

AMERICAN DIVERSIFIED HOLDINGS CORPORATION

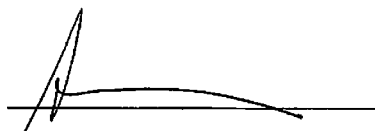
**COMPANY INFORMATION and DISCLOSURE STATEMENT**  
**PURSUANT TO RULE**  
**15C2-11 (a)(5)**

**January 31, 2009**

ALL INFORMATION FURNISHED HEREIN HAS BEEN PREPARED FROM THE BOOKS AND RECORDS OBTAINED FROM AMERICAN DIVERSIFIED HOLDINGS CORP. IN ACCORDANCE WITH RULE 15c2-11 (a)(5) PROMULGATED UNDER THE SECURITIES AND EXCHANGE ACT OF 1934, AS AMENDED, AND IS INTENDED ONLY AS INFORMATION TO BE USED BY SECURITIES BROKER DEALERS. NO DEALER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS NOT CONTAINED HEREIN IN CONNECTION WITH THE COMPANY. ANY REPRESENTATIONS NOT CONTAINED HEREIN MUST NOT BE RELIED UPON AS HAVING BEEN MADE OR AUTHORIZED BY THE COMPANY.

The undersigned hereby certifies that the information herein is true and correct to the best of my knowledge and belief:

January 31, 2009

A handwritten signature in black ink, appearing to read 'Ernest B. Remo', is written over a solid horizontal line. The signature is stylized with a large initial 'E' and a long, sweeping tail.

By: Ernest B. Remo  
Chairman, CEO  
AMERICAN DIVERSIFIED HOLDINGS CORP.

**INITIAL COMPANY INFORMATION and DISCLOSURE STATEMENT**

**Pro-Forma for Year Ending January 31, 2009**

**THIS STATEMENT HAS NOT BEEN FILED WITH THE NASD OR ANY OTHER  
REGULATORY AGENCY**

**All information contained in this Information and Disclosure Statement has been compiled to fulfill the disclosure requirements of the Pink Sheets. The captions contained herein correspond to the sequential format as set forth in the disclosure guidelines.**

**Part A: General Company Information**

**Item I**            **The Exact Name of the Issuer**

American diversified Holdings Corporation. (herein after referred to as "ADHC" or "The Company")  
Formerly=Cost Containment Technologies Corporation  
Formerly=Critical Care, Inc.

**Item II**            **The Address of the Issuer's PrincipleExecutiveOffices**

PO Box 2568  
Del Mar, CA 92014  
Phone: 858-259-4534  
Fax: 858-225-0767  
Additional Contact: [ernest@americandiversifiedholdings.com](mailto:ernest@americandiversifiedholdings.com)

[www.americandiversifiedholdings.com](http://www.americandiversifiedholdings.com)

The Company does not employ an investor relations firm and does not intend to in the future.

**Item III**            **The State and Date of Incorporation**

Nevada, USA, 3/21/01

**Item IV**      **The Name and Address of the Transfer Agent**

Action Stock Transfer.  
7069 Highland Drive  
Suite 300  
Salt Lake City, UT 84121

Phone: 801-274-1088  
Fax: 801-274-1099

***Action Stock Transfer Company is currently registered under the exchange Act and is an SEC approved Transfer Agent.***

**Item V**      **The nature of the issuer's business.**

(A) Business Development

1. The form of organization of the issuer;

The Company is formed as a Nevada Corporation

2. The year the issuer or predecessor was formed;

2001

3. The issuer's Fiscal Year End

July, 31

4. Whether the issuer has ever been in bankruptcy or receivership.

The issuer has never been in bankruptcy or receivership.

5. Whether the issuer has made a material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business.

The Company was originally formed as Lasik America, which owned and operated a lasik clinic in Albuquerque NM. The clinic was closed and its liabilities discharged, and was renamed Critical Care, Inc. whose purpose was to seek opportunities in the health care arena. The Company entertained a number of opportunities in that field until it was decided that the structure of the Company lent itself better as a financial holding company which would not limit its activities to any particular industry. The Company was renamed American Diversified Holding Corporation in November, 2007 and is currently engaged in merger processes with a number of companies in the internet communications and media fields which the Company believes it has a high degree of success in completing.

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6. Has the Company had any default of any terms of any note, loan, lease, or other indebtedness or financing arrangement requiring the issuer to make payments:

No..

7. Has the issuer had a change of control;

No.

8. Has there been an increase of 10% or more of the same class of equity securities?

No.

9. Describe any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization;

The Company had a share reverse split resulting in a reduction of the outstanding common shares from 86,527,732 to 21,632 and the approval of 1,000,000 shares of preferred shares, par value \$0.001 on October 3, 2007.

10. Whether the Issuer has been de-listed by any securities exchange or NASDAQ.

The Company filed a Form 15 with the Securities and Exchange Commission (SEC), thereby deregistering its shares from the SEC and delisting from the NASDAQ Small Cap Market; has since traded on the Pink Sheets.

11. Are there any current, past, pending or threatened legal proceedings or administrative actions either by or against the issuer that could have a material effect on the issuer's business, financial condition, or operations. State the names of the principal parties, the nature and current status of the matters, and the amounts involved:

No, None Exists

**Part B: Business of the Issuer**

1. The issuer's primary and secondary SIC Codes

The Issuer's Primary SIC Codes is 7389

2. If the issuer has never conducted operations, is in the development stage, or is currently conducting operations;

The issuer is currently conducting operations as described within.

3. If the issuer is considered a "shell company" pursuant to Securities Act Rule 405;

The Issuer is not a shell company.

4. The names of any parent, subsidiary, or affiliate of the issuer, and its business purpose, its method of operation, its ownership, and whether it is included in the financial statements attached to this disclosure statement;

None

5. The effect of existing or probable governmental regulations on the business;

None

6. An estimate of the amount spent during each of the last two fiscal years on research and development activities, and, if applicable, the extent to which the cost of such activities are borne directly by customers;

None has been spent.

7. Costs and effects of compliance with environmental laws (federal, state and local);

None is anticipated.

8. The number of total employees and number of full-time employees.

There are currently 1 total full time employees, Officers and Directors

**Item VI**      **The Nature of Products or Services offered.**

A. Principal Products and Services and their Markets

The Company intends to acquire companies and act as a financial and compliance advisor as well as provide additional expertise for the expansion of these activities and the financing therein..

**B. Distribution Methods of the Products or Services**

Through affiliates to be acquired

**C. Status of Publicly announced new product or service**

Not Applicable

**D. Competitive Business Conditions**

There are many competitors in each industry addressed by the Company's proposed activities. The Company feels, however, because of the experience of its principal officer that it is well placed competitively to succeed in these ventures.

**E. Sources and Availability of Raw Materials and the Names of Principal Suppliers**

Not Applicable

**F. Dependence on One or a Few Major Customers**

Not applicable.

**G. Patents, Trademarks, Licenses, Franchises, Concessions, Royalty Agreements, or Labor Contracts**

Not Applicable.

**H. The Need for Government Approval of Principal Products and Services and the Status of any Requested Government Approvals.**

No government approval is required to provide services.

**Item VII      The Extent and Nature of the Issuer's Facilities**

**Item VII      The nature and extent of the issuer's facilities.**

**The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.**

**Part B      Share Structure and Issuance History**

**Item VIII      The exact title and class of securities outstanding.**

There are **101,479,786** common shares outstanding, par value \$0.0001.,

There are **100,000** Series A Preferred Shares outstanding.

AMERICAN DIVERSIFIED HOLDINGS CORPORATION

The fully diluted Common Shares outstanding at the time of this filing is **101,479,786**

The CUSIP Number is **02541R102**

The Trading Symbol is "**ADHC**".

**Item IX Description of the Securities**

A. Par or Stated Value. Provide the par or stated value for each class of outstanding securities.

The Par Value is \$0.0001 for the Common Stock

The Par Value is \$0.001 for the Series A Preferred Stock.

B. Common or Preferred Stock

1. For common equity, describe any dividend, voting and preemption rights.

None Exists

2. For preferred stock, describe the dividend, voting, conversion and liquidation rights as well as redemption or sinking fund provisions.

On October 3, 2007 the Board of Directors unanimously approved an amendment to the Company's Articles of Incorporation creating a Series A class of Preferred Shares. 1,000,000 Series A Shares were approved and issued. Their Certificate of Designation was filed with the office of the Secretary of State of Nevada. The Shares issued in their entirety as a class provide voting control of all common shares to the collective recipients. The recipients and their individual issuances are as follows:

Ernest B. Remo, CEO, Chairman 200,000 Shares

3. Describe any other material rights of common or preferred stockholders.

No other rights exist.

4. Describe any provision in issuer's charter or by-laws that would delay, defer or prevent a change in control of the issuer.

None Exists

**Item X The number of shares or total amount of the securities outstanding for each class of securities authorized.**

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In answering this item, provide the information below for each class of securities authorized. Please provide this information (i) as of the end of the issuer's most recent fiscal quarter and (ii) as of the end of the issuer's last two fiscal years.

Common Shares

(i)	Period end date	101,479,786
	FYE 2007	55,927,732
	FYE 2006	16,533,674
(ii)	Number of shares authorized	1,000,000,000
(iii)	Number of Common Shares outstanding;	101,479,786
(iv)	Freely tradable shares (public float);	9,380
(v)	Total number of beneficial shareholders;	3
(vi)	Total number of shareholders of record;	95

Preferred Series A Shares

(i)	Period end date	100,000
	FYE 2006	- 0 -
	FYE 2005	- 0 -
(ii)	Number of Series A Preferred shares authorized;	100,000
(iii)	Number of Series A Preferred Shares outstanding;	100,000
(iv)	Freely tradable Series A Preferred shares (public float);	N/A
(v)	Total number of beneficial Series A Preferred shareholders;	1
(vi)	Total number of Series A Preferred shareholders of record;	1

**Item XI List of securities offerings and shares issued for services in the past two years.**

**None**

**Part C Management and Control Structure**

**Item XII The name of the chief executive officer, members of the board directors, as well as control persons.**

Ernest B. Remo, Chairman/CEO  
PO Box 2568  
Del Mar, CA 92014  
858-259-4534

Employment history (which must list all previous employers for the past 5 years, positions held, responsibilities and employment dates);

Ernest B. Remo, Chairman CEO  
American Diversified Holdings Corporation and predecessor companies

Officer and Director's Compensation;

**All to Date in restricted common stock**

1. Ernest B. Remo – Restricted Common Shares	20,011,858
Preferred Series A Shares	100,000

B. Legal/ Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None has

The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None has

A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None has

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The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.

None has

C. Disclosure of Certain Relationships. Describe any relationships existing among and between the issuer's officers, directors and shareholders.

None Exists

D. Disclosure of Conflicts of Interest. Describe any related party transactions or conflicts of interests. Provide a description of the circumstances, parties involved and mitigating factors for any related party transactions or executive officer or director with competing professional or personal interests.

None exists currently.

**Item XIII Beneficial Owners.**

Provide a list of the name, address and shareholdings of all persons beneficially owning more than five percent (5%) of any class of the issuer's equity securities.

George Casimir 36 Oakwood Drive Chapel Hill, NC 27517	8,272,000	Restricted Common Shares
Robert Jordan 1105 Penny Packer Lane Bowie, MD 20716	23,328,000	Restricted Common Shares
Ernest Remo PO Box 2568 Del Mar, CA 92014	20,011,858	Restricted Common Shares
Thomas View 44 Bryant St. NW Washington, DC 20001	36,096,000	Restricted Common Shares
William Woodson 110 Grant St., Apt. 9A Minneapolis, MN 55403	6,304,000	Restricted Common Shares

**Item XIV The name, address, telephone number, and email address of each of the following outside providers that advise the issuer on matters relating to the operations, business development and disclosure:**

1. Investment Banker – None has been retained
2. Promoters – None has been retained
3. Counsel -

AMERICAN DIVERSIFIED HOLDINGS CORPORATION

Cohen & Czarnik, LLP  
140 Broadway  
36th Floor  
New York, NY 10005

4. Accountant or Auditor -

Dave Evans Associates  
422 N. Highway 101  
Encinitas, CA 92024

No auditor has been retained for US operations or the Company as of this date, however the Company expects to retain a US auditor by calendar year end 2008

5. Public Relations Consultant(s) – None Exists

6. Investor Relations Consultant – None Exists

7. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement - the information shall include the telephone number and email address of each advisor. –

**This document was prepared by management.**

**Part D Financial Information**

**AMERICAN DIVERSIFIED HOLDINGS CORPORATION**  
**BALANCE SHEETS**  
**SIX MONTHS ENDING JANUARY 31, 2009**

**Current Assets**

Cash	\$ 4,936
<u>Prepaid Expenses</u>	<u>\$ 45,000</u>
<b>Total Current Assets</b>	<b>\$ 49,936</b>
Equipment, net of Depreciation	\$ 6,500
<u>Intangible Assets</u>	<u>\$ 1,800</u>
<b>Total Assets</b>	<b>\$ 58,236</b>

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**CURRENT LIABILITIES**

Accrude Expenses	\$ 330,000
Liabilites from Discontinued Operations	\$ 125,000
<u>Legal Judgement Payable</u>	<u>\$ 212,000</u>

**TOTAL CURRENT LIABILITIES** **\$ 667,000**

Loan payable to Officer	\$ 224,992
Note payable to Officer	\$ 536,055

**TOTAL LIABILITIES** **\$ 1,428,047**

SHAREHOLDERS DEFICIENCY

Preferred Stock, \$.001 par value, 200,000 shares authorized; 100,000 issued and outstanding	\$ 200
Common Stock, \$.0001 par value, 1,000,000,000 shares authorized; 102,000,000 issued and outstanding	\$ 100,000
Paid In Capital	\$ 15,359,522
<b>Accumulated Deficit</b>	<b>\$ (17,496,533)</b>
<b>Shareholders Deficiency</b>	<b>\$ (2,036,811)</b>

**Total Liabilities and Shareholders Deficit** **\$ 58,236**

See accompanying notes to consolidated financial statements

**AMERICAN DIVERSIFIED HOLDINGS CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**FOR THE SIX MONTHS ENDING JANUARY 31, 2009**

REVENUE	\$	0
EXPENSES		
Travel		10,189
Accounting Fees		180
Legal Fees		3,000
General & Admin.		9,055
TOTAL EXPENSES		22,424
LOSS FROM CONTINUING OPERATIONS		(22,424)
OTHER INCOME (EXPENSES)		
Income from Financing Activities		50,000
NET PROFIT	\$	27,576
Basic and diluted net loss per share	\$	(.00)
Average shares used to compute loss		102,000,000

See accompanying notes to consolidated financial statements

**AMERICAN DIVERSIFIED HOLDINGS CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF JULY 31, 2008 AND 2007**

**SIGNIFICANT ACCOUNTING POLICIES**

Organization and Business

Lasik America, Inc. (the "Company") was incorporated in the State of Nevada on March 21, 2001. The Company operates an ophthalmic laser vision correction center in Albuquerque, New Mexico. On August 5, 2004, Lasik America, Inc. consummated its merger with Salus Holding, Inc. On October 26, 2004, the company changed its name to Critical Care, Inc. On May 11, 2006, the Company sold all of its property and equipment to facilitate the Company's migration out of the lasik business into a dialysis services company.

Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company had a net profit of \$27,576 for the 12 Months ending January 31, 2009 which raises substantial doubts about its ability to continue as a going concern. The financial statements do not include adjustments that might result from the outcome of this uncertainty.

Management believes that actions are presently being taken to revise the Company's operating and financial requirements in order to improve the Company's financial position and operating results. The Company is seeking additional equity or debt financing, but there can be no assurance that sufficient additional financing will be available.

Financial Instruments

Statement of Financial Accounting Standards No. 107 "Disclosure about Fair Value of Financial Instruments" requires disclosures of information about the fair value of certain financial instruments for which it is practicable to estimate the value. For purposes of this disclosure, the fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced sale or liquidation.

The carrying amounts reported in the balance sheet for cash, cash overdraft, accounts receivable, accounts payable, accrued liabilities, taxes payable and patient deposits approximate fair value due to the immediate short-term maturity of these financial instruments.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF JULY 31, 2008 AND 2007**

The fair value of the Company's long-term debt approximates the carrying amount based on the current rates offered to the Company for debt of the same remaining maturities with similar collateral requirements.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is calculated on a straight-line basis over the estimated useful lives of the depreciable assets which range from three to five years. As of January 31, 2009 the Company has no existing property and equipment.

Earnings (Loss) Per Share

In 1997, the FASB issued SFAS No. 128, "Earnings Per Share", which specifies the computation, presentation and disclosure requirements for earnings per share for entities with publicly held common stock. SFAS No. 128 supercedes the provisions of APB No. 15, and requires the presentation of basic earnings per share and diluted earnings per share. The Company has adopted the provisions of SFAS No. 128 effective March 21, 2001.

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

Stock-Based Compensation

The Company has adopted Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" ("SFAS No. 123"), which establishes a fair value method of accounting for stock-based compensation.

The provisions of SFAS No. 123 allow companies to either expense the estimated fair value of stock options or to continue to follow the intrinsic value method set forth in Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees", but to disclose the pro forma effect on net loss and net loss per share had the fair value of the stock options been exercised. The Company has elected to continue to account for stock-based compensation plans utilizing the intrinsic value method. Accordingly, compensation cost for stock options is measured as the excess, if any, of the fair market price of the Company's common stock at the date of the grant above the amount an employee must pay to acquire the common stock.

In accordance with SFAS No. 123, with respect to stock-based employee compensation, the value of the stock-based award is determined using the Black-Scholes option pricing model, whereby compensation cost is the fair value of the award as determined by the pricing model at the grant date or other measurement date. The resulting amount is charged to expense on the straight-line method.

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In December 2004, the FASB issued FASB Statement No. 123 (revised 2004), “Share-Based Payment” (“FAS 123(R)”). FAS 123(R) replaces FASB Statement No. 123, “Accounting for Stock-Based Compensation”, and supersedes APB Opinion No. 25, “Accounting for Stock Issued to Employees”. FAS 123(R) requires that the compensation cost relating to share-based payment transactions be recognized in the financial statements. That cost will be measured based on the fair value of the equity or liability instruments issued. The provisions of this Statement are effective for the first interim or annual reporting period that begins after December 15, 2005. The Company has evaluated the impact of FAS 123(R) and has determined that the adoption of FAS 123(R) does not have a material impact on its financial statement presentation or disclosure of the Company.

To date no options to employees or non-employees have resulted in compensation.

Recent Accounting Pronouncements

The Financial Accounting Standards Board has recently issued several Statements of Financial Accounting Standards.

In May 2005, the FASB issued SFAS 154 that establishes new standards on accounting for changes in accounting principles. Pursuant to the new rules, all such changes must be accounted for by retrospective application to the financial statements of prior periods unless it is impracticable to do so. SFAS No. 154 completely replaces Accounting Principles Bulletin (APB) Opinion 20 and SFAS 3, though it carries forward the guidance in those pronouncements with respect to accounting for changes in estimates, changes in the reporting entity, and the correction of errors made in fiscal years beginning after December 15, 2005.

The Company does not expect that the adoption of this pronouncement will have a material effect on the Company’s financial position or results of operations.

**NOTE 2**      **PROPERTY AND EQUIPMENT**

Property and equipment consist of the following as of July 31, 2006 and 2007

	<u>2007</u>	<u>2008</u>
Medical equipment	\$ -	\$ -
Assets obtained through capital lease obligation	-	-
Leasehold improvements	-	-
Office equipment, furniture and fixtures	-	-
	<hr/>	<hr/>
Less accumulated depreciation	-	-
	<hr/>	<hr/>
Net property and equipment	\$ -	\$ -

**AMERICAN DIVERSIFIED HOLDINGS CORPORATION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF JULY 31, 2008 AND 2007**

Depreciation expense for the years ended July 31, 2006 and 2007, were \$53,003 and \$0, respectively. As of May 11, 2006, all the assets have been sold as part of the discontinued operation. The property and equipment was sold for \$159,500 resulting a gain of \$15,442.

**NOTE 3**            **LONG-TERM DEBT**

Long-term debt consists of the following as of January 31, 2009:

Loan payable to officer	224,992
Note payable to officer	536,055

**NOTE 4**            **COMMITMENTS AND CONTINGENCIES**

Delinquent Payroll and Gross Receipts Taxes

The Company was delinquent on employment taxes payable to the Internal Revenue Service and on gross receipts taxes payable to the State of New Mexico. On April 26, 2006, the Company discontinued operations of the lasik clinic and on May 11, 2006 the property and equipment were sold for \$119,500. These proceeds were paid directly to the State of New Mexico. As of July 31, 2007 there were no unpaid liabilities on these taxes.

Litigation

On March 31, 2003, a former employee of the Company filed a complaint that she was fired as an employee in spite of an employment contract that she had with the Company. The Company has responded to the complaint stating that she violated her contract through non-performance and dishonesty.

On February 9, 2005, the complaint was settled in favor of the employee. The Company was obligated to pay \$1,000 per month beginning March 1, 2005 for the sum of \$13,500, and to issue \$10,000 worth of restricted stock (100,000 shares) at 10 cents based on a share value date February 20, 2005. On July 28, 2006 the Company issued the 60,000 shares of stock in full settlement of the liability.

On June 23, 2006, the Company made a claim settlement agreement in favor of the former CEO to transfer to the Company all of its right, title and interest in its ownership of 950,000 shares of Lasik common stock in return for 3,000,000 shares of Critical Care common stock. The shares were valued at the fair market value of \$0.17 per share. In addition, the Company executed a promissory note in favor of the former CEO in the amount of \$140,000 in satisfaction of repayment of loans, interest earned and attorneys' fees incurred to date. This liability is currently in litigation in which the Company believes that because of certain factors which have come to light regarding the circumstances leading up to this settlement, there will be no liability to the Company.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF JULY 31, 2008 AND 2007**

**NOTE 5**      **BUSINESS COMBINATIONS**

“On August 5, 2004, the Company consummated its merger with Salus Holding, Inc. ("Salus"). Pursuant to the merger agreement, the shareholders of Salus have been issued 2,000,000 shares of common stock of the Company. The sole shareholder of Salus, Homeland Security Technology, Inc., was issued 2,000,000 shares of Critical's Common Stock that approximated 43.7 percent of the outstanding shares of Critical calculated on a fully diluted basis at the date of issuance.

Salus was the sole shareholder in Icon Salus S.r.l., a company formed under the laws of Italy ("Icon Salus"). Salus was constructing a dialysis facility in Amaseno, Italy. Following the Company's acquisition of Salus, the Company experienced difficulties in the development of the Amaseno Clinic and was unable to obtain the requisite permits and licenses from the Italian government, provincial and local. Thus on October 31, 2004, the Company abandoned the development of the Amaseno Clinic and recorded \$360,000 loss on this investment.

On October 28, 2004, the Company entered into an agreement to purchase certain rights to acquire a group of five dialysis clinics from Icon Veneto srl ("Icon Veneto"), an Italian company, pursuant to a rights purchase agreement. The rights purchased consist of a binding letter of intent assigned to the Company pursuant to the agreement. Pursuant to the rights purchase agreement the Company issued to Icon Veneto 100,000 shares of preferred stock of the Company. The preferred stock was convertible into 10,000,000 shares of common stock of the Company. The five dialysis clinics which are the subject of the rights purchase agreement had established revenues of over Euro 4,000,000 (US\$5,250,000). On February 1, 2005, the Company and Icon Veneto entered into a settlement agreement whereby the rights purchase agreement was terminated ab initio, as if it never existed, as a result of a dispute between Icon Veneto and the Company with respect to representations of Icon Veneto with respect to the rights. Consequently, the Company Preferred Stock issued to Icon Veneto was cancelled.”

**NOTE 6**      **SHAREHOLDERS' EQUITY**

On October 10, 2005, the Company issued 2,000,000 shares of common stock to the Chief Executive Officer of the Company having a fair value of \$160,000, in payment for director fees for services provided to the Company.

On January 25, 2006, the board authorized the increase of the Company's authorized common stock from 25,000,000 shares to 100,000,000 shares.

On March 23, 2006, the Company issued 450,000 shares of common stock to Directors of the Company having a fair value of \$108,000, in payment for being board members of the Company.

On March 23, 2006, the Company issued 350,000 shares of common stock having a fair value

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF JULY 31, 2008 AND 2007**

of \$84,000, in payment for legal services provided to the Company.

On March 23, 2006, the Company issued 50,000 shares of common stock having a fair value of \$12,000, in payment for consulting services provided to the Company.

On March 23, 2006, the Company issued 6,600,000 shares of common stock in conversion to the unpaid Directors' fee from the period starting November 1, 2004 to January 31, 2006 representing fifteen (15) months of continuous service to the Company.

On April 7, 2006, the Company issued 7,271,263 shares of common stock to the Chief Executive Officer of the Company in conversion to a note originally valued at \$363,563.

On July 28, 2006, the Company issued 60,000 shares of common stock to a former employee in full settlement of the claim.

On July 31, 2006, the Company authorized to issue 1,000,000 shares of common stock to a consultant of the Company having a fair value of \$170,000 for consulting services provided for the Company. The value of this transaction is included within stock payable.

On July 31, 2006, the Company authorized to issue 100,000 shares of common stock to a consultant of the Company having a fair value of \$17,000 for investment banking services provided for the Company. The value of this transaction is included within stock payable.

On July 31, 2006, the Company authorized to issue 100,000 shares of common stock having a fair value of \$17,000 in payment for legal services provided for the Company. The value of this transaction is included within stock payable.

On July 31, 2006, the Company authorized to issue 100,000 shares of common stock having a fair value of \$17,000 in payment for director's services provided for the Company. The value of this transaction is included within stock payable.

**NOTE 7      INCOME TAXES**

Deferred income taxes reflect the net tax effects of the temporary differences between the carrying amounts of assets and liabilities for financial reporting and the amounts used for income tax purposes. The tax effect of temporary differences consisted of the following as of July 31, 2006 and 2005.

	<u>2006</u>	<u>2007</u>
Deferred tax assets:		
Net operating loss carryforwards	\$ 2,155,300	\$ 2,600,300
Gross deferred tax assets	2,155,300	2,600,300
Less valuation allowance	<u>(2,155,300)</u>	<u>(2,600,300)</u>
Deferred tax assets	\$ <u>          -</u>	\$ <u>          -</u>

Realization of deferred tax assets is dependent upon sufficient future taxable income during the period that deductible temporary differences and carryforwards are expected to be available to reduce taxable income. As the achievement of required future taxable

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income is uncertain, the Company recorded a valuation allowance. Additionally, net operating loss carryforwards may be limited because of changes in ownership.

As of July 31, 2006 and 2007, the Company has net operating loss carryforwards for both federal and state income tax purposes of approximately \$5,505,000 and \$5,950,000, respectively. Federal net operating loss carryforwards begin to expire in 2024; state net operating loss carryforwards begin to expire in 2006.

A reconciliation of the effective tax rates with the federal statutory rate is as follows for the period ended July 31, 2006 and 2007:

	2006	2007
Beginning deferred	\$ -	\$ -
Federal income tax benefit at 35% statutory rate	(806,900)	(962,650)
State income taxes at 4.8% statutory rate	(110,600)	(131,960)
Change in valuation allowance	917,500	
		1,094,610
Deferred tax assets	\$ -	\$ -

**NOTE 9      TROUBLED DEBT RESTRUCTURING**

The Company had a loan secured by the excimer laser equipment. This laser was included in the sale of assets on May 11, 2006. The loan had an original face value of \$200,000. The interest rate of the loan was 8% per annum and the maturity date was on February 1, 2007. The loan was rewritten to become unsecured. The equipment was sold for \$40,000 and the proceeds were applied to the loan balance. The principal balance of the loan as of July 31, 2006 was \$160,000. This restructuring facilitated the migration out of the lasik business and into a medical services company

The Company recorded the amount of \$510,000 troubled debt restructuring expenses for the issuance of the 3,000,000 shares of the Company's common stock to a former officer pursuant to the settlement agreement made on June 23, 2006. The shares were valued at the fair market value of \$0.17 per share. The value of this transaction is included within stock payable. See Notes 4 and 5.

**NOTE 10      RELATED PARTY TRANSACTIONS**

On December 31, 2005, the Company issued a Note Payable to the Chief Executive Officer for \$363,563 plus 5% interest in exchange for expenses of the Company that were paid by the officer. The note was converted into common stock on April 7, 2006.

During the fiscal year ended July 31, 2006, the Chief Executive Officer loaned the Company \$43,805 in the form of payments made on behalf of the Company. Unpaid interest of the loan as of July 31, 2006 was \$799 which was included in the current liabilities of discontinued operation.

**NOTE 11      STOCK WARRANTS**

During the period ended July 31, 2002, the Company issued 125,000 warrants to an existing

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shareholder. The warrants granted the shareholder the right to purchase, for \$7.20, an additional share of common stock for each common share currently owned by the shareholder and expired on July 31, 2006. The value of warrants at the time of issuance was nominal since there was no active market for either the stock or the warrants. As of July 31, 2006, all of the warrants remained outstanding.

**NOTE 12     MATERIAL EVENTS**

On September 11, 2006, the Company issued 850,000 shares of common stock having a fair value of \$51,000 in payment for services pursuant to S-8 filing.

On September 12, 2006, the Company issued 150,000 shares of common stock having a fair value of \$9,000 in payment for services pursuant to S-8 filing.

On September 12, 2006, the Company issued 1,800,000 shares of common stock to the CEO of the company having a value of \$108,000 in payment for director fees.

On September 18, 2006, the Company issued 1,000,000 shares of common stock for the purchase of Body Mass Solutions, Inc. valued at \$65,000.

On September 18, 2006, the Company issued 2,000,000 shares of common stock to a consultant of the Company having a fair market value of \$130,000 for investment banking services provided for the Company.

On September 28, 2006, the Company issued 3,000,000 shares of common stock having a fair value of \$510,000 in favor of the former CEO pursuant to the claim settlement agreement.

On September 28, 2006, the Company issued 666,667 shares of common stock to a creditor of the Company having a fair market value of \$133,016 in payment of financing fees pursuant to the executed promissory note.

On December 1, 2006 The Company issued a 2 year convertible note to Brad van Siclen in the amount of \$1,000,000.00 with an annual coupon of 10%. This Note is convertible into 4,000,000 shares of the Company's common stock.

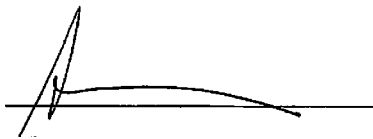
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**AMERICAN DIVERSIFIED HOLDINGS CORP.**

PO Box 2568  
Del Mar, CA 92014

1. I **ERNEST B. REMO**, certify that I:
  - 1.1 have reviewed this initial annual disclosure statement of American Diversified Holdings Corp; and
  - 1.2 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, and is not misleading with respect to the period covered by this disclosure statement; and further
  - 1.3 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: January 31, 2009



By: Ernest B. Remo  
Chairman, CEO  
AMERICAN DIVERSIFIED HOLDINGS CORP.