Title Starts Online, Inc.
Form 10-Q
May 20, 2010

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

FORM 10-Q

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

For the quarterly period ended March 31, 2010

or

o 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: 000-53704

TITLE STARTS ONLINE, INC.
(Exact name of registrant as specified in its charter)

Nevada	26-1394771
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

4540 Alpine Road, Blue Ash, Ohio 45242
(Address of principal executive offices) (Zip Code)

513-297-3640
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) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T

(§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No x

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer o	Accelerated filer o
Non-accelerated filer o	Smaller reporting company x

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

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

Common Stock, $0.001 par value per share	1,445,493
(Class)	(Outstanding at May 19, 2010)

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

TITLE STARTS ONLINE, INC.
(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED BALANCE SHEETS

	March 31, 2010 (Unaudited)	December 31, 2009
Assets		
Current assets:		
Cash in bank	$58,677	$-
Deposit	8,500	8,500
Prepaid expenses	-	5,188
	67,177	13,688
Property, plant and equipment:		
Software	5,325	5,325
Equipment	118,426	118,426
Automobile prototypes	29,884	56,366
	153,635	180,117
Less accumulated depreciation	116,453	114,111
	37,182	66,006
	$104,359	$79,694
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities:		
Cash overdraft	$-	$2,523
Accounts payable	720,344	381,883
Customer Deposits	96,000	96,000
Notes payable	150,000	60,000
Shareholder advances	43,000	43,000
	1,009,344	583,406
Commitments and contingencies	-	-
Stockholders' equity (deficit):		
Series A preferred stock, par value of $.001 per share		
75,000,000 shares authorized, 9,000 shares issued and		

outstanding at March 31, 2010 and 8,375 shares issued		
and outstanding at December 31, 2009	9	8
Common stock, par value of $.001 per share 425,000,000		
shares authorized, 1,388,350 shares issued and		
outstanding at March 31, 2010 and 1,269,274 shares		
issued and outstanding at December 31, 2009	1,389	1,270
Additional paid in capital	3,352,221	2,859,962
Accumulated deficit during the development stage	(4,258,604)	(3,364,952)
	(904,985)	(503,712)
	$104,359	$79,694

TITLE STARTS ONLINE, INC.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENT OF OPERATIONS

(UNAUDITED)

	Quarter Ended March 31, 2010 (Unaudited)	Quarter Ended March 31, 2009 (Unaudited)	Since Date of Inception, February 20, 2007 to March 31, 2010 (Unaudited)
Sales	$ -	$ -	$ -
Expenses:			
Payroll and payroll taxes	277,226	137,840	1,617,662
Employee benefits	22,332	15,846	163,904
Employee travel and lodging	8,036	5,320	98,539
Employee meals and entertainment	3,624	183	10,811
Batteries and motors and supplies	145,239	21,213	788,777
Legal and professional	122,769	36,799	636,737
Advertising, public relations and travel	37,291	9,459	320,131
Depreciation	8,961	9,177	139,569
Rent expense	24,085	8,580	87,035
Insurance expense	17,249	-	59,483
Network access charges	1,878	852	9,278
Bank service charges	339	4	2,995
Utilities	10,240	3,850	44,768
Employee relocation	-	-	10,000
Consulting	115,262	-	115,262
Engineering temporary labor	73,497	-	93,720
Facilities, repairs & maintenance	9,537	9,820	31,895
Interest	3,778	-	3,778
Freight and other	4,446	249	19,494
	885,789	259,192	4,253,838
Net loss from operations during the development stage	(885,789)	(259,192)	(4,253,838)
Other income (loss):			
Gain (Loss) on sale of assets	(7,863)	2,097	(4,766)

Net loss during the development stage	$(893,652)	$(257,095)	$(4,258,604)
Basic loss per share	$(0.67)	$(47.09)	$(342.95)
Weighted average number of common shares outstanding	1,333,275	5,460	12,418

TITLE STARTS ONLINE, INC.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Quarter Ended March 31, 2010 (Unaudited)	Quarter Ended March 31, 2009 (Unaudited)	Since Date of Inception, February 20, 2007 to March 31, 2010 (Unaudited)
Cash flows from operating activities:			
Net loss during the development stage	$(893,652)	$(257,095)	$(4,258,604)
Adjustments to reconcile net loss from operations			
to cash used by operations:			
Depreciation	8,961	9,177	139,569
Loss (Gain) on sale of assets	7,863	(2,097)	4,766
Share based compensation	-	-	17,740
Advertising	-	-	50,000
Effects of changes in operating assets and liabilities:			
Prepaid expenses and deposit	5,188	-	(8,500)
Customer deposits	-	-	96,000
Accounts payable	338,461	(5,721)	720,344
Net cash used by operations	(533,179)	(255,736)	(3,238,685)
Cash flows from investing activities:			
Capital expenditures	-	-	(149,233)
Proceeds on sale of assets	12,000	16,000	29,000
Advance to related party	-	1,980	-
Net cash provided (used) by investing activities	12,000	17,980	(120,233)
Cash flows from financing activities:			
Cash overdraft	(2,523)	16,953	-
Proceeds from notes payable	100,000	-	160,000
Shareholder advances	-	12,500	43,000
Issuance of common and preferred stock	482,379	150,000	3,214,595
Net cash provided by financing activities	579,856	179,453	3,417,595
Change in cash	58,677	(58,303)	58,677
Cash at inception, February 20, 2007			-

Cash at December 31, 2008		58,303	
Cash at March 31, 2009		$-	
Cash at December 31, 2009	-		
Cash at March 31, 2010	$58,677		$58,677

Supplemental disclosure of non-cash activities:

Vehicles valued at $61,284 were contributed as consideration for issuance of common stock during the period from inception, February 20, 2007, to December 31, 2007.

Consulting services valued at $50,000 were accepted as consideration for issuance of common stock on October 1, 2008.

On March 4, 2010 a note payable of $10,000 was converted to 2,125 shares of common stock.

Title Starts Online, Inc.
(A Developing Stage Company)
Notes to Financial Statements
(Unaudited)

SUMMARY OF SIGNIFICANT ACCOUNTING PRINICPLES:
The following accounting principles and practices are set forth to facilitate the understanding of data presented in the financial statements:

Nature of operations
Title Starts Online, Inc. (TSO) was incorporated in the State of Nevada in 2007 with $3,100 of capital from the issuance of common shares to the founding shareholder. On August 11, 2008 TSO received a Notice of Effectiveness from the U.S. Securities and Exchange Commission, and on September 18, 2008, the Company closed a public offering in which it accepted subscriptions for an aggregate of 200,000 shares of its common stock, raising $50,000 less offering costs of $46,234. With this limited capital TSO did not commence operations and remained a "shell company" (as such term is defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended).

On December 28, 2009, TSO entered into and closed a Share Exchange Agreement with the Shareholders of Advanced Mechanical Products (AMP) pursuant to which TSO acquired 100% of the outstanding securities of AMP in exchange for 1,063,636 shares of TSO common stock. Considering that, following the merger, the AMP Shareholders control the majority of the outstanding voting common stock of TSO, and effectively succeeded TSO's otherwise minimal operations to those that are AMP. AMP is considered the accounting acquirer in this reverse-merger transaction. A reverse-merger transaction is considered and accounted for as a capital transaction in substance; it is equivalent to the issuance of AMP securities for net monetary assets of TSO, which are deminimus, accompanied by a recapitalization. Accordingly, goodwill or other intangible assets have not been recognized in connection with this reverse merger transaction. AMP is the surviving entity and the historical financials following the reverse merger transaction will be those of AMP. TSO was a shell company immediately prior to the acquisition of AMP pursuant to the terms of the Share Exchange Agreement. As a result of such acquisition, TSO operations are now focused on the design, marketing and sale of modified automobiles with an all electric power train and battery systems. Consequently, we believe that acquisition has caused TSO to cease to be a shell company as it now has operations.

AMP, a developing stage company, is a technology-driven business that delivers a full-performance, all electric, power train for passenger vehicles. Operating with three specific approaches, the Company converts existing internal combustion engine based vehicles to AMP designed and manufactured all electric powertrains, provides original equipment manufacturers (OEM's) with AMP designed and manufactured modular electric components, and provides electric powertrain engineering and consulting services to end-users. For the immediate future, the Company is concentrating on the first approach, conversions. The Company has not recorded revenue since inception in February 2007, and is developing its operations through a sale, design and manufacturing facility located in Cincinnati, Ohio.

The primary product and service being developed and marketed by the Company is centered on an all electric power train for passenger vehicles. Management believes there are significant opportunities for sales of their products and services and a potential for obtaining sizable market share. There have been no sales of the product or services from the inception of the Company, February 20, 2007, to March 31, 2010.

Development stage company

Based on the Company's business plan, it is a development stage company since planned principal operations resulting in revenue have not yet commenced. Accordingly, the Company presents its financial statements in conformity with the accounting principles generally accepted in the United States of America that apply to developing enterprises. As a development stage enterprise, the Company discloses its retained earnings (or deficit accumulated) during the development stage and the cumulative statements of operations and cash flows from commencement of development stage to the current balance sheet date. The development stage began in 2007 when the Company was organized.

Basis of presentation

The financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. However, the Company has no revenues and has negative working capital and stockholders' deficits. These conditions raise substantial doubt about the ability of the Company to continue as a going concern.

In view of these matters, continuation as a going concern is dependent upon the continued operations of the Company, which in turn is dependent upon the Company's ability to meet its financial requirements, raise additional capital, and the success of its future operations. The financial statements do not include any adjustments to the amount and classification of assets and liabilities that may be necessary should the Company not continue as a going concern.

The Company has continued to raise capital since the merger and has raised $320,000 less offering costs of $32,000 since March 31, 2010 through the date of these financial statements. Management believes the proceeds from these offerings, future offerings, and the Company's anticipated revenue provides an opportunity for the Company to continue as a going concern. If additional funding is required, the Company plans to obtain working capital from either equity financing from the sale of common and/or preferred stock.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Financial instruments

The carrying amounts of financial instruments including cash, accounts receivable, cash overdraft, accounts payable and short-term debt approximate fair value because of the relatively short maturity of these instruments.

Property and depreciation

Property and equipment is recorded at cost. Depreciation is provided on the straight-line and accelerated methods over the estimated useful lives of the respective assets.

Capital stock

Preferred Stock - The Company has authorized 75,000,000 shares of preferred stock with a par value of $.001 per share. These shares may be issued in series with such rights and preferences as may be determined by the Board of Directors. The Series A Stock is convertible, at any time at the option of the holder, into common shares of the Company based on a conversion price of $4.70588 per share. The holders of the Series A Stock are not entitled to convert the Series A Stock and receive shares of common stock such that the number of shares of common stock held by them in the aggregate and their affiliates after such conversion or exercise does not exceed 4.99% of the then issued and outstanding shares of common stock. The Series A Stock has voting rights on an as converted basis, does not pay dividends, and does not provide any liquidation rights.

Common Stock - The Company has authorized 425,000,000 shares of common stock with a par value of $.001 per share.

Revenue recognition / customer deposits
The Company has not generated any revenues since entering the development stage. It is the Company's policy that revenues will be recognized in accordance with SEC Staff Bulletin (SAB) No. 104, "Revenue Recognition". Under SAB 104, product revenues (or service revenues) are recognized when persuasive evidence of an arrangement exists, delivery has occurred (or service has been performed), the sales price is fixed and determinable, and collectability is reasonably assured. Customer deposits include monies from customers to reserve a production slot for conversion of an OEM power train to the AMP all electric power train. The final retail price and delivery date are yet to be determined. Customer deposits are subject to a full refund at the request of the customer.

Advertising
Advertising and public relation costs are charged to operations when incurred. Advertising and public relation expense was approximately $69,000 and $8,000 for the quarters ended March 31, 2010 and 2009 and $310,500 for the period from inception to March 31, 2010, respectively.

Income taxes
With the consent of its shareholders, at the date of inception, AMP elected under the Internal Revenue Code to be taxed as an S corporation. Since shareholders of an S corporation are taxed on their proportionate share of the Company's taxable income, an S corporation is generally not subject to either federal or state income taxes at the corporate level. On December 28, 2009 pursuant to the merger transaction with TSO, Inc. the company revoked its election to be taxed as an S-corporation. As minimal activity occurred from the date of this merger to March 31, 2010, no provision or liability for federal or state income taxes has been included in the financial statements. TSO had not filed income tax returns during its period as a shell company.

Uncertain tax positions
The Company adopted the provisions of Accounting for Uncertainty in Income Taxes on January 1, 2009. Those provisions clarify the accounting and recognition for income tax positions taken or expected to be taken in the Company's income tax returns. The Company's income tax filings are subject to audit by various taxing authorities. The years of filings open to these authorities and available for audit are 2007 - 2008. The Company's policy with regard to interest and penalties is to recognize interest through interest expense and penalties through other expense. In evaluating the Company's tax provisions and accruals, future taxable income, and the reversal of temporary differences, interpretations and tax planning strategies are considered. The Company believes their estimates are appropriate based on current facts and circumstances.

Research and development costs
The Company expenses research and development costs as they are incurred. Research and development expense incurred was approximately $465,000 and $205,000 for the quarters ended March 31, 2010 and 2009 and $2,624,000 for the period from inception to March 31, 2010, respectively, consisting of consulting, payroll, payroll taxes, engineering temporaries, purchased supplies, legal fees, parts and small tools.

Basic loss per share
Basic loss per share is computed by dividing net loss available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. At March 31, 2010 and 2009, the Company had no stock equivalents that were anti-dilutive and excluded in the earnings per share computation.

Subsequent events
The Company evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements.

Between April 7, 2010 to May 6, 2010, TSO entered into subscription agreements with various accredited investors who purchased 57,143 shares of the Company's common stock for an aggregate purchase price of $320,000 less offering costs of $32,000.

Between April 16, 2010 to May 6, 2010, the Company compensated John Carris Investments LLC, as placement agent ("JCI"), for assisting in the sale of common stock by issuing JCI a common stock purchase warrant to purchase 5,090 shares of the Company's common stock at an exercise price of $5.60 per share. With the issuance of these warrants, total purchase warrants outstanding at the date of these financial statements are as follows:

Date Issued	Shares	Exercise Price	Vested	Vesting Period	Expiration
April 16, 2010	2,679	5.60	2,679	-	April 2015
April 23, 2010	1,786	5.60	1,786	-	April 2015
May 6, 2010	625	5.60	625	-	May 2015

2. ACCOUNTS RECEIVABLE RELATED PARTY:
The Company had advanced funds to companies with similar shareholders as AMP. These unsecured advances were considered short term in nature, payable upon demand and interest free.

3. NOTES PAYABLE:
Secured promissory note payable originally due at the earlier of a closing of financing by the Company or January 28, 2010 with interest at 6%. Secured by substantially all assets of the Company. This note was extended beyond the original due date, and $10,000 of the note balance was converted to 2,125 shares of common stock on March 4, 2010.

On March 1, 2010, TSO issued a 6% promissory note in the principal amount of $100,000 (the "March 2010 Note") to an accredited investor (the "March 2010 Lender") in consideration of $100,000. In addition to the March 2010 Note, the March 2010 Lender also received a Common Stock Purchase Warrant to acquire 8,929 shares of common stock at an exercise price of $5.60 per share exercisable for a period of three years. The March 2010 Note bears interest at the rate of 6% per annum. The March 2010 Note matures on the earlier of the Company closing a financing or June 30, 2010. The full principal amount of the March 2010 Note is due upon a default.

4. SHAREHOLDER ADVANCES:
Shareholder advances are unsecured, originally due at the earlier of a closing of financing by the Company or November 30, 2010 with interest at 3%.

5. LEASE OBLIGATION:
In December 2009 the Company began leasing operating facilities under an agreement expiring on September 30, 2011. Future annual minimum lease payments under the agreement are $102,000 and $76,500 for the years ending December 31, 2010 and 2011, respectively. Prior to December 2009 the Company leased office/warehouse space under terms of an operating type lease with monthly payments of $1,650.

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6. STOCK OPTIONS:
AMP granted stock options to certain shareholders and employees of the Company on February 1, 2008. The options were set to expire on February 1, 2013 and had a grant date fair value of $64 per option. The options were to vest evenly over the three year period following the date of grant.

The Company accounted for the fair value of the options granted in accordance with Financial Accounting Standards Board Accounting Standards Codification 718-10-10. The compensation cost charged against income for the options was $17,740 for the period from inception of the plan to December 31, 2009. The fair value of the options granted to each employee was estimated on the date of the grant using a binomial option-pricing model with the following assumptions: risk-free interest rate of 3.62%, expected volatility of stock of 20%, expected dividend yield of zero and option lives of five years.

Upon the December 28, 2009 merger with TSO, the AMP shares vested immediately and were converted to shares of TSO and the plan was effectively terminated.

On January 13, 2010, the Company entered into an agreement appointing a director of the Company. The Company has agreed to pay the director $40,000 per year and issued an option to purchase 23,214 shares of common stock over five years with an exercise price of $5.60 per share. The options vest at 5,357 upon execution of the letter of appointment and 3,571 every six months thereafter. The compensation expense to be recorded in future periods associated with these options has not been determined as of the date of these financial statements.

7. RECENT PRONOUNCEMENTS:
On July 1, 2009, the FASB released the Codification becoming the single source of authoritative nongovernmental generally accepted accounting principles (GAAP) in the United States of America. The Codification is a reorganization of current GAAP into a topical format that eliminates the current GAAP hierarchy and establishes two levels of guidance — authoritative and non-authoritative. According to the FASB, all “non-grandfathered, non-SEC accounting literature” that is not included in the Codification would be considered non-authoritative. The FASB has indicated that the Codification does not change current GAAP. Instead, the proposed changes aim to (1) reduce the time and effort it takes for users to research accounting questions and (2) improve the usability of current accounting standards. The Codification is effective for interim and annual periods ending after September 15, 2009.

In December 2007, the FASB issued accounting guidance on Business Combinations defining the acquirer in a business combination as the entity that obtains control of one or more businesses in a business combination and establishes the acquisition date as the date that the acquirer achieves control. Guidance requires an acquirer to recognize the assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree at the acquisition date, measured at their fair values as of that date. It also requires the acquirer to recognize contingent consideration at the acquisition date, measured at its fair value at that date. This statement is effective for fiscal years and interim periods within those fiscal years, beginning on or after December 15, 2008. Earlier adoption is prohibited. The Company adopted this guidance effective January 1, 2009.

In December 2007, the FASB issued accounting guidance on Noncontrolling Interests in Consolidated Financial Statements to improve the relevance, comparability and transparency of the financial information that a reporting entity provides in its consolidated financial statements. This guidance establishes accounting and reporting standards that require the ownership interests in subsidiaries not held by the parent to be clearly identified, labeled and presented in the consolidated statement of financial position within equity, but separate from the parent’s equity. It also requires the amount of consolidated net income attributable to the parent and to the non-controlling interest to be clearly identified and presented on the face of the consolidated statement of income. Changes in a parent’s ownership interest while the parent retains its controlling financial interest must be accounted for consistently, and when a subsidiary is deconsolidated, any retained non-controlling equity investment in the former subsidiary must be initially measured at fair value. The gain or loss on the deconsolidation of the subsidiary is measured using the fair value of any non-controlling equity investment. This guidance also requires entities to provide sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the non-controlling owners. This applies prospectively to all entities that prepare consolidated financial statements and applies prospectively for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. The Company adopted this guidance effective January 1, 2009 and there was no material impact on the Company's financial statements.

In March 2008, the FASB issued accounting guidance on Disclosures about Derivative Instruments and Hedging Activities, which requires enhanced disclosures about a company's derivative and hedging activities. This guidance is effective for fiscal years and interim periods beginning after November 15, 2008. The Company adopted this guidance effective January 1, 2009 and there was no material impact on the Company's financial statements.

In May 2009, the FASB issued accounting guidance that establishes accounting and reporting standards for events that occur after the balance sheet date but before financial statements are issued or are available to be issued. This guidance was effective for fiscal years and interim periods ending after June 15, 2009. The adoption of this guidance did not have any impact on the Company's financial statements.

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

Forward Looking Statements

Some of the statements contained in this Form 10-Q that are not historical facts are "forward-looking statements" which can be identified by the use of terminology such as "estimates," "projects," "plans," "believes," "expects," "anticipates," "intends," or the negative or other variations, or by discussions of strategy that involve risks and uncertainties. We urge you to be cautious of the forward-looking statements, that such statements, which are contained in this Form 10-Q, reflect our current beliefs with respect to future events and involve known and unknown risks, uncertainties and other factors affecting our operations, market growth, services, products and licenses. No assurances can be given regarding the achievement of future results, as actual results may differ materially as a result of the risks we face, and actual events may differ from the assumptions underlying the statements that have been made regarding anticipated events. Factors that may cause actual results, our performance or achievements, or industry results, to differ materially from those contemplated by such forward-looking statements include without limitation:

- Our ability to attract and retain management;
- Our ability to raise capital when needed and on acceptable terms and conditions;
- The intensity of competition;
- General economic conditions;
- Changes in regulations;
- Whether the market for electric vehicles continues to grow, and, if it does, the pace at which it may grow; and
- Our ability to compete against large competitors in a rapidly changing market for electric vehicles.

All written and oral forward-looking statements made in connection with this Form 10-Q that are attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. Given the uncertainties that surround such statements, you are cautioned not to place undue reliance on such forward-looking statements.

Our Plan of Operation should be read in conjunction with our financial statements included herein.

Overview

On December 28, 2009, we entered into and closed a Share Exchange Agreement with the AMP Shareholders pursuant to which we acquired 100% of the outstanding securities of AMP in exchange for 1,063,636 shares of our common stock. Considering that, following the merger, the AMP Shareholders control the majority of our outstanding voting common stock and we effectively succeeded our otherwise minimal operations to those that are theirs, AMP is considered the accounting acquirer in this reverse-merger transaction. A reverse-merger transaction is considered, and accounted for as, a capital transaction in substance; it is equivalent to the issuance of AMP securities for our net monetary assets, which are deminimus, accompanied by a recapitalization. Accordingly, we have not recognized any goodwill or other intangible assets in connection with this reverse merger transaction. AMP is the surviving and continuing entities and the historical financials following the reverse merger transaction will be those of AMP. We were a "shell company" (as such term is defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended) immediately prior to our acquisition of AMP pursuant to the terms of the Share Exchange Agreement. As a result of such acquisition, our operations our now focused on the design, marketing and sale of modified automobiles with an all electric drivetrain and battery systems. Consequently, we believe that acquisition has caused us to cease to be a shell company as we no longer have nominal operations.

Results of Operations

Quarter Ended March 31, 2010 Compared to Quarter Ended March 31, 2009

Revenue. We did not generate revenue for the quarters ended March 31, 2010 and 2009.

Expenses. Our expenses for the quarter ended March 31, 2010 were $885,789 and included payroll and payroll taxes ($277,226), batteries, motors and supplies ($145,239) and legal and professional fees ($122,769). Our expenses for the quarter ended March 31, 2009 were $259,192 and included payroll and payroll taxes ($137,840), batteries, motors and supplies ($21,213) and legal and professional fees ($36,799). The reason for the increase in comparing the quarter ended 2010 to 2009 was an increase in activity in developing our products which included the hiring of additional employees.

Net loss. Net loss for the quarters ended March 31, 2010 and 2009 were $893,652 and $257,095, respectively.

Liquidity and Capital Resources

As of March 31, 2010, we had current assets of $67,177 including cash of $58,677 and current liabilities of $1,009,344. As of December 31, 2009, we had current assets of $13,688 including cash of $0 and current liabilities of $583,406.

Operating Activities

Our operating activities from continuing operations resulted in net cash used by operations of $533,179 for the quarter ended March 31, 2010 compared to net cash used by operations of $255,736 for the quarter ended March 31, 2009. The net cash used by operations for the quarter ended March 31, 2010 reflects a net loss of $893,652 offset by depreciation of $8,961, loss on sale of assets of $7,863, increase in account payables of $338,461 and other minor factors. The net cash used by operations for the quarter ended March 31, 2009 reflects a net loss of $257,095 offset by depreciation of $9,177, a decreased in account payables of $5,721 and gain on sale of assets of $2,097.

Investing Activities

Our investing activities resulted in a net cash inflow of $12,000 for the quarter ended March 31, 2010 compared to a net cash inflow of $17,980 for the quarter ended March 31, 2009. Cash provided by investing activities principally represents proceeds from the sale of assets.

Financing Activities

Our financing activities resulted in a cash inflow of $579,856 for the quarter ended March 31, 2010 and $179,453 for the quarter ended March 31, 2009, which principally represents issuance of common and preferred stock during both periods and proceeds from notes payable during the quarter ended March 31, 2010.

Presently, due to the lack of revenue we are not able to meet our operating and capital expenses. There is doubt about our ability to continue as a going concern, as the continuation of our business is dependent upon successful roll out of our products and maintaining a break even or profitable level of operations. We have incurred operating losses since inception, and this is likely to continue through the fiscal year ending December 31, 2010.

We require funds to enable us to address our minimum current and ongoing expenses, expand marketing and promotion activity connected with the development and marketing of our products and to increase market share. Our cash on hand will not be sufficient to satisfy all of our cash requirements as we continue to progress and expand. We estimate that we will require between $2,000,000 and $2,500,000 to carry out our business plan for the next twelve months. Because we cannot anticipate when we will be able to generate revenues from sales, we will need to raise additional funds to continue to develop our business, respond to competitive pressures and to respond to unanticipated requirements or expenses. If we are not able to generate significant revenues from the sale of our products, we will not be able to maintain our operations or achieve a profitable level of operations.

The financial requirements of our Company will be dependent upon the financial support through credit facilities and additional sales of our equity securities. The issuance of additional equity securities by us may result in a significant dilution in the equity interests of our current shareholders. Should additional financing be needed, there is no assurance that we will be able to obtain further funds required for our continued operations or that additional financing will be available to us when needed or, if available, that it can be obtained on commercially reasonable terms. If we are not able to obtain the additional financing on a timely basis, we will not be able to meet our other obligations as they become due and we will be forced to scale down or perhaps even cease our operations.

We can give no assurance that we will be successful in implementing any phase, all phases of the proposed business plan, or that we will be able to continue as a going concern.

Credit Facility

Presently we have no revolving Credit Facility established. There is no guarantee that we will be able to enter into an agreement to establish a line of credit or that if we do enter into such agreement that it will be on favorable terms.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As a smaller reporting company, we are not required to include disclosure under this item.

Item 4. Controls and Procedures

As of March 31, 2010, our sole officer and director performed an evaluation of the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Based on the evaluation and the identification of the material weaknesses in internal control over financial reporting described below, our sole executive officer who also serves as a director concluded that, as of the period covered by this report, the Company's disclosure controls and procedures were not effective.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with GAAP. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projection of any evaluation of effectiveness to future periods is subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Stephen S. Burns, a director and our Chief Executive Officer, Chief Financial Officer, Treasurer and Secretary has conducted an assessment of our internal control over financial reporting as of March 31, 2010. Management's assessment of internal control over financial reporting was conducted using the criteria in Internal Control over Financial Reporting – Guidance for Smaller Public Companies issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis. In connection with management's assessment of our internal control over financial reporting as required under Section 404 of the Sarbanes-Oxley Act of 2002, we identified the following material weaknesses in our internal control over financial reporting as of March 31, 2010:

1. The Company has not established adequate financial reporting monitoring activities to mitigate the risk of management override, specifically because there are few employees and only one officer with management functions and therefore there is lack of segregation of duties. In addition, the Company has installed accounting software that does not prevent erroneous or unauthorized changes to previous reporting periods and does not provide an adequate audit trail of entries made in the accounting software. However, although our controls are not effective, these significant weaknesses did not result in any material misstatements in our financial statements.
2. In addition, there is insufficient oversight of accounting principles implementation and insufficient oversight of external audit functions.
3. There is a strong reliance on the external auditors to review and adjust the annual and quarterly financial statements, to monitor new accounting principles, and to ensure compliance with GAAP and SEC disclosure requirements.
4. There is a strong reliance on the external attorneys to review and edit the annual and quarterly filings and to ensure compliance with SEC disclosure requirements.

Because of the material weaknesses noted above, management has concluded that we did not maintain effective internal control over financial reporting as of March 31, 2010, based on Internal Control over Financial Reporting - Guidance for Smaller Public Companies issued by COSO.

Remediation of Material Weaknesses in Internal Control over Financial Reporting

As a small business, without a viable business and revenues, the Company does not have the resources to install a dedicated staff with deep expertise in all facets of SEC disclosure and GAAP compliance. As is the case with many small businesses, the Company will continue to work with its external auditors and attorneys as it relates to new accounting principles and changes to SEC disclosure requirements. The Company has found that this approach worked well in the past and believes it to be the most cost effective solution available for the foreseeable future.

The Company will conduct a review of existing sign-off and review procedures as well as document control protocols for critical accounting spreadsheets. The Company will also increase management's review of key financial documents and records.

As a small business, the Company does not have the resources to fund sufficient staff to ensure a complete segregation of responsibilities within the accounting function. However, Company management does review, and will increase the review of, financial statements on a monthly basis, and the Company's external auditor conducts reviews on a quarterly basis. These actions, in addition to the improvements identified above, will minimize any risk of a potential material misstatement occurring.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended March 31, 2010 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We are currently not a party to any legal or administrative proceedings and are not aware of any pending or threatened legal or administrative proceedings against us in all material aspects. We may from time to time become a party to various legal or administrative proceedings arising in the ordinary course of our business.

Item 1A. Risk Factors

As a smaller reporting company, we are not required to provide the information required by this item.

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

On December 28, 2009, we entered into and closed a Share Exchange Agreement with the AMP Shareholders pursuant to which we acquired 100% of the outstanding securities of AMP in exchange for 1,063,636 shares of our common stock.

On December 28, 2009, the Company entered a Conversion Agreement with Bowden Transportation Ltd. ("Bowden") pursuant to which Bowden agreed to convert a loan in the amount of $20,000 provided to AMP on December 21, 2009 into 500 shares of Series A Preferred Stock (the "Series A Stock").

On December 28, 2009, the Company entered a Conversion Agreement with Han Solutions II, LLC ("Han") pursuant to which Han agreed to convert a loan in the amount of $315,000 provided to AMP from October 28, 2009 through December 21, 2009 into 7,875 shares of Series A Stock.

The Series A Stock is convertible, at any time at the option of the holder, into common shares of the Company based on a conversion price of $4.70588 per share. The Series A Stock has a $40 stated value per share. The holders of the Series A Stock are not entitled to convert the Series A Stock and receive shares of common stock such that the number of shares of common stock held by them in the aggregate and their affiliates after such conversion or exercise does not exceed 4.99% of the then issued and outstanding shares of common stock. The Series A Stock has voting rights on an as converted basis. Holders of the Series A Stock are not entitled to receive dividends and do not hold any liquidation rights.

On December 28, 2009, the Company entered a Conversion Agreement with Ziu Zhang ("Zhang") pursuant to which Zhang agreed to convert a loan in the amount of $50,000 provided to AMP on November 30, 2009 into 10,638 shares of common stock of the Company.

On December 28, 2009, the Company assumed a Services Agreement entered between AMP and Pharmacy Management Services pursuant to which the Company issued Pharmacy Management Strategies LLC a common stock purchase warrant to acquire 35,714 shares of common stock at $5.60 per share for a term of five years. Half of the shares of common stock issuable under this warrant vested immediately and the balance shall vest one year from the date of the agreement.

On January 15, 2010, the Company entered a Subscription Agreement with Han pursuant to which Han acquired 625 shares of Series A Stock in consideration of $25,000.

On January 13, 2010, the Company entered into a letter agreement with Maggie Moran, a director of the Company, The Company has agreed to pay Ms. Moran $40,000 per year and issue Ms. Moran an option to acquire 23,214 shares of common stock for five years with an exercise price of $5.60 per share. The options vest at 5,357 upon Ms. Moran executing her letter of appointment and 3,571 every six months thereafter.

From January 7, 2010 to March 4, 2010, the Company entered into subscription agreements with various accredited investors pursuant to which the investors purchased 72,308 shares of the Company's common stock for an aggregate purchase price of $340,275.

On February 2, 2010, the Company compensated John Carris Investments LLC, as placement agent ("JCI"), for assisting in the sale of common stock by issuing JCI a common stock purchase warrant to purchase 15,943 shares of the Company's common stock at an exercise price of $4.70588 per share.

On March 1, 2010, the Company issued a 6% promissory note in the principal amount of $100,000 (the "March 2010 Note") to an accredited investor (the "March 2010 Lender") in consideration of $100,000.In addition to the March 2010 Note, the March 2010 Lender also received a Common Stock Purchase Warrant to acquire 8,929 shares of common stock at an exercise price of $5.60 per share exercisable for a period of three years. The March 2010 Note bears interest at the rate of 6% per annum. The March 2010 Note matures on the earlier of the Company closing a financing or June 30, 2010. The full principal amount of the note is due upon a default.

From March 15, 2010 to May 6, 2010, the Company entered into subscription agreements with various accredited investors pursuant to which the investors purchased 101,786 shares of the Company's common stock for an aggregate purchase price of $570,000.

From March 15, 2010 to May 6, 2010, the Company compensated JCI for assisting in the sale of common stock with the issuance of a common stock purchase warrant to purchase 9,554 shares of the Company's common stock at an exercise price of $5.60 per share.

This issuance of these above securities is exempt from the registration requirements under Rule 4(2) of the Securities Act of 1933, as amended, and/or Rule 506 as promulgated under Regulation D.

Item 3. Defaults Upon Senior Securities

None.

Item 4. (Removed and Reserved)

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Description
3.1	Certificate of Designation for Series A Preferred Stock (1)
4.1	Form of Subscription Agreement by and between Title Starts Online, Inc. and the January 2010 Accredited Investors (2)
4.1	6% Promissory Note issued by Title Starts Online, Inc. on March 1, 2010 (3)
4.1	Form of Subscription Agreement by and between Title Starts Online, Inc. and the March 2010 Accredited Investors (4)
10.1	Share Exchange Agreement dated as of December 28, 2009 by and among Advanced Mechanical Products, Inc., the shareholders of Advanced Mechanical Products, Inc. and Title Starts Online, Inc. (1)
10.2	Agreement and Release between Title Starts Online, Inc. and Mark DeFoor dated December 29, 2009 (1)
10.3	Conversion Agreement between Title Starts Online, Inc. and Bowden Transportation, Inc. dated December 28, 2009 (1)
10.4	Conversion Agreement between Title Starts Online, Inc. and Han Solutions II, LLC dated December 28, 2009 (1)
10.5	Conversion Agreement between Title Starts Online, Inc. and Ziu Zhang dated December 28, 2009 (1)
16.1	Letter from Schumacher & Associates, Inc. (5)
21.1	List of Subsidiaries(1)
31.1	Certification of Chief Executive and Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive and Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(1) Incorporated by reference to the Form 8-K Current Report filed with the Securities and Exchange Commission on January 4, 2010.
(2) Incorporated by reference to the Form 8-K Current Report filed with the Securities and Exchange Commission on February 4, 2010.
(3) Incorporated by reference to the Form 8-K Current Report filed with the Securities and Exchange Commission on March 4, 2010.

(4) Incorporated by reference to the Form 8-K Current Report filed with the Securities and Exchange Commission on March 17, 2010.

(5) Incorporated by reference to the Form 8-K Current Report filed with the Securities and Exchange Commission on March 18, 2010.

SIGNATURES

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

	TITLE STARTS ONLINE, INC.	
Dated: May 20, 2010	By:	/s/ Stephen S. Burns Name: Stephen Burns Title: Chief Executive Officer, Chief Financial Officer, Treasurer, Secretary and Director