

4.00 Enurement

4.01 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

5.00 Carrying Out Agreement

5.01 Each of the parties hereto hereby covenants and agrees to execute such further and other documents and instruments and do such other things as may be necessary to implement and carry out the intent of this Agreement.

6.00 Assignment

6.01 This Agreement shall not be assignable by the Creditor without the written consent of the Company.

7.00 Counterparts

7.01 This Agreement, or any amendment to it, may be executed in counterparts, each of which will be deemed an original agreement and all of which will together constitute one agreement.

8.00 Amendment

8.01 Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the parties hereto unless reduced to writing and signed by the parties.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

TRUSTCASH HOLDINGS INC.

Per: /s/ **Kent Carasquero**
Kent Carasquero, President

TYEE CAPITAL CONSULTANTS INC.
Per: /s/ Kent Carasquero
Authorized Signatory

Exhibit 31

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Kent Carasquero certify that:

1. I have reviewed this report on Form 10-Q of Trustcash 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 small business issuer as of, and for, the period presented in this report;

4. The small business issuer’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 the Exchange Act Rules 13a-15(f) and 15d-15(f) for the small business issuer 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 small business issuer, 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 small business issuer’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 small business issuer’s internal control over financial reporting that occurred during the small business issuer’s most recent fiscal quarter (the small business issuer’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer’s internal control over financial reporting; and

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

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the small business issuer'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 small business issuer's internal controls over financial reporting.

Date: August 14, 2008

/s/ Kent Carasquero

Kent Carasquero, Chief Executive Officer and Chief Financial Officer

Exhibit 32

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

In connection with the report on Form 10-Q of Trustcash Holdings, Inc. for the quarterly period ended June 30, 2008 as filed with the Securities and Exchange Commission on the date hereof, I, Kent Carasquero, do hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) This 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 this report fairly represents, in all material respects, the financial condition of the small business issuer at the end of the period covered by this report and results of operations of the small business issuer for the period covered by this report.

Date: August 14, 2008

/s/ Kent Carasquero
Kent Carasquero
Chief Executive Officer and Chief Financial Officer

This certification accompanies this report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the small business issuer for the purposes of §18 of the Securities Exchange Act of 1934, as amended. This certification shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this report), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by §906 has been provided to the small business issuer and will be retained by the small business issuer and furnished to the Securities and Exchange Commission or its staff upon request.