

GENESISINTERMEDIA COM INC

Form 10-K/A

April 30, 2001

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-K/A

Amendment No. 1

**FOR ANNUAL AND TRANSITION REPORTS PURSUANT TO SECTIONS 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

**[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the fiscal year ended: DECEMBER 31, 2000

or

**[] 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 01-15029

GENESISINTERMEDIA, INC.

(Exact Name of Registration as Specified in Charter)

Delaware

(State or other jurisdiction of incorporation or
organization)

95-4710370

(IRS Employer Identification No.)

5805 Sepulveda Boulevard, 8th Floor

Van Nuys, CA 91411

(818) 902-4300

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: Common Stock, \$.001 Par Value

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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [____]

The aggregate market value of the voting and non-voting stock held by non-affiliates of the registrant at April 12, 2001 was \$31,908,524. The number of shares outstanding of the registrant's Common Stock as of April 12, 2001 was 21,222,767.

EXPLANATORY NOTE

This Amendment No. 1 on Form 10-K/A is being filed with respect to the Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2000 filed with the Securities and Exchange Commission on April 16, 2001 (the *Form 10-K*). Part III, Item 10 Directors and Executive Officers of the Registrant, Item 11 Executive Compensation, Item 12 Security Ownership of Certain Beneficial Owners and Management, and Item 13 Certain Relationships and Related Transactions of the Form 10-K are hereby amended and restated in their entirety to include the required disclosures.

Except as provided in the next paragraph, the Form 10-K as amended hereby continues to speak as of the date of the Form 10-K and the disclosures have not been updated to speak to any later date. Any items in the Form 10-K that are not expressly changed hereby shall be as set forth in the Form 10-K. All information contained in this Amendment No. 1 and the Form 10-K is subject to updating and supplementing as provided in the Genesis periodic reports filed with the SEC subsequent to the filing of the Form 10-K.

No exhibits are being filed with this Amendment No. 1 on Form 10-K/A.

PART III

Item 10. Directors and Executive Officers of the Registrant

The following table sets forth the name, age and position with Genesis of each officer and director of Genesis as of the date of this Report.

The current directors, executive officers and key employees of Genesis are as follows:

Name	Age	
-----	-----	-----
Ramy El-Batrawi.....	39	Chairman of the Board and Chief Executive
Douglas E. Jacobson.....	54	Director, Chief Financial Officer and Sec
Craig T. Dinkel.....	42	Chief Operating Officer
George W. Heyworth.....	51	Director
Michael Roy Fugler.....	52	Director
Stephen A. Weber.....	53	Director

Ramy El-Batrawi

Mr. El-Batrawi is the principal stockholder and chief executive officer of Genesis. He has been a director and chairman of the board of Genesis since its inception in October 1993. Mr. El-Batrawi's prior experience has included international business marketing where he facilitated and negotiated significant transactions between global industrial companies and world governments. Firms with which he has been involved include Lockheed Corporation, Carnival Cruise Lines Inc., Lonrho, Inc., McDonalds Corporation and Eastern Airlines.

Mr. Jacobson has been the chief financial officer, secretary and a director of Genesis since October 1998. Mr. Jacobson has been a certified public accountant for over 25 years and is a graduate of the College of William and Mary in Virginia. His experience includes working for local public accounting firms and Coopers & Lybrand where he audited privately held and SEC-registered public corporations. He was responsible for supervising the financial audit staff of a major retail drug chain, Eckerd Drugs in Clearwater, Florida for three years. Subsequent to that position, he managed the internal audit functions for a highly diversified, closely held family conglomerate, Lykes Bros. Inc., for four years. In that position he was responsible for nationwide audits and reporting directly to the Chairman. From 1983 to 1997, as a sole practitioner certified public accountant, he performed accounting, audit and tax services for key family members and other clients, including Genesis. As our chief financial officer, Mr. Jacobson's responsibilities include overseeing and preparing the financial analysis of our financial growth and reporting.

Craig T. Dinkel

Mr. Dinkel joined Genesis as chief operating officer in October 1998. Prior to joining Genesis, Mr. Dinkel served as chief operating officer of Trade Your Way To Riches, Inc., a company owned by Mr. El-Batrawi. Mr. Dinkel's responsibility is to manage and oversee the day-to-day operations of Genesis, including the management of our core group of inbound and outbound telemarketers. His principal responsibilities include effectuating our marketing plans, business development, customer service and fulfillment, and management of information systems. From April 1996 to April 1997, he was the manager of special projects reporting directly to Michael Levy, president and chief executive officer of Positive Response Television, Inc., a subsidiary of National Media Corporation. He managed that company's profit center and was responsible for the delivery of customized, call center services to inbound and outbound clients. Prior to April 1996, Mr. Dinkel acted as a licensed futures trader. He received his undergraduate degree from California State University Northridge and his MBA from the Peter F. Drucker School of Executive Graduate Management in Claremont, California.

George W. Heyworth

Mr. Heyworth was elected a director of Genesis in January 1999. From March 1998 to February 1999, Mr. Heyworth was the vice-president of Intersolv/MicroFocus Inc., a software change management firm. He is directly responsible for formulating business strategy, partnerships, acquisitions and product direction for Intersolv/MicroFocus, Inc. Prior to joining Intersolv, Mr. Heyworth was chief technology officer and vice president of engineering at Cadis, Inc., where he was a key member of the senior management team. Prior to joining Cadis, Inc. in March 1997, Mr. Heyworth held several technical management positions at Perot Systems Corporation, which he joined in April 1994. These positions included director of software development and director of global technical training. Mr. Heyworth also served as chief software engineer for NASA's Space Station Trainer from January to December 1993. Prior to this project, Mr. Heyworth worked as program manager of NASA's Computer Services Programs. Mr. Heyworth received his Masters of Science degree from the University of Oregon and is a graduate of the United States Military Academy, where he received a Bachelor of Science degree in Civil Engineering.

Michael R. Fugler

Mr. Fugler was appointed a director of Genesis in December 1999. Mr. Fugler is Managing Director of Corporate Finance for I-Bankers Securities, Inc., the lead underwriter for our 1999 initial public offering. After receiving his Juris Doctorate from Louisiana State University in 1972, Mr. Fugler embarked on a legal career that began with litigation and later focused on international law, corporate law and finance. He became a leader and active participant in the International Bar Association, The American Bar Association, and The American Association of Trial Lawyers. In the past ten years he has gained expertise in international investment and merchant banking. Mr. Fugler currently holds Series 7, 24, and 63 securities licenses.

Stephen A. Weber

Mr. Weber has a background in accounting, finance and marketing. Since 1996, Mr. Weber has been an active consultant in a number of companies, including Genesis. From 1989 to 1996, he was the President of Positive Response Television, Inc., a direct marketing and media company that he co-founded in 1989, built and eventually took public. Under Mr. Weber's direction, within six years, Positive Response had 80 employees and had achieved annual sales of over \$30 million. Prior to the founding of Positive Response, Mr. Weber was a practicing Certified Public Accountant, with over 13 years of experience in public accounting. From 1981 to 1989, Mr. Weber was a senior partner in a regional accounting firm. He supervised certified audits of many companies in diversified fields. Prior to 1981, Mr. Weber worked for local and national accounting firms, performing and supervising audit and client engagements. Mr. Weber graduated from the University of Southern California in 1970.

None of our directors, executive officers or key employees is related to any other of our directors, executive officers or key employees.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires Genesis' officers and directors and persons who beneficially own more than 10% of our common stock to file reports of ownership and changes in ownership with the SEC and Nasdaq. Reporting persons are required by SEC regulations to furnish Genesis with copies of all Section 16(a) forms they file. Based solely on a review of the copies of those forms received or written representations from persons subject to the reporting requirements of Section 16(a), we believe that, with respect to the fiscal year ended December 31, 2000, all reporting persons complied with all applicable filing requirements of Section 16(a), except for: Michael R. Fugler who filed a Form 3 late upon being appointed a director and Craig T. Dinkel who filed one Form 4 late that involved one transaction.

Item 11. Executive Compensation

The following table sets forth the annual compensation paid to executive officers of Genesis for the fiscal years ended December 31, 2000, 1999 and 1998, the compensation of the chief executive officer and the only two other executive officers whose compensation exceeded \$100,000 during 2000, 1999 or 1998. No other executive officer received salary and bonus compensation in excess of \$100,000 in the three most recent completed fiscal years.

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Name and Principal Position	Annual Compensation				Restricted Stock Awards (\$) (*)
	Year	Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	
Ramy El-Batrawi Chairman, President and Chief Executive Officer	2000	263,824		22,761 (2)	
	1999	250,000	2,000,000 (1)	22,654 (2)	--
	1998	62,500	955,000 (1)	--	--
Douglas E. Jacobson Chief Financial Officer and Secretary	2000	119,768	30,000	13,178 (3)	
	1999	120,023	--	12,874 (3)	--
	1998	13,615	--	--	--

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Craig T. Dinkel	2000	140,977		100 (4)	
Chief Operating Officer	1999	175,102	--	--	--
	1998	18,050	--	--	--

* Amounts in this column have been adjusted to give effect to a 3-for-1 stock split effected as a stock dividend on March 21, 2001, as if the stock split was effective prior to the issuance of the securities.

(1) Mr. El-Batrawi received distributions of undistributed S corporation earnings of \$2,000,000 and \$955,000 in 1999 and 1998, respectively.

(2) Represents depreciation expense on a company automobile used by Mr. El-Batrawi, plus \$107.00 related to life insurance premiums.

(3) Represents lease payments made for Mr. Jacobson's automobile, plus \$304.00 related to life insurance premiums.

(4) Represents amounts related to life insurance premiums.

Aggregated Option Exercises in Last Fiscal Year and Fiscal Year-End Option Values.

The following table sets forth information regarding the number of securities underlying unexercised options at December 31, 2000.

Name	Number of securities underlying unexercised options at FY-end (#)		Value of unexercised in-the-money option FY-end (\$)
	Exercisable	Unexercisable	Exercisable
Ramy El-Batrawi	--	--	--
Douglas E. Jacobson	600,000	225,000	\$1,799,800
Craig T. Dinkel	432,000	150,000	\$1,316,856

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The following table sets forth the option grants to the named executives during 2000. Genesis did not grant any stock appreciation rights in 2000.

Name	Number of Securities Underlying Options Granted (1)	Total Options Granted to Employees In FY 2000	Exercise Or Base Price (\$/Share)
Douglas E. Jacobson.....	150,000	5.1 %	\$5.00
Craig T. Dinkel.....	75,000	2.5 %	\$5.00

(1) All granted options vest in three annual increments, 33.3% on each of the first through third anniversaries of the date of grant, August 23, 2000, and expire in seven years.

(2) Seven years from the date of vesting.

Item 12. Security Ownership of Certain Beneficial Owners and Management

Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares of common stock subject to options, warrants or other rights held by that person that are currently exercisable or become exercisable within 60 days following April 10, 2001 are deemed outstanding. Those shares, however, are not deemed outstanding for the purpose of computing the percentage ownership of any other person. Unless otherwise

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indicated in the table, the persons and entities named in the table have sole voting and sole investment power with respect to the shares set forth opposite the stockholder's name. The address for all of the executive officers and directors is 5805 Sepulveda Boulevard, 8th, Van Nuys, California 91411.

Name and Address	Numbers of Shares Beneficially Owned	Options Included In Total
-----	-----	-----
Ramy El-Batrawi.....	9,045,969	--
Douglas E. Jacobson.....	600,000	600,000
Craig T. Dinkel.....	432,000	432,000
George W. Heyworth.....	150,000	150,000
Michael R. Fugler.....	75,000	75,000
Stephen A. Weber.....	3,000	--
Ultimate Holdings, Ltd.....	9,514,269	--
All directors and executive officers as a group (six persons).....	19,820,238	1,257,000
* less than 1%		

Item 13. Certain Relationships and Related Transactions

None.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: April 30, 2001

GENESISINTERMEDIA INC

By: /s/ Ramy El-Batrawi

Ramy El-Batrawi
Chairman and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature -----	Title -----
/s/ Ramy El-Batrawi _____ Ramy El-Batrawi	Chief Executive Officer, Chairman
/s/ Douglas E. Jacobson _____ Douglas E. Jacobson	Chief Financial Officer, Director (Principal Financial and Accounting Officer) and Secretary
/s/ Stephen A. Weber _____ Stephen A. Weber	Director

SIGNATURES

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George W. Heyworth

Director

Michael Roy Fugler

Director