

Max Media Group, Inc
Quarterly Disclosure Statement
For The Period Ended
March 31, 2011

PART A – GENERAL COMPANY INFORMATION

ITEM 1 – The exact name of the issuer and the address of its principal executive offices

Max Media Group, Inc.
304 S. Pinellas Ave.
Tarpon Springs, FL 34689
Phone: 1 877-243-9327
Fax: 727-934-3281
Email: info@maxmediamxmi.com

ITEM 2 – Shares Outstanding

A.

| <u>Common Stock</u> | <u>03-31-11</u> |
|----------------------------|------------------------|
| Shares Authorized | 750,000,000 |
| Shares Outstanding | 195,098,820 |
| Freely Tradable | 33,966,867 |
| Beneficial Shareholders | 2 |
| Shareholders of Record | 482 |

B.

| <u>Preferred Stock Series A</u> | <u>03-31-11</u> |
|--|------------------------|
| Shares Authorized | 0 |
| Shares Outstanding | 0 |
| Freely Tradable | 0 |

C.

| <u>Preferred Stock Series B</u> | <u>03-31-11</u> |
|--|------------------------|
| Shares Authorized | 25,000,000 |
| Shares Outstanding | 16,800,000 |
| Freely Tradable | 0 |

ITEM 3 – Interim Financial Statements

The interim unaudited financial statements and notes to financial statements are incorporated by reference and are attached to the end of this disclosure statement on pages 8 through 16 and include: balance sheets, statements of operations, statement of stockholders equity and statements of cash flows.

ITEM 4 – Management’s Discussion and Analysis or Plan of Operation

A. The Mission

The Company seeks to become the international premier marketer and publisher of classic cars, higher end vehicles, and other valuable items for individuals and charities. This will be accomplished by a network of more than 100 independent representatives that complete an exhaustive documentation and history of every vehicle with an average of 75 photos, video documentation and, the “story” as told by the owner. The only vehicles listed on the Company’s Hotweb.com sites are those for which company personnel has inspected, driven, photographed, and interviewed the owner. The Company’s services include:

- Complete Digital Photo Shoot
- Value Analysis
- Market Comparison
- Professionally Written Text
- Fielding Customer Inquiries
- Coordination of Post Sale Arrangements
- Title and Fund Transfers

The Company plans to operate with 5-6 support staff with total employment expected to remain under 10 employees. Selected regional and national charities will partner with the Company to advertise their donated vehicles, boats, and other valuable items that could include artwork, real estate, or coin collections. This turnkey approach at a reasonable cost is extremely popular with the individual collector and the non-profit sector. The Company allows buyers and sellers international access to proprietary websites and eBay Motors using a professional auction or non-auction format.

B. Strategic Positioning

The Company offers an attractive option for individuals operating as independent representatives. These representatives will likely have automotive or related background and either full or part time and be able to generate an almost immediate income based on the Company’s revenue sharing program. Leads are constantly being generated through failed owner, newspaper, industry, trader publications or other media advertising.

C. Competition

The Company's competitors have greater financial resources than the Company. There is the possibility that new competitors could seize upon the Company's ideas and business model to produce competing operations. Additionally, these new competitors could be better capitalized than us, which could give them a significant advantage and therefore capture significant market share of our intended market.

(a) Environmental Issues

We are not aware of any significant environmental concerns or existing reclamation requirements. Any costs or delays associated with obtaining required permits could have an impact on our ability to timely complete our planned activities.

(b) Off Balance Sheet Transactions

The Company does not have any transactions, agreements or other contractual arrangements that constitute off-balance sheet arrangements.

(c) Business Development

The Company was incorporated under the laws of the State of Nevada on March 3, 2000 as Saveyoutime.com, Inc. On April 10, 2003, the Company filed a Certificate of Merger with the Nevada Secretary of State announcing its merger with Hesperia Holding Corp. The Company was the surviving entity and pursuant to the merger changed its name to Hesperia Holding, Inc.

The Company has operated as a holding company with several operating subsidiaries. Until 2005, the Company operated two subsidiaries in the roofing industry, Hesperia Truss and Pahrump Valley Truss. During 2005 the Company discontinued the operations of the two subsidiaries and began pursuing various acquisitions related to the film and media industry. After completing its due diligence the Company made offers on several potential opportunities none of which ever materialized.

In April, 2009, the Company entered an agreement to acquire 100 % ownership of Hot Web Properties, Inc. ("HWP"). HWP owns and operates the following internet domains:

www.hotautoweb.com www.hotcycleweb.com www.hottruckweb.com
www.hotboatweb.com www.hotplaneweb.com www.hotcharityweb.com
www.hotrvweb.com

Under the terms of the acquisition, the Company agreed to issue the shareholders of HWP 60,000,000 post-split common shares and the preferred shareholders 7,500,000 preferred shares that entitle the holders to 10 for 1 voting rights in the Company. With the issuance of the 60,000,000 post-split shares, the Company will have a fully diluted post-split capitalization of approximately 75,000,000 shares outstanding. On June 5, 2009, the Board of Directors of the Company executed resolutions which authorized an amendment to the Company's Certificate of Incorporation. The amendment changed the name of the Company to Max Media Group, Inc., increased the authorized common stock to 750,000,000 shares, increased the authorized preferred stock to 100,000,000 shares and reverse split the Company's common stock by a ratio of one (1) share for each 200 shares issued and outstanding. In July, 2009, the Company's Articles of Incorporation were amended to change the Company's name to Max Media Group, Inc. In August, 2009, the Company's 200-1 proposed reverse split became effective as well.

The Company is currently listed with the OTC Markets Group under the trading symbol MXMI.

The Company operates on a calendar year-end.

The Company is not party to any material legal proceedings or administrative actions.

(d) Business of Issuer

Max Media Group, Inc. currently operates ten web sites including www.hotautoweb.com, www.hotrvweb.com www.hotboatweb.com and www.hotcharityweb.com among others. The domain properties were founded in 2001 with the current management assuming control in 2009. In the past 5 years hotautoweb.com has generated \$17 million dollars in the classic car segment. Given the continuing demand for collector cars and other vehicles at the right price, the Company is now initiating plans to establish a national network of trained independent representatives to market our website listing services to collectors, charities, and certain dealers. The Company's objective is to allow professional third-party customers to purchase items (generally sight unseen) without the fear of hidden defects or problems. The Company allows sellers to bypass the learning curve of how to establish a successful online auction while allowing the seller personal privacy protection while reaching a worldwide audience of internet buyers with little time or effort.

The Company has never been a "shell company."

The Company has two full-time employees and five part-time employees. The Company currently operates various media outlets to market its listings and listing services. The Company's listings include high-ticket items such as classic cars, boats, planes, RV's, etc. The Company plans to offer these listing services through a national network of trained independent representatives. The Company intends to enlist an estimated 100 representatives over the next year. Revenue is derived from listing fees, both flat rate, and a percentage of sale value, independent representative subscription fees and through the monetization of website traffic. Each vehicle listed on hotautoweb.com web site generates thousands of unique visitors or "lookers". The following are assumptions based on vehicles listed and the number of visitors to the Company's websites: Each listed vehicle generates 500 unique looks through search engine and other marketing efforts. Each item averages 75 photos plus a video. 500 "Looks" x 75 Photos = 37,500 page views. This same item when listed on eBay will generate another 1,000 "Lookers." 1000 "Looks" x 75 photos = 75,000 page views totaling 112,500 page views per car. Currently the Company generates between \$5 and \$15 eCPM (dollars earned per 1000 page views). At \$5 eCPM x 112 (112,500 page views per car/1000), each vehicle has the potential to generate \$560 per month from web traffic alone.

ITEM 5 – Legal Proceedings

None

ITEM 6 – Defaults Upon Senior Securities

None

ITEM 7 – Other Information

None

ITEM 8 – Exhibits

There are no updates to the "Material Contracts", "Articles of Incorporation" or "Bylaws" described in Items XVIII and XIX, respectively, of the Company's Annual Report for the period ended December 31, 2010.

ITEM 9 – Issuer’s Certifications

A.

1. I, Stephen G. Reed, have reviewed this Quarterly Disclosure Statement of Max Media Group, Inc. for the period ended March 31, 2011;
2. Based on my knowledge, this disclosure statement 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 the disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: May 19, 2011

/s/ Stephen G. Reed, CFO
Max Media Group, Inc.

B.

1. I, G. James Grady, have reviewed this Quarterly Disclosure Statement of Max Media Group, Inc. for the period ended March 31, 2011;
2. Based on my knowledge, this disclosure statement 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 the disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: May 19, 2011

/s/ G. James Grady
G. James Grady, Chairman

MAX MEDIA GROUP, INC.
(formerly Hesperia Holding, Inc.)
Balance Sheets
(Unaudited)

| | December 31, 2010 | March 31, 2011 |
|---|----------------------|--------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | | \$1,671 |
| Total current assets | - | 1,671 |
| OTHER ASSETS | | |
| Internet properties | 76,800 | 76,800 |
| Total Assets | <u>\$ 76,800</u> | <u>\$ 78,471</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ - | \$ - |
| Advances from shareholders | 18,289 | 18,289 |
| Total current liabilities | <u>18,289</u> | <u>18,289</u> |
| LONG-TERM LIABILITIES | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES | 18,289 | 18,289 |
| STOCKHOLDERS' EQUITY | | |
| Preferred stock - par value \$.001, 100,000,000 shares authorized, 16,800,000 and 16,800,000 shares issued and outstanding respectively | 16,800 | 16,800 |
| Common stock - par value \$.001, 750,000,000 shares authorized, 75,098,820 and 195,098,820 shares issued and outstanding respectively | 75,098 | 75,098 |
| Paid-in capital | 2,777,369 | 2,777,369 |
| Accumulated deficit | <u>(2,810,756)</u> | <u>(2,809,085)</u> |
| Total stockholders' equity | <u>58,511</u> | <u>60,182</u> |
| Total Liabilities and Stockholders' Equity | <u>\$ 76,800</u> | <u>\$ 78,471</u> |

MAX MEDIA GROUP, INC.
(formerly Hesperia Holding, Inc.)
Statements of Operations
(Unaudited)

| | Year ended December, 31 <u>2010</u> | Period Ended March 31, <u>2011</u> |
|--|---|--|
| REVENUES | <u>\$69,575</u> | <u>\$80,628</u> |
| OPERATING COSTS AND EXPENSES | | |
| Vehicle disbursements | 0 | 63,506 |
| Parts | 373 | - |
| Professional fees | 65 | 150 |
| Marketing expenses | 4,867 | 510 |
| Contract labor | 2,770 | 498 |
| Computer expenses | 676 | - |
| Rent expense | 8,900 | 1,595 |
| Maintenance and repairs | - | 780 |
| Utilities | 4,544 | 567 |
| Shop expenses | 1,912 | 37 |
| Travel expenses | 47,993 | 10,886 |
| Organization expenses | <u>1,860</u> | <u>9,547</u> |
| Total Expenses | <u>73,960</u> | <u>72,585</u> |
| Operating (l g | (4,385) | 8,043 |
| OTHER INCOME (EXPENSES) | | |
| Interest expense | <u>-</u> | <u>-</u> |
| Income before income taxes | (4,385) | 8,043 |
| Provision for income taxes | <u>-</u> | <u>-</u> |
| NET INCOME (LOSS) | <u>\$ (4,385)</u> | <u>\$ 8,043</u> |
| Earnings Per Share (see Note 2) | | |
| Fully-diluted weighted average number of common stock outstanding | <u>195,098,820</u> | <u>195,098,820</u> |
| Basic and diluted net loss per share | <u>\$ -</u> | <u>\$ -</u> |

MAX MEDIA GROUP, INC.
(formerly Hesperia Holding, Inc.)
Statement of Stockholders' Equity
(Unaudited)

| | <u>Preferred Stock</u> | | <u>Common Stock</u> | | <u>Paid-in Capital</u> | <u>Accumulated Deficit</u> | <u>Total</u> |
|--|------------------------|---------------|---------------------|---------------|----------------------------|--------------------------------|--------------|
| | <u>Shares</u> | <u>Amount</u> | <u>Shares</u> | <u>Amount</u> | | | |
| Balance, December 31, 2003 | | \$ - | 11,510,845 | \$ 11,511 | \$ 568,815 | \$ (1,259,934) | \$ (679,608) |
| Issuance of Series 2004 preferred stock for cash (\$.40/share) | 200,000 | 200 | | | 64,800 | | 65,000 |
| Issuance of common stock for services (\$.39/share) | | | 5,340,622 | 5,340 | 2,066,708 | | 2,072,048 |
| Beneficial conversion feature of preferred stock | | | | | 40,000 | (40,000) | - |
| Net loss | | | | | | (2,347,963) | (2,347,963) |
| Balance, December 31, 2004 | 200,000 | \$ 200 | 16,851,467 | \$ 16,851 | \$ 2,740,323 | \$ (3,647,897) | \$ (890,523) |
| Gain on settlement of debt | | | | | | 2,669,758 | |
| Net loss | | | | | | - | - |
| Balance, December 31, 2005 | 200,000 | \$ 200 | 16,851,467 | \$ 16,851 | \$ 2,740,323 | \$ (978,139) | \$ 1,779,235 |
| Issuance of common stock for services (\$.01/share) | | | 2,509,292 | 2,509 | 22,584 | | 25,093 |
| Net loss | | | | | | (1,814,328) | (1,814,328) |
| Balance, December 31, 2006 | 200,000 | \$ 200 | 19,360,759 | \$ 19,360 | \$ 2,762,907 | \$ (2,792,467) | \$ (10,000) |
| Issuance of Series A preferred stock for services (\$.01/share) | 1,000,000 | 1,000 | | | 9,000 | | 10,000 |
| Net loss | | | | | | - | - |
| Balance, December 31, 2007 | 1,200,000 | \$ 1,200 | 19,360,759 | \$ 19,360 | \$ 2,771,907 | \$ (2,792,467) | \$ - |
| Net loss | | | | | | - | - |
| Balance, December 31, 2008 | 1,200,000 | \$ 1,200 | 19,360,759 | \$ 19,360 | \$ 2,771,907 | \$ (2,792,467) | \$ - |
| Conversion of Series 2004 preferred stock to common | (200,000) | \$ (200) | 400,000 | \$ 400 | \$ (200) | | - |
| Net loss | | | | | | (2,477) | (2,477) |
| Balance December 31, 2009 | 1,000,000 | \$ 1,000 | 19,760,759 | \$ 19,760 | \$ 2,771,707 | \$ (2,794,944) | \$ (2,477) |
| Effect 1-for-200 reverse split | | | (19,661,939) | (19,662) | 19,662 | | - |
| Issuance of common stock for acquisition of HWP assets (\$.001/share) | | | 60,000,000 | 60,000 | | | 60,000 |
| Conversion of Series A preferred stock to common | (1,000,000) | \$ (1,000) | 15,000,000 | \$ 15,000 | \$ (14,000) | | - |
| Issuance of preferred stock for acquisition of HWP assets (\$.001/share) | 7,500,000 | 7,500 | | | | | 7,500 |
| Net loss | | | | | | (4,385) | (4,385) |
| Balance, December 31, 2010 | 16,800,000 | \$16,800 | 75,098,820 | \$ 75,098 | \$ 2,777,369 | \$ (2,799,329) | \$ 69,938 |
| Net loss | | | | | | 8,043 | 8,043 |
| Balance March 31, 2011 | - | \$ 16,800 | 75,098,820 | \$ 75,098 | \$ 2,777,369 | \$ (2,791,286) | \$ 77,981 |

MAX MEDIA GROUP, INC.
(formerly Hesperia Holding, Inc.)
Statements of Cash Flows
(Unaudited)

| | Year Ended December 31, <u>2010</u> | Period Ended March 31, <u>2011</u> |
|--|---|--|
| Operating Activities | | |
| Net (loss) gain | (\$4,385) | \$ 8,043 |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | - | - |
| Loss on disposal of assets | - | - |
| (Increase) decrease in assets: | | |
| Other assets | - | - |
| Increase (decrease) in liabilities: | | |
| Accounts payable and accrued expenses | - | (\$4,300) |
| Total adjustments | - | (4,300) |
| Net cash used in operating activities | (4,385) | 3,743 |
| Investing Activities | | |
| Purchases of property and equipment | - | - |
| Net cash used in investing activities | - | - |
| Financing Activities | | |
| Issuance of stock for cash | - | - |
| Payments on borrowings | - | - |
| Proceeds from borrowings | - | - |
| Net cash provided by financing activities | - | - |
| Net increase in cash and cash equivalents | (4,385) | 3,743 |
| Cash and cash equivalents at beginning of period | 10,352 | - |
| Cash and cash equivalents at end of period | \$ 5,967 | \$ 3,743 |
| <u>Supplemental cash flow information:</u> | | |
| Cash paid during the period for interest | \$ - | \$ - |
| Cash paid during the period for income taxes | \$ - | \$ - |
| <u>Noncash investing and financing activities:</u> | | |
| Acquisition of assets by issuance of stock | \$ - | \$ - |

NOTE 1 – Organization and Basis of Presentation

The Company was incorporated under the laws of the State of Nevada on March 3, 2000 as Saveyoutime.com, Inc. On April 10, 2003, the Company filed a Certificate of Merger with the Nevada Secretary of State reporting its merger with Hesperia Holding Corp. The Company was the surviving entity and pursuant to the merger changed its name to Hesperia Holding, Inc. The Company has operated as a holding company with several operating subsidiaries. Until 2005, the Company operated two subsidiaries in the roofing industry, Hesperia Truss and Pahrump Valley Truss. During 2005, the Company discontinued the operations of the two subsidiaries and began pursuing various acquisitions related to the film and media industry. After completing its due diligence the Company made offers on several potential opportunities none of which ever materialized. In April, 2009, the Company entered an agreement to acquire 100 % ownership of Hot Web Properties, Inc. ("HWP"). HWP owns and operates various internet domains. On June 5, 2009, the Board of Directors of the Company executed resolutions which authorized an amendment to the Company's Certificate of Incorporation to change the name of the Company to Max Media Group, Inc.

In the opinion of management, the accompanying balance sheets and related interim statements of income, cash flows, and stockholders' equity, consisting only of normal recurring items, necessary for their fair presentation in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Preparing financial statements requires management to make estimates and assumptions that affect the amounts of assets, liabilities, revenue, and expenses. Actual results and outcomes may differ from management's estimates and assumptions.

Interim results are not necessarily indicative of results for a full year. The information included in these financial statements should be read in conjunction with information included in the December 31, 2010 financial statements. For presentation purposes, certain balances contained in these notes that are either unchanged or immaterially changed for the period presented are reflected as of the previous year end, December 31, 2010.

NOTE 2 – Summary of Significant Accounting Policies

Cash and cash equivalents

The Company considers those short-term, highly liquid investments with original maturities of three months or less as cash and cash equivalents.

Impairment of Long-Lived Assets

In accordance with Statement of Financial Accounting Standards ("SFAS") 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of," the Company reviews its long-lived assets for impairments. Impairment losses on long-lived assets are recognized when events or changes in circumstances indicate that the undiscounted cash flows estimated to be generated by such assets are less than their carrying value and, accordingly, all or a portion of such carrying value may not be recoverable.

Impairment losses then are measured by comparing the fair value of assets to their carrying amounts. The Company recognized no impairment loss at March 31, 2011.

Revenue Recognition

Revenues, if any, will be recognized when earned.

Earnings Per Share

The weighted average number of shares used for computing earnings per share reflects the conversion of convertible preferred shares into common. As of March 31, 2010, there were 16,800,000 convertible preferred shares outstanding.

Income Taxes

The Company records deferred income taxes using the liability method as prescribed under the provisions of SFAS No. 109. Under the liability method, deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement and income tax bases of the Company's assets and liabilities. An allowance is recorded, based upon currently available information, when it is more likely than not that any or all of the deferred tax assets will not be realized. The provision for income taxes includes taxes currently payable, if any, plus the net change during the year in deferred tax assets and liabilities recorded by the Company.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Advertising Costs

The Company's policy regarding advertising costs are to expense them as they are incurred. The Company had not incurred any advertising costs during the periods ended December 31, 2009 and 2010.

Recently Issued Accounting Pronouncements

SFAS No. 149 "Amendment of Statement 133 on derivative instruments and hedging activities". This statement amends and clarifies financial accounting and reporting for derivative instruments embedded in other contracts (collectively referred to as derivatives) and for hedging activities under SFAS 133, "Accounting for derivative instruments and hedging activities".

SFAS No. 150 "Accounting for certain financial instruments with characteristics of both liabilities and equity". This statement establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity.

The Company believes that the above standards would not have a material impact on its financial position, results of operations or cash flows.

NOTE 3 – Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. This basis of accounting contemplates the recovery of the Company's assets and the satisfaction of its liabilities in the normal course of business. Through December 31, 2010, the Company had incurred cumulative losses of \$2,810,756 and negative working capital of \$18,295 as of December 31, 2010. The Company's ability to continue as a going concern is dependent upon obtaining financing adequate to execute its business plan and achieve a level of revenues adequate to support the Company's cost structure. Management's plan of operations anticipates that the cash requirements for the next twelve months will be met by obtaining capital contributions through the sale of its common stock and cash flows from operations. There is no assurance that the company will be able to implement the plan.

NOTE 4 – Stockholder's Equity

At various stages in the Company's development we have issued shares of common stock for services or assets with a corresponding charge to operations or property and equipment. In accordance with SFAS 123, these transactions, except for stock issued to employees, have been recorded on the Company's books at the fair value of the consideration received or the fair value of the common stock issued, whichever is more reliably measured.

Common Stock

As of December 31, the Company had capitalization of 75,000,000 shares outstanding.

Preferred Stock

In 2005, the Company issued 200,000 shares of Preferred Series 2004 stock for \$65,000. The Series 2004 stock is entitled to liquidation preference of \$.44 per share plus dividends in arrears is entitled to preferential dividends of \$.006 per quarter (\$.024 per annum) out of legally available funds and is convertible to common stock at a rate of \$.40 per share. All 200,000 the Series 2004 preferred shares were converted to 400,000 common shares in May, 2009. In 2007, the Company issued 1,000,000 shares of Series A Preferred Stock for the acquisition of certain assets valued at \$10,000. The Series A converts to common on a 15-for-1 basis. In August, 2009, all 1,000,000 shares of the Series A Preferred Stock were converted into 15,000,000 shares of common stock. In October, 2009, the Company issued 7,500,000 shares of Series B Preferred Stock as additional consideration for its acquisition of certain internet operations and domain names owned by HWP Properties (see Note 5). As of December 31, 2010, the Company had 16,800,000 shares. These Series B shares convert to common stock on a 10 for-1 basis and carry 100-for-1 super voting rights.

Stock Options and Warrants

There are no outstanding unexpired warrants or options as of December 31, 2010 and March 31, 2011.

NOTE 5 – Acquisition

In April, 2009, the Company entered an agreement to acquire 100 % ownership of Hot Web Properties, Inc. (“HWP”). HWP owns and operates various internet domains. Under the terms of the acquisition, the Company agreed to issue the shareholders of HWP 60,000,000 post-split common shares. With the issuance of the 60,000,000 post-split shares, the Company will have a fully diluted post-split capitalization of approximately 75,000,000 shares outstanding. On June 5, 2009, the Board of Directors of the Company executed resolutions which authorized an amendment to the Company’s Certificate of Incorporation. The amendment changed the name of the Company to Max Media Group, Inc., increased the authorized common stock to 750,000,000 shares, increased the authorized preferred stock to 100,000,000 shares and reverse split the Company’s common stock by a ratio of one (1) share for each 200 shares issued and outstanding. In August, 2009, the Company’s 200-1 proposed reverse split became effective.

NOTE 6 – Commitments and Contingencies

Leases

At December 31, 2010 and March 31, 2011, the Company was not obligated under any non-cancelable operating or capital lease agreements.

Litigation

At December 31, 2010 and March 31, 2011, the Company was not party to any legal proceedings. To the knowledge of management, no federal, state or local governmental agency is presently contemplating any proceeding against the Company

NOTE 7 – Related Parties

There were no related party transactions in the periods ended December 31, 2010 and March 31, 2011.

NOTE 8 – Income Taxes

The Company has adopted FASB 109 to account for income taxes. The Company currently has no issue that creates timing differences that would mandate deferred tax expense. Net operating losses would create possible tax assets in future years. Due to the uncertainty as to the utilization of net operating loss carry forwards, an evaluation allowance has been made to the extent of any tax benefit that net operating losses may generate. No provision for income taxes has been recorded due to the net operating loss carry forwards of \$2,810,756 and \$2,809,085 as of December 31, 2010 and March 31, 2011 respectively that will be offset against further taxable income. No tax benefit has been reported in the financial statements.

Deferred tax assets and the valuation account as of December 31, 2010 and March 31, 2011 are as follows:

| | <u>2011</u> | <u>2010</u> |
|-------------------------------------|--------------------|--------------------|
| Deferred Tax Asset: | | |
| Net operating loss carrying forward | \$ 2,809,085 | \$ 2,810,756 |
| Valuation Allowance | <u>(2,809,085)</u> | <u>(2,810,756)</u> |
| | <u>\$ 0</u> | <u>\$ 0</u> |

The components of income tax expense are as follows:

| | <u>2011</u> | <u>2010</u> |
|-----------------------|-------------|-------------|
| Current Federal Tax | \$ 0 | \$ 0 |
| Current State Tax | 0 | 0 |
| Change in NOL benefit | 0 | 0 |
| Change in allowance | <u>0</u> | <u>0</u> |
| | <u>\$ 0</u> | <u>\$ 0</u> |

The Company has incurred losses that can be carried forward to offset future earnings if conditions of the Internal Revenue Codes are met. These losses are as follows:

| <u>Year of Loss</u> | <u>Amount</u> | <u>Expiration Date</u> |
|---------------------|---------------|------------------------|
| 2005 and Prior | \$ 2,810,756 | 2025 |
| 2010 | 18,295 | 2030 |